

## CITY COUNCIL

7:00 P.M.

Monday, December 7, 2020

Present: Mayor Scott Johnson  
 Carlene Perfetto  
 Richard DeRosier  
 Shane Hoff (VIA ZOOM)  
 Dustin Goutermont (VIA ZOOM)

Lana Fralich – City Administrator  
 Timothy Costley – City Attorney (VIA ZOOM)  
 Ben Bautch (VIA ZOOM)  
 Wade LeBlanc (VIA ZOOM)

Mayor Johnson called the meeting to order at 7:03 p.m. noting that due to COVID-19, this meeting will be conducted virtually.

**Agenda** – Motion by Goutermont, second DeRosier to approve the Agenda with the addition to City Administrator, Library Custodial Services Advertisement. MOTION CARRIED.

Mayor Johnson – Aye  
 Member Perfetto – Aye  
 Member Hoff – Absent

Member Goutermont – Aye  
 Member DeRosier – Aye

**Consent Agenda** – Motion by DeRosier, second Perfetto to approve minutes from the November 16, 2020 Regular City Council Minutes, and the August and September, 2020 Treasurer's Reports. MOTION CARRIED.

Mayor Johnson – Aye  
 Member Perfetto – Aye  
 Member Hoff – Absent

Member Goutermont – Aye  
 Member DeRosier – Aye

Councilor Hoff joined the meeting via ZOOM at 7:05 p.m.

**Truth-In Taxation Public Hearing** – Council reviewed the summary of the proposed 2021 Budget and the 2021 proposed levy in the amount of \$1,576,760. There was discussion on changes that will be reflected in the final budget that included changes to the Taconite Community Relief Loan Fund and a correction in a formula that reflects a lower levy percent to 5.55% or \$82,945 from the original proposed levy. There was discussion that Resolutions for action on the final 2021 Budget and 2021 Levy will be provided at the December 21<sup>st</sup> meeting and would reflect the updated information and any potential changes pending public comments. The Mayor call three times for public comments. There were no public comments or written comments received.

### Petitions, Requests and Communications

**RAMS Board Nomination** – A nomination for Councilor Hoff to remain on RAMS Board has been submitted. Council acknowledged approval of Hoff's nomination as the City of Silver Bay's Representative on the RAMS Board retroactive to November 24, 2020. Motion Perfetto, second DeRosier to approval Hoff's nomination on the RAMS Board for a two year term. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

### City Administrator

**Resolution 2020-#57 IRRR Grant Submission** – The Council reviewed and discussed the submission of a grant to IRRR for the Multi-Modal Trailhead Center Project. The amount will likely be in two or three phases and will be submitted after discussion with the IRRR representatives. Motion by Perfetto, second DeRosier to adopt Resolution 2020-#57 IRRR Grant Submission for the Multi-Modal Trailhead Center. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

RESOLUTION 2020-#57 - WAS ADOPTED: 5 Aye, 0 Nay, 0 Absent

**Beer, Liquor, Wine, and Cigarette License Renewals** – The following license renewals for 2021 were presented: Silver Bay Golf Course – On-Sale Liquor Licenses (Monday – Saturday, and Special Sunday), Silver Bowl – Retail On-Sale Liquor Licenses (Monday – Saturday, and Special Sunday), and Silver Bay Municipal Lounge – On and Off Sale Liquor (Monday – Saturday, and Special Sunday) and Optional 2AM Liquor License, Zupancich Brothers, Inc – Cigarette License, Bri-Esa's Convenience Store – Cigarette License. Motion Goutermont, second Perfetto to approve the above Liquor and Cigarette License Renewals. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

**2021 Council Meeting Dates and Holidays** – Motion DeRosier, second Perfetto to approve the 2021 Regular Council meeting dates and Holidays. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

**2021 Insurance Liability Waiver** – Motion Perfetto, second DeRosier to approve the annual Insurance Liability Waiver stating that the City does NOT waive the monetary limits on tort liability. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

**2021 Mary Mac Manager Contract** – Motion DeRosier, second Perfetto to approve the 2021 Mary Mac Manager Contract with Juel Salvesson. MOTION CARRIED.

Mayor Johnson – Aye

Member Goutermont – Aye

Member Perfetto – Aye  
Member Hoff – Aye

Member DeRosier – Aye

**2021 Building Official Services Contract** – Motion Goutermont, second Perfetto to approve the 2021 Building Official Services Contract with Gary Thompson. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**2021 Fire Control Administrator Contract** – This item will be brought forward at the next regular Council meeting for approval pending all five members are present.

**2021 Janitorial Contract - Liquor Store** – Motion DeRosier, second Perfetto to approve the 2021 Liquor Store Custodial Services Contract with Jones Cleaning Services. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**2021 Janitorial Contract - City Hall** – Motion Perfetto, second Goutermont to approve the 2021 City Hall/Police Custodial Services Contract with Jones Cleaning Services. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**2021 Janitorial Contract - Reunion Hall** – Motion Perfetto, second Goutermont to approve the 2021 Reunion Hall Custodial Services Contract with Juel Salvesson. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**2021 Water & Sewer Rates** – Motion Perfetto, second DeRosier to approve the 2021 Water and Sewer rates with no changes from the current 2020 rates. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**Wildly Organic, LLC Lease Agreement** – Council reviewed the Lease Agreement for Wildly Organic, LLC. There was discussion that the lease is a 3-year lease starting at the same monthly rate that was previously paid by Wilderness Products. Motion Goutermont, second DeRosier to approve the Wildly Organic, LLC Lease Agreement. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**Heavy Duty Designs Lease Agreement** – Council reviewed the 1-year lease renewal for Heavy Duty Designs. Motion Perfetto, second DeRosier to approve the Heavy Duty Designs Lease Agreement. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**Second Chances Lease Agreement** – Council reviewed the 3-year lease renewal for Second Chances (formerly known as Dilly Dally). Motion DeRosier, second Perfetto to approve the Second Chances Lease Agreement. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**Bay Area Vineyard Lease Agreement** – Council reviewed the 1-year lease renewal for Bay Area Vineyard. Motion Perfetto, second Goutermont to approve the Bay Area Vineyard Lease Agreement. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

**Library Custodial Services Advertisement** – The Library Board of Trustees recommends advertising for custodial services due to the current custodian not going to renew their contract. Motion Perfetto, second DeRosier to approve the advertising for Library Custodial Services. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

## **City Attorney**

### **OLD BUSINESS**

**Silver Bay Airport – Invoice from MnDOT** – Council reviewed and discussed a FINAL NOTICE from MnDOT Aeronautics with an invoice for \$2,565.51. The offices of Senator Bakk, Representative Ecklund, and Senator Klobuchar is in receipt of a copy of this FINAL NOTICE. Costley, advised that the State has a way of garnishing funds if not paid; however, he does not recommend payment while working with Legislative Representatives and not set precedent of payment. Motion DeRosier, second Perfetto to not pay this invoice and continue to seek assistance from Legislators. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

## NEW BUSINESS

**Claims:** Motion by DeRosier, second Perfetto, to approve payment of \$255,144.74 in unpaid claims and \$156,966.91 in paid claims. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

City Council thanked the community members for the nice holiday light displays, especially the area of Quincy and Reed, and encouraged the public to drive around town to view the displays in the community.

Motion by Perfetto, second Goutermont adjourn at 7:35 p.m. MOTION CARRIED.

Mayor Johnson – Aye  
Member Perfetto – Aye

Member Goutermont – Aye  
Member DeRosier – Aye  
Member Hoff – Aye

Minutes taken by Lindsey Klemmer

Attest:

  
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Scott Johnson, Mayor

  
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Lana Fralich, City Administrator