

## CITY COUNCIL

7:00 P.M.

Monday, March 16, 2020

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

Excused: Lana Fralich – City Administrator

Bryan Carpenter – Parks & Rec Director  
 Tim Costley – City Attorney  
 Mike Rowlee – Fire Chief  
 Chris Toal – Wildly Organics, LLC  
 Kim Jenkins – Wildly Organics, LLC  
 Mark Tagatz – Wildly Organics, LLC  
 Baruch & Samara Oltman  
 Katrina Goutermont  
 Nic Harrison  
 Shelley Cheney  
 David & Lindsey Dietz  
 Logan Fischer – Silver Bowl  
 Teri Cadeau – Lake County News Chronicle

Mayor Johnson called the meeting to order at 7:00 p.m.

**Agenda** – Motion by Goutermont, second DeRosier to approve the agenda with the addition of Coronavirus and Lake County Lodging Tax Public Hearing under Communications, and the additional wording on Old Business: 6C. Resolution 2020-#24. MOTION CARRIED.

**Consent Agenda** – Motion by Perfetto, second Goutermont to approve the minutes from the March 2, 2020 Regular Council meeting. MOTION CARRIED.

### **Petitions, Requests and Communications**

**Shield616** – Cliffs Northshore Mining is donating rifle armor gear to the Silver Bay and Babbitt Police Departments. The owner of Shield616 and Cliffs Corporate Representatives had scheduled an honoring event to present the gear to our department but have postponed the event due to the Coronavirus.

**Coronavirus (COVID-19)** – Lake County continues to work with Minnesota Department of Health and partners to support the health and wellbeing of our communities. The situation is rapidly evolving. The public is encouraged to conduct their business remotely rather than in person. The City is currently open for business as usual. This is a fluid situation and adjustments to department operations should be up to each of the department heads discretion. Motion Goutermont, second DeRosier to support each department heads decision in how the operations are ran during this pandemic. The City Attorney informed Council that

the statute states during a pandemic the Council is allowed to conference into a meeting, but the meeting does need to be posted to the public. MOTION CARRIED.

**Lake County Lodging Tax** – The public hearing commenced and was recessed on March 5, 2020 with a continuance of the public hearing scheduled for March 24, 2020. As the COVID-19 outbreak evolves, Lake County has postponed the public hearing in an effort to support the health and wellbeing of our communities. A new date will be announced for continuance of the public hearing at a later date.

### **City Administrator**

### **City Attorney**

### **OLD BUSINESS**

**Wilderness Products Lease Agreement:** Chris Toal has received the default and eviction letter from the City Attorney and presented the Council with a new proposal. Wildly Organic, LLC has purchased the equipment and inventory and has continued to operate. There has been considerable investment into the inventory and operations by the investors. The Council reviewed the new proposal from Wildly Organic, LLC., along with a third-party confidential underwriter review, from the North Shore Federal Credit Union, to determine the validity for the need to decrease the rents that Wildly Organic, LLC has requested. Motion DeRosier, second Hoff to accept Wildly Organic, LLC lease proposal to reduce the Mary Mac Building rent to \$2,000 for March 1 – December 31, 2020, per the recommendation of North Shore Federal Credit Union, with covenants to review the 2020 year-end financials ensuring the cash flow continues to improve prior to signing into a new lease agreement effective January 1, 2021. Wildly Organics, LLC receives the right of first right refusal if another tenant would be willing to pay full rent to lease the space. Wildly Organic's will also share financial information as requested by the City in an effort to re-evaluate the ability to pay higher rents back to the original agreement. MOTION CARRIED.

**FEMA Grant Purchase for Fire:** The Fire Department was awarded a FEMA Grant to purchase a Thermal Imaging Camera and Extrication Equipment. The low bidder is Alex Air Apparatus for an amount of \$39,352.00. Motion by Perfetto, second DeRosier to approve the purchase of a Thermal Imaging Camera and Extrication Equipment from Alex Air Apparatus in the amount of \$39,352.00. MOTION CARRIED.

**Resolution 2020-#24 Silver Bay Firefighter's Relief Association Bylaws Amendment:** The Firefighter's Relief Association has voted to amend the bylaws to delete unnecessary provisions, organize and incorporate bylaws adopted over the years, add new provisions, and amend the format to make it current and easier to use. The bylaws have been reviewed by the City Attorney. Motion by Goutermont, second Perfetto to adopt Resolution 2020-#24 Silver Bay Firefighter's Relief Association Bylaws Amendment as presented. MOTION CARRIED.

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

Member Goutermont - Aye  
Member DeRosier - Aye

RESOLUTION 2020 - 24 WAS ADOPTED: 5 aye, 0 nay, 0 excused

**Silver Bay Fire Department Hires:** The Fire Department is recommending the hire of Sean Harris and Brock Ernest to the Department. Motion Perfetto, second Goutermont to approve the hires of Sean Harris and Brock Ernest to the Silver Bay Fire Department. MOTION CARRIED.

#### NEW BUSINESS

**Neighborhood Revitalization Grant:** The City will begin accepting applications for the Neighborhood Revitalization program grant beginning May 1<sup>st</sup>, 2020. Applications can be picked up at City Hall or found on the City website. Original applications must be dropped off at City Hall and is on a first-come first-serve basis with priority given to first time applicants. Motion Goutermont, second Hoff to begin advertising March 27<sup>th</sup> for the Neighborhood Revitalization Grant program for a May 1<sup>st</sup> begin date. MOTION CARRIED.

**Resolution 2020-#23 – Black Beach Campground Picnic Tables, Fire Rings, and Trash Receptacles:** The City solicited quotes based upon engineering specifications for the picnic tables, fire rings, and trash receptacles to be located at Black Beach Campground. The lowest responsible bidder was Midwest Playscapes in the amount of \$52,317.84. Motion Goutermont, second Perfetto to approve the purchase of picnic tables, fire rings, and trash receptacles from Midwest Playscapes in the amount of \$52,317.84 for the Black Beach Campground. MOTION CARRIED.

**Summer Employment –** The City will be seeking summer employment and would need to advertise for positions with wage rates from \$10 per hour for student workers and aide positions, and \$12 per hour for positions that require a minimum age of 18 to operate machinery or provide for adult supervision. Motion DeRosier, second DeRosier to accept the advertisement for summer employment positions and the wages as discussed. MOTION CARRIED.

Logan Fischer, with the Silver Bowl bowling alley, reported to the Council that his business has been shut down due to the Coronavirus and will cause a major financial hardship to the business. He's concerned about the ability to pay his rent payment and may need to come forth to the Council to request abating his rent payments for a period of time. He noted that he has always paid his rent and is current to date. It was suggested to wait and see how the coronavirus affects the business. He will need to create and bring forth to Council, if he is unable to make rent payments.

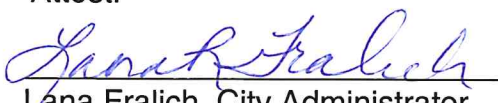
**Claims –** Motion by Goutermont, second Hoff to approve payment of \$92,885.26 in unpaid claims and \$72,835.03 in paid claims. MOTION CARRIED.

Motion by Perfetto, second DeRosier to adjourn at 7:42 P.M. MOTION CARRIED.

Minutes taken by Lindsey Klemmer

Attest:

  
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Scott M Johnson, Mayor

  
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Lana Fralich, City Administrator