

CITY COUNCIL

7:00 P.M.

May 15, 2017

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

Lana Fralich, City Administrator
Tim Costley, City Attorney
Cole Ernest, Police Officer
John Graupman, Bolton and Menk Engineers

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

Agenda – Olympia Ice Resurfer was added to Administrator, and Sidewalk Replacement Schedule and Part Time Police Officer Position were added to New Business. Motion by Goutermont, second Perfetto to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by Hoff, second Goutermont to approve the minutes of the May 1, 2017 regular Council meeting. MOTION CARRIED.

Public Presentation

Wastewater Facilities Plan – Graupman reviewed the Wastewater Facilities Plan, an Amendment to the Plan, and a Letter to submit to the MN Public Facilities Authority. There was discussion about the wastewater plant equipment and components, MPCA compliance requirements, mercury limit requirements, treatments options, getting a variance for compliance, needed upgrades at the wastewater plant, funding options, the wastewater budget, and it was noted that no property tax dollars would be used for a project but adjustment in wastewater rates may be required. It was noted that the public hearing for the Wastewater Facilities Plan and Amendment, did not take place today because publication of this hearing was not made. Motion by Goutermont, second Hoff to hold a public hearing for the Wastewater Facilities Plan at City Hall on June 5 at 7:00 p.m., prior to the regular Council meeting. MOTION CARRIED. Motion by DeRosier, second Goutermont to authorize to send a letter to the MN Public Facilities Authority regarding the clean water revolving loan fund 2018 intended use plan. MOTION CARRIED.

Petitions, Requests and Communications – No communications were presented.

City Administrator

Safety Committee – It was noted that regulations require there be a majority of nonmanagement positions on the committee, and that Code 230.03 requires two of the members shall be the Street Superintendent and the Water/Sewer Superintendent, or a representative from each of those departments. The Safety Committee recommends

changes to the board that would reflect these requirements, and have only one Councilor serving on the board. Motion by Goutermont, second Hoff to approve for Councilor Perfetto, Public Works Supt. James Larson, and Police Chief Doug Frericks serve as management positions, and to have Larry Carter (Public Utilities Dept.), Don Thompson (Parks and Rec. Dept.) Lindsey Klemmer (Administration) and Owen Klinker (Liquor Store) serve as nonmanagement positions on the Safety Committee. MOTION CARRIED.

Liquor Store POS System – The Council reviewed the discussion from April 3, and it was noted that Total Registers System will provide the POS system and Cayan will provide the credit card services for this system. The Council reviewed the contract with Cayan and changes the City has requested regarding displaying the company's logo, the termination section of the contract, and settling disputes in Minnesota and not New York. It was further discussed that Cayan will not change the items that the City requested, and therefore, the City Attorney does not recommend approval of this contract. The Liquor Control Commission has reviewed these issues and the attorney's recommendation, and noted that there are no other viable options to upgrade the POS system due to the encryption designed in the credit card processing, the risk is fairly low, the system will decrease liability issues because the bartenders will no longer have to handle the credit cards, the customer is provided an improved service and security for card use, the City will be in PCP compliance, and therefore, the commission recommends approval of the contract with Cayan. Motion by DeRosier, second Hoff to approve the contract with Cayan for credit card services for the point of sale system at the Liquor Store. MOTION CARRIED.

Resolution 2017-23 – The Bay Days Committee presented a proposal for increasing financial contributions from the Liquor Store based upon the sales at the Bay Days Celebration. The Liquor Commission discussed normal weekend Liquor Sales, the year-end financial results of the Liquor Store, PERA Adjustments, Depreciation, Transfers to Parks and Recreation, the timing of payments, the \$5,000 contribution already being made to the Bay Days Event, the funds to be used for bands, stage, and sound only, the event becoming self-sustaining, and are recommending the approval of the proposed formula that meets the above issues. It was noted that in the proposed formula, a \$5600 deduction from total weekend (Fri/Sat) sales was included, an annual \$5,000 will be paid on or before June 30th of the event year, any additional contribution for entertainment would be based on the proposed percentage from the Bay Days Committee, that the "Net Change in Position" from the Liquor Stores Audited Financial Statements would not go below \$5,000, and should additional contributions be made they would not be paid out until after the completion of the City Audit, on or before April 30th of the year following the event. There was further discussion on the funds restricted to entertainment expenses, which are normal operating expense of the Liquor Store, and not general expenses for Bay Days, timing of the payments, the incentive base to the Bay Days Committee and the financial benefit to the Liquor Store if the event grows. Motion by DeRosier, second Hoff to approve Resolution 2017-23, authorizing annual contribution from the Liquor Store to the Silver Bay Area Tourism Association – Bay Days, to be used towards the costs of entertainment during the annual Bay Days event.

Member Perfetto – aye
 Member DeRosier – aye
 Mayor Johnson – aye

Member Goutermont – aye
 Member Hoff – aye

RESOLUTION 2017-23 WAS ADOPTED 5 aye, 0 nay

Liquor Store Donation to Bay Days for personnel assistance – The Liquor Control Commission recommends a \$500 contribution to the Bay Days committee for assistance in staffing the liquor tent during entertainment events, and it was noted that Fire Dept. members have done the staffing, and Bay Days then donates this \$500 to the Fire Dept. There was discussion about the 2016 Bay Days event, and whether or not the Fire Dept. was reimbursed for their service, and it was noted that this donation is for the 2017 event. Motion by Goutermont, second Perfetto to make a \$500 donation to SBATA, Bay Days committee for staffing assistance during the Bay Days event. Hoff, Perfetto, Goutermont and DeRosier voted aye, Johnson voted nay. MOTION CARRIED.

Olympia Ice Resurfacer – The Parks and Recreation Board recommends declaring the Olympia ice resurfacer as surplus equipment, because it is unneeded due to the new Zamboni resurfacer, that the sale of this item would reduce the amount that the Blue Line Club owes for the Zamboni, and it was noted that the Olympia is currently owned by Lake County. The Council reviewed a letter to Lake County regarding this issue. Motion by Goutermont, second Hoff to send a letter to Lake County requesting the ownership of the Olympia be transferred to the City, or for the County to sell the Olympia and donate the funds to the Blue Line club. MOTION CARRIED.

OLD BUSINESS – No old business was presented.

NEW BUSINESS

Board Application – The Parks and Recreation Board recommends approval of appointing Carol Youngberg to serve on this Board. Motion by Goutermont, second DeRosier to appoint Carol Youngberg to serve on the Parks and Recreation Board. MOTION CARRIED.

Sidewalk Replacement Schedule – Mayor Johnson reviewed the sidewalk replacement schedule, discussed a section of sidewalk on Burk Drive that needs replacement, and discussed having a portion of sidewalk replacement funds used at the Council's discretion for needs that are causing a hardship, and including this in the budget. This issue will be brought to the Public Works Commission, and there was discussion about making potential changes to the 2017 project schedule.

Part Time Police Officer Position – Fralich reviewed the applications for part time officers, and noted that the Police Chief recommends hiring Christopher Ruberg as a Part-time Police Officer, pending successful completion of a background check, and physical, and psychological exams. There was discussion about staffing needs for the Police Dept, the hiring date, and starting wage being that of the Part-Time wage. Motion by Perfetto, second DeRosier to offer Christopher Ruberg a position as Part-Time Police Officer, pending completion of a background check, and physical and physiological exams, and starting at the regular part time wage. MOTION CARRIED.

Mayor Johnson recessed the meeting from 8:38 p.m. until 8:39 p.m. for a consultation with the City Attorney, outside of the room.

Claims – Motion by Perfetto, second Goutermont to approve payment of \$68,905.90 paid claims and \$80,999.89 in unpaid claims. MOTION CARRIED.

Motion by Perfetto, second Hoff to adjourn at 8:40 p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem



Scott M Johnson, Mayor



Lana Fralich, City Administrator