

**CITY COUNCIL**

7:00 P.M.

Monday, July 1, 2019

Present: Mayor Scott Johnson  
Dustin Goutermont  
Richard DeRosier  
Shane Hoff  
Carlene Perfetto

Lana Fralich, City Administrator  
Tim Costley, City Attorney  
Teri Cadeau, Lake County News Chronicle  
Doug Frericks, Chief of Police  
Sean Bergman, Silver Bay Police Officer  
Alex McGrath, Silver Bay Police Officer  
Cole Ernest, Silver Bay Police Officer  
Jack Dietz, Lake County Sheriff  
Josh Felleron, State Trooper  
Joe Rhein, City Engineer of Bolton and Menk  
Scott Kochendorfer  
Guy and Luann Kochendorfer  
Keith, Debbie, and Brittany Caughey

Mayor Johnson called the meeting to order at 7:02 p.m.

**Agenda** – Motion Goutermont, second Hoff to approve the agenda as presented. MOTION CARRIED.

**Consent Agenda** – Motion Hoff, second Perfetto to approve the minutes from the June 17, 2019 Regular Meeting. MOTION CARRIED.

**Swearing in of Scott Kochendorfer, Assistant Chief of Police** - Scott Kochendorfer has successfully completed the physicals, the psychological, and the background checks and has been hired to replace the Chief of Police upon his retirement. Kochendorfer was sworn in by Mayor Scott Johnson as the Assistant Chief of Police.

Chief Doug Frericks welcomed Scott and his family, and spoke of Scott's ability to continue to grow and move the Silver Bay Police department forward.

Mayor Johnson, Council Members, and City Staff welcomed Assistant Chief Kochendorfer.

Doug Frericks, Sean Bergman, Alex McGrath, Cole Ernest, Jack Dietz, Josh Felleron, Scott Kochendorfer, Guy and Luann Kochendorfer, Keith, Debbie, and Brittany Caughey exited the meeting.

## Petitions, Requests and Communications

**Volunteer Tree Planting** – The City is looking for volunteers on Tuesday, July 2nd at 9:00 – 11:00 a.m. and 1:00 – 3:00 p.m. to help plant a portion of the 200 trees the City is planning to plant this year. The City will be hosting another planting session in September.

### City Administrator

**Resolution 2019 - #31 – City Hall/Street Shop/Liquor Store Construction Contract with Kaski, Inc.** – The resolution is to enter into a contract with Kaski Inc. and execute the Notice to Proceed for the City Hall, the Public Works (Street Shop) project, and the Liquor Store improvement projects that were awarded on May 20, 2019. City Attorney Costley has reviewed the documents and has no recommended changes. Kaski plans to mobilize on July 15<sup>th</sup>, 2019 and start construction. Motion Perfetto, second Hoff to adopt Resolution 2019 - #31 City Hall-Street Shop-Liquor Store Construction Contract and execute the Notice to Proceed.

Mayor Johnson – Aye  
Member Perfetto – Aye  
Member Hoff - Aye

Member Goutermont – Aye  
Member DeRosier - Aye

RESOLUTION 2019 - #31 WAS ADOPTED: 5 aye, 0 nay, 0 absent

**Black Beach Campground – Phase 2 Advertisement for bid** – Mayor and Council Members reviewed plans, specifications, and cost estimates drafted by CR-BPS, through Bolton and Menk, for the Campground Main Office Building and an alternate for the Pavilion. Cost estimates for the main building were in line with the budget; however, the Pavilion is being done as an alternate due to the recommended size change by the campground committee. It is requested to move forward with advertising for bids with a bid due date of August 7<sup>th</sup>, 2019 at 1:00 p.m. Motion Goutermont, second DeRosier to accept the advertising for bids and the due date of August 7<sup>th</sup>, 2019 at 1:00 p.m. MOTION CARRIED.

**Resolution 2019 - #32 – Street Department Capital Improvement Bond Issuance** – The Resolution, drafted by Fryberger Law Firm, authorizes the execution of required documents to proceed with a \$350,000 GO Capital Improvement Loan for the Public Works (Street Shop) Improvement project. Mayor and Council Members reviewed documents drafted by Fryberger Law Firm. City Attorney, Costley, has been provided with the documents. The annual payment will be \$32,456 for calendar years 2020-2035 at 3.74 percent interest rate and no penalty to pay off early. There were no comments from the public during the public hearing meeting on the Capital Improvement Bond. Motion Hoff, second Perfetto to adopt Resolution 2019 - #32 Street Department Capital Improvement Bond Issuance.

Mayor Johnson – Aye  
Member Perfetto – Aye  
Member Hoff - Aye

Member Goutermont – Aye  
Member DeRosier - Aye

RESOLUTION 2019 - #32 WAS ADOPTED: 5 aye, 0 nay, 0 absent

**Resolution 2019 - #33 – Liquor Store Revenue Note** – The Resolution, drafted by Fryberger Law Firm, authorizes the execution of a \$100,000 Revenue Note for the improvements to the Liquor Store. Mayor and Council Members reviewed documents drafted by Fryberger Law Firm. City Attorney, Costley, has been provided with the documents. The annual payment will be \$21,972.80 for the first four years and \$21,972.81 for the final year at 3.22 percent interest rate and no penalty to pay off early. Motion Perfetto, second DeRosier to adopt Resolution 2019 - #33 Liquor Store Revenue Note.

Mayor Johnson – Aye  
Member Perfetto – Aye  
Member Hoff - Aye

Member Goutermont – Aye  
Member DeRosier - Aye

RESOLUTION 2019 - #33 WAS ADOPTED: 5 aye, 0 nay, 0 absent

**Resolution 2019 - #34 – Easement with Northshore Mining Company** – City Engineer Joe Rhein of Bolton and Menk discussed the plans for an easement with Northshore Mining Company for the Sanitary Improvement Project which includes the east sanitary sewer bridge and sanitary trunk line. Mayor and Council members reviewed the documents that included the easement agreement, quick claim deed on the old easement, and the access agreement. Northshore Mining Company is providing the 30 feet wide easements and the access agreement at no cost to the City. Two clauses reviewed and discussed include: Clause 6 of the easement agreement states that the City will be responsible for the removal of abandoned pipes within two years of being notified at the cost of the City on the old easement should Northshore Mining Company ever need the removal. Clause 7 of the easement agreement states the City will be responsible for the relocation of the new pipe on the new easement property within three years of being notified at the cost of the City should Northshore Mining Company ever need the land the easement is on. There was further discussion on clauses 6 and 7, risks and concerns relating to the clauses, further negotiations, timing of the project, past relationship with the Company, unknown future situations, the need for the easement and replacement of the pipe, and the likelihood the clauses would be amended. Mayor Johnson discussed working with Northshore Mining Company further on clauses 6 and 7. Motion Goutermont, second Hoff to adopt Resolution 2019 - #34 Easement with Northshore Mining Company subject to changing the month from June to July 2019, and accepting clauses 6 and 7 as presented.

Mayor Johnson – Nay  
Member Perfetto – Aye  
Member Hoff - Aye

Member Goutermont – Aye  
Member DeRosier - Aye

RESOLUTION 2019 - #34 WAS ADOPTED: 4 aye, 1 nay, 0 absent

**Resolution 2019 - #35 – Award Contract to Northshore Commercial and Residential Services, LLC.** – The Resolution awards the bid to Northshore Commercial and Residential Services and authorizes execution of a contract for the sidewalk maintenance replacement project to in the amount of \$66,419.18. The project is to be completed by September 30<sup>th</sup>, 2019. Motion Hoff, second DeRosier to adopt Resolution 2019 - #35 Award Contract to Northshore Commercial and Residential Services, LLC.

Mayor Johnson – Aye  
Member Perfetto – Aye  
Member Hoff - Aye

Member Goutermont – Aye  
Member DeRosier - Aye

RESOLUTION 2019 - #35 WAS ADOPTED: 5 aye, 0 nay, 0 absent

**City Hall July 5<sup>th</sup> Closing** – With the 4<sup>th</sup> of July falling on a Thursday, City office staff request that Friday, July 5<sup>th</sup>, 2019 be closed for the Holiday weekend. Staff is required to take personal time. Mayor Johnson expressed concerns as residents may need the City Offices during that time. Motion Hoff, second DeRosier to close the City Hall office on Friday, July 5<sup>th</sup>, 2019 with staff using personal time. MOTION CARRIED.

**City Attorney**

OLD BUSINESS


NEW BUSINESS


Motion Perfetto, second Hoff to adjourn at 7:41 p.m. MOTION RESCINDED.

**Claims** – Motion Perfetto, second Hoff to approve payment of \$104,770.07 in unpaid claims and \$150,608.54 in paid claims. MOTION CARRIED.

Motion Perfetto, second Hoff to adjourn at 7:42 p.m. MOTION CARRIED.

Minutes taken by Amy Nelson

  
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Scott M Johnson, Mayor

  
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Lana Fralich, City Administrator