

## CITY COUNCIL

7:00 P.M.

October 16, 2017

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

Tim Costley, City Attorney  
Mike Miller, Public Utilities Supt.  
John Graupman, City Engineer  
Cole Ernest, Alex McGrath, Police Officer  
Scott Blood, Fire Relief Association  
Jamey Malcomb, Lake County News Chronicle

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

**Agenda** – Reconveyance of DOT Property was added to attorney. Motion by Goutermont, second Perfetto to approve the agenda as amended. MOTION CARRIED.

**Consent Agenda** – Motion by Hoff, second DeRosier to approve the minutes of the October 2, 2017 regular Council meeting. MOTION CARRIED.

**Petitions, Requests and Communications** – No communications were presented.

#### City Administrator

**Fire Relief Pension Multiplier** – Blood reviewed the Multiplier and noted that it was \$1,600, which is \$200 less than the previous year. It was noted that Fire Dept. issues must be discussed at one meeting before action is taken at the next meeting. This issue was tabled.

**Minneapolis and Duluth Boat Shows** – The Parks and Recreation Board recommends sending the Marina Manager to these boat shows. The Council reviewed letters sent to SBATA and Northshore Mining requesting donations for these shows. It was noted that this expense is in the 2018 Marina budget, and that attendance at last year's show resulted in new seasonal slip holders and other shorter term slip rentals. Motion by Goutermont, second DeRosier to approve for the Marina Manager to attend the Minneapolis Boat Show on January 12-14, 2018 for \$650, and the Duluth Boat Show on February 16-18, 2018 for \$964 plus hotel expenses and regular meals and mileage expenses. MOTION CARRIED.

**Tree Lighting Ceremony** – Motion by Perfetto, second Goutermont to hold the tree lighting ceremony at City Hall on November 27 at 5:00 p.m. MOTION CARRIED. It will be posted that a quorum of the Council will be present, but no City business will be conducted.

## Public Utilities

**Memo of Understanding with Northshore Mining** – Graupman reviewed a Memo of Understanding with Northshore Mining to discharge about 200,000 gallons per day of pretreated water into the City wastewater plant, because the mine is not currently meeting their fluoride level requirements. Miller stated that the wastewater plant can handle this amount, that this should not affect the City fluoride levels and mercury levels, and that this will bring approximately \$238,000 of additional annual revenue to the sewer account. It was noted that this is a 90 day trial period, the MPCA has approved for this discharge, on a trial basis, and that the attorney has reviewed and made revisions to the memo. The Public Utilities Commission recommends approval of this memo. Motion by DeRosier, second Perfetto to approve a memorandum of understanding with Northshore Mining for the discharge of pretreated wastewater into the City wastewater plant.

MOTION CARRIED.

**Engineering Proposal, Wastewater Preliminary Treatment Project** – The Council reviewed a proposal to provide design engineering services for the preliminary treatment project. It was noted that the estimated cost of engineering services is \$191,000, which is 7.5% of the project estimate, and would come from the wastewater reserve funds. It was also noted that there is a March 30, 2018 deadline for submission to the MPCA, and at that time the City can go forward with bidding as long as funding for this project is obtained. The Public Utilities Commission recommends approval of this proposal. There was discussion about funding options, and the timeline of this project. Motion by Perfetto, second DeRosier to approve the design engineering proposal from Bolton and Menk for the wastewater preliminary treatment project, for \$191,000. MOTION CARRIED. Graupman reviewed the timeline for mercury limit issues, with the MPCA.

## Police Department

**Change to Police Policy** – Ernest reviewed a request from the Police officers to change the Police Policy to allow for facial hair, beyond a mustache. There was discussion about how facial hair might affect the duties of the officers, and how it might affect the appearance of professionalism. It was noted that the Police Chief approves of this policy change. Motion by Goutermont, second Hoff to change the Police Policy and Procedures Manual, section 14.4.1 to read; "Facial Hair – Shall be permitted, within reason. All facial hair shall be neat and well maintained at a length and pattern as to not detract from the officer's professional appearance." Hoff, Johnson, Goutermont and DeRosier voted aye, Perfetto voted nay. MOTION CARRIED.

## City Attorney

**Beaver River Restoration Project** – Costley reviewed an easement, map, affidavit of land owner, and legal description of the easement which runs 100 feet on both sides of the river, from the MN DNR for this project. The Public Works Commission recommends approval of this easement. There was discussion about the easement in regards to the realigning of the river. Motion by Perfetto, second Goutermont to approve an easement with the MN DNR, on City owned property north of the golf course, for land which runs 100 feet on both sides of the East Beaver River, as part of the Beaver River Restoration Project. MOTION CARRIED.

**Reconveyance of DOT Property** – Costley noted that the EDA recommends the purchase of DOT land, along Highway 61 at the corner of Outer Drive, and reconveying it to Kali Partners for the North Shore Adventure Park project, and the Planning and Zoning Commission has stated that this purchase and reconveyance is in compliance with the Comprehensive Plan, and that they did have concerns about pollution issues on the property that they wanted the Council to consider before purchasing this property. Costley reviewed a report from the MN DOT regarding pollution issues on this property, and noted that they found low evidence of pollution but did not do any testing. It was noted that the DOT will sell the property for \$8,900 and that the purchase price and environmental issues will be passed on to Kali Partners. Costley will contact Kali partners to inquire if they are interested in moving forward with this purchase under these terms, and if so, he will draft a new development agreement that includes the DOT property and City owned property behind it, the sale of which the Council has already approved. This issue was tabled.

OLD BUSINESS – No other old business was presented.

NEW BUSINESS – No other new business was presented.

**Claims** – Motion by Perfetto, second Hoff to approve payment of \$71,241.92 paid claims and \$299,375.27 in unpaid claims. MOTION CARRIED.

Motion by Hoff, second Perfetto to adjourn at 7:29 p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

  
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Scott M Johnson, Mayor

  
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Cheryl Marolt, Deputy Clerk Treasurer