

CITY COUNCIL

7:00 P.M.

Monday, June 7, 2021

Present: Mayor Wade LeBlanc
Shane Hoff
Richard DeRosier
Dustin Goutermont
Ben Bautch via ZOOM

Lana Fralich, City Administrator
Tim Costley, City Attorney
Devon VanHouse, D&D Services, LLC (left meeting at 8:50 p.m.)
Floyd Baker, Best of The North Shore (left meeting at 8:50 p.m.)
Nelson French, Best of The North Shore (left meeting at 8:50 p.m.)
Rick Goutermont, Lake County Commissioner (left meeting at 8:50 p.m.)
Scott Kochendorfer, Chief of Police
Gary Zinter, Silver Bay AmericInn (left meeting at 8:50 p.m.)
Kitty Mayo, Northshore Journal via ZOOM
Janelle Jones, Lovin' Lake County (left meeting at 8:50 p.m.)
Kat Gridsmarker, Lovin' Lake County (left meeting at 8:50 p.m.)
Michelle Peterson, Lovin' Lake County (left meeting at 8:50 p.m.)
Brian Gulden, Bolton & Menk Engineering via ZOOM
Joe Rhein, Bolton & Menk via ZOOM
Robert-no last name, via ZOOM

Mayor LeBlanc called the meeting to order at 7:01 p.m.

Agenda – Motion by Goutermont, second DeRosier to approve the Agenda as presented. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Consent Agenda – Motion by DeRosier, second Goutermont to approve the meeting minutes from the May 17th Regular Council meeting, May 17th Budget Workshop meeting, and March 2021 Treasurer's Report. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Petitions, Requests, and Communications

Gary Zinter and Michael Giuliano Request – Zinter stated that Michael Giuliano was unable to attend, and on behalf of the AmericInn, they are requesting the Council to stop collecting the 3% lodging tax as it is unfair to Silver Bay's Lodging businesses because they are collecting a higher lodging tax than other lodging facilities in the area.

Iron Range Mayors Letter: Council reviewed a letter to the United States Environmental Protection Agency (EPA), signed by the Board Members of RAMS, relating to proposed changes to the impacts of sulfate water on wild rice and the potential for costly effect on the treatment of water for municipalities. There was discussion on a similar letter to be signed by Mayors of the NE Region sent to the EPA, and that the Silver Bay Mayor be authorized to sign on behalf of Silver Bay. Motion by Hoff, second DeRosier for approval of Mayor to sign letter. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Blue Cross Blue Shield Bus Vaccination: Blue Cross Blue Shield will be having a vaccination bus in Silver Bay on Wednesday June 16, 2021 to administer the Johnson and Johnson COVID Vaccination to the public who are interested. They will be parked at the Carefree Living Center from 11:00-3:00pm.

Requested "Robert" on ZOOM to state last name for record, no response.

City Administrator

Resolution 2021- #2a Lake Bank Signatories – Motion by DeRosier, second Hoff to amend the resolution to reflect the merger of Lake Bank, which is now Park State Bank, and signatory of the Liquor Store from Tom Byrnes to Carrie Ernest. MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 2a WAS ADOPTED: 5 aye, 0 nay, 0 Absent

Resolution 2021- #20 MN Management and Budget Bonding Application– Motion by Goutermont, second Hoff to submit application to the State for additional bonding dollars for the Multi-Modal Trailhead Center, should LCCMR application not be funded. The city has already received \$1.1 million of previous bond funding. MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 20 WAS ADOPTED: 5 aye, 0 nay, 0 Absent

Resolution 2021- #21 Garbage Contract Renewal– VanHouse presented a proposal for changes to the costs of garbage collection of the municipal garbage services. There was discussion on the financial difference between the current contract and the proposal, the industry changes relating to recycling, and increased operating costs. There was further discussion that pink tags were no longer required on the first 32-gallon bag/can per week, but would be still required on additional bags set out for collection, and that the effect of the new rates would become effective on October 1st to allow time to provide notice to the public of the changes. Motion by Goutermont, second Hoff to approve the updated contract for July 1, 2021 with D&D Services, LLC, D/B/A John's Sanitary, as presented with an effective rate change of October 1, 2021 as follows: Basic Monthly Rate (\$27.50), Tag Rage (\$1.69), Appliances with Freon (\$30.00), Appliances without Freon (\$25.00), Dumpster Rental (\$25.00/month + \$12.25/yard), Demolition and Construction Waste (\$24.00/yard + \$.60/yard demolition assessment), Couch (\$15.00), Chair (\$10.00), Mattress (\$15.00), Box Spring (\$10.00), Electronics (\$.75 per lb), Tires (\$6.00, passenger tire), Fluorescent Bulbs 4-foot (\$2.00), Fluorescent Bulbs 8-foot (\$3.00). MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 21 WAS ADOPTED: 5 aye, 0 nay, 0 Absent

Resolution 2021- #22 Sidewalk Repair Contract– Contractors were solicited for a sidewalk repair project, with the only bid received from Steve A. VanHouse Construction. The 2021 Budget for sidewalk replacement was \$50,000; however, the bid came in at \$59,447.65. In addition, sidewalk repairs resulting from various water breaks were added to the project thus adding an additional \$12,997.69 to the proposal, which would be covered under the water department funding. The total contract from Steve VanHouse Construction is \$72,445.34. The additional overage of \$9,447.65 would come from 401 reserves. Motion by DeRosier, second Goutermont to award 2021 Sidewalk Repair Contract to Steven A VanHouse Construction for an amount of \$72,445.34 as presented. MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 22 WAS ADOPTED: 5 aye, 0 nay, 0 Absent

Resolution 2021- #23 Bolton and Menk Engineering Proposal for Water Treatment Facility and Booster Station Improvements– Council reviewed a proposal for engineering services relating to proposed improvements to the Water Treatment Facility including a new booster station. Gulden discussed the current facility having an unusually high-water pressure that is posing higher risks of system failure due to the age of the facility. There was discussion on funding for the overall project through the PFA, the timeframe of March 22, 2022 for final design work be submitted to the MN Dept of Health, and costs for engineering. The PUC recommends approval of engineering in an amount not to exceed \$77,500. Council would like to hear from the Utilities Superintendent regarding the project and costs to ensure reasonableness, or if the City should look at bidding engineering services. Motion by Hoff, second DeRosier to table Bolton and Menk’s proposal until June 21 meeting to allow for more information. MOTION TABLED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 23 WAS TABLED: 5 aye, 0 nay, 0 Absent

Resolution 2021- #24 Acceptance of Coronavirus Funding from American Recovery Plan Act– Motion by Hoff, second Goutermont to accept allocated funds to the City of Silver Bay under the American Rescue Plan Act related to the COVID-19 pandemic. MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Aye
Member Hoff – Aye

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2021 – 24 WAS ADOPTED: 5 aye, 0 nay, 0 Absent

Councilor Goutermont requested that the Lodging Tax be moved up in the Agenda.

Lodging Tax: Councilor Goutermont requested representatives from Lovin’ Lake County attend to answer questions of the Council and explain how the Lake County 4% lodging tax will be accessed and distributed. Jones explained the purpose of Lovin’ Lake County. There were questions posed by the Council relating to the relationship between the Lake County Board of Commissioners and Lovin’ Lake

County, representation on the Lovin' Lake County Board, timing of when organizations would see funding once application is made, and who makes the decision to approve funding for applications. There was further discussion on the difference between the 3% Lodging Tax for marketing and promotion and the 1% Lodging Tax for events. Baker, presented the Best of the North Shore's ideas for use of the City of Silver Bay's 3% lodging tax and support for keeping the City's Lodging Tax in place. There was continued discussion on how the 3% lodging tax can be used, interpretation of statutes on marketing and promoting, and what type of operating budget would the Best of the Northshore require. Council requested the City Attorney to clarify what the City's Lodging Tax can be used for and that Best of North Shore's provide an operating budget for their ideas to the Council. The discussion was further tabled until the June 21st Council meeting.

Arena Lease for Summer Hockey Camp- Motion by DeRosier, second Goutermont to approve Mayor to sign Arena Lease Agreement for Silver Bay Hockey Camp 2021 and for future years while Mayor. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Temporary On-Sale Liquor License for Bay Days- Motion by Goutermont, second Hoff to approve Temporary On-Sale License to Silver Bay Liquor Store for outside sales during Bay Days at both the parking lots of the Liquor Store and at City Hall. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Summer Hires: Motion by Bautch, second Hoff to approve summer hires and wages, as presented, for Parks, Marina, Campground, Library, and Streets with effective dates to be determined by Department Heads. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Police Sergeant Position- Motion by DeRosier, second Bautch to approve Police Chief Kochendorfer's recommendation of promoting Cole Ernest to Police Sergeant with a 6-month probation and an increase rate of pay to \$31.87/hour, based on the union contract. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Black Beach Campground Terms and Conditions- Council reviewed the proposed updated Terms and Conditions for the campground to address the City's ability to handle situations of unattended campsites after time of checkout, parking at your own risk, and penalty fees for not leaving campsite by checkout time. Motion by Hoff, second Goutermont to approve the updated Terms and Conditions. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

IRN- Data Rack and Port for City Hall- Council reviewed a proposal from IRN to update City Hall data rack and port, due to not being able to use the ZITO port as originally planned, at a cost of \$2,757.14. Motion by Hoff, second DeRosier to approve the update to the City Hall data rack and switch at a cost of \$2,757.14, as presented. MOTION CARRIED.

Volunteer Fire Fighter Hire: Motion by LeBlanc, second Goutermont to accept the Fire Department's recommendation to hire Thomas Rowlee to serve as a Volunteer Fire Fighter, pending successful completion of a physical. MOTION CARRIED.

City Attorney

Code Amendment for Dirt Bikes- City Attorney discussed Police Department's concerns regarding the use of dirt bikes in backyards and neighborhoods and potential changes to City Code. There was discussion on where dirt bikes can be ridden, noise ordinances, and complaints received. Law enforcement will monitor situation.

OLD BUSINESS

Airport- Mayor LeBlanc provided an update on a meeting he held on June 9, 2021 with local Township Board and County representatives regarding sharing in the responsibility and liability of the airport in order to keep the asset. LeBlanc will continue to provide updates.

NEW BUSINESS

Library Board Appointment- The Library Board is recommending Donna Fowler to serve on the Library Board. Motion by Hoff, second DeRosier to approve appointment. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Public Utilities Commission Appointment- Ronald Bautch submitted an application to serve on the Public Utilities Commission. Motion by Goutermont, second Hoff to approve appointment. Ayes: Goutermont, Hoff, DeRosier, LeBlanc; Abstain: Bautch MOTION CARRIED.

Claims – Motion by DeRosier, second Bautch to approve payment of \$124,246.54 in unpaid claims and \$162,165.62 in paid claims. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc. MOTION CARRIED.

Motion by DeRosier, second Bautch to adjourn at 9:35 p.m. Ayes: Goutermont, Hoff, DeRosier, Bautch, LeBlanc.

Minutes taken by Lisa Christenson



Wade LeBlanc, Mayor

Attest:


Lana Fralich, City Administrator