

CITY COUNCIL

7:00 P.M.

Monday, June 15, 2020

Present: Mayor Scott Johnson
 Carlene Perfetto
 Shane Hoff
 Dustin Goutermont

Absent: Richard DeRosier

Lana Fralich – City Administrator
 Tim Costley – City Attorney
 John Graupman – Bolten & Menk (Via ZOOM)
 Joe Rhein – Bolten & Menk (Via ZOOM)
 Kathleen Koch
 Mike Ettel
 Donnie Froelich

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

Agenda – Motion by Goutermont, second Perfetto to approve the agenda as presented. Move the marina items on the agenda to be discussed first under City Administrator.
MOTION CARRIED.

Consent Agenda – Motion by Perfetto, second Goutermont to approve minutes from the June 1, 2020 Regular Council meeting minutes. MOTION CARRIED.

Petitions, Requests and Communications

City Administrator

Marina Wi-Fi and Cameras: IRN submitted a proposal for installing a Wi-Fi system and a camera system at the Marina. IRN is currently installing a Wi-Fi system at the campground, thus saving money in the install as the company is already in the area. The DNR does not pay for this type of install or equipment. The Yacht Club is not willing to provide a monetary donation for the install. The cost of the Wi-Fi installation is \$10,174.12 and the cost of the camera installation is \$3,647.55. This was not part of the 2020 budget for the marina; however, the cost to cover this expense could come from not purchasing the vehicle that was budgeted to purchase this year. This was not brought forth to the Parks and Rec Board due to no quorum, but due to the timing of this, the Marina Manager recommends the approval of the Wi-Fi and camera systems install. Motion Hoff, second Perfetto to approve IRN installing a Wi-Fi system and camera system at the Marina as presented. MOTION CARRIED.

Marina Slip Rental Reimbursement Requests: Due to COVID-19, the marina has received two reimbursement requests from seasonal boaters. Council reviewed the cancellation policy. Motion Goutermont, second Hoff to approve the reimbursement requests from Great Lakes Shipwreck in the amount of \$1,170 and Kristy Anderson in the amount of \$1,365.
MOTION CARRIED.

Resolution 2020-#32 Primary Clarifier Construction Award: Graupman reported that one bid was obtained by Magney Construction in the amount of \$282,200 with an alternate addition for the pumps of \$54,000. The City received a grant in the amount of \$250,000 from IRRRB to cover the expenses of the construction and engineering for this project, which is estimated at \$315,000 (\$282,200 construction plus \$33,000 engineering), with the remaining funds from Wastewater Budget and/or Reserves. It is recommended to Council by the engineer for the city to move forward because Magney will be able to get the clarifier replaced prior to putting the dome covers on during the Preliminary Treatment project likely saving the city future expenses. Motion by Goutermont, second Hoff to adopt Resolution 2020-#32 awarding the Primary Clarifier Contract to Magney Construction in the amount of \$282,200 as presented with the option to amend the contract to include the alternate addition for the pumps at a future date if needed. MOTION CARRIED.

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

Member Goutermont - Aye
Member DeRosier - Excused

RESOLUTION 2020 - 32 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2020-#33 Black Beach Campground – TNT Construction Contract Amendment: Rhein and Fralich discussed the issues with the lack of grass at the campground. City staff and engineers have come to an agreement with TNT Construction to install sod via a third-party contractor, Northwoods Sodding, Inc., with the costs to be distributed 70% of the Northwoods Sodding total cost paid by TNT Construction and 30% of the Northwoods total cost paid by the City. TNT Construction will be responsible to re-seed in other areas that are not sodded. Rhein reported the City is still within the contract cost as the contract with TNT is under budget. The mayor questioned the warranty on the sod. Motion by Hoff, second Goutermont to approve Resolution 2020-#33 which will amend the contract with TNT by decreasing the amount of their contract by the 70% portion of costs incurred for sodding areas of the campground. MOTION CARRIED.

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

Member Goutermont - Aye
Member DeRosier - Excused

RESOLUTION 2020 - 33 WAS ADOPTED: 3 aye, 1 nay, 1 excused

Motion Hoff, second Goutermont to approve hiring Northwoods Sodding, Inc. to install sod at the campground for a cost of \$3.80 per square yard and \$600 per truck delivery. MOTION CARRIED.

Resolution 2020-#34 IRRRB Grant Application for Taconite Area Community Relief Program: Fralich reported on a new grant program through the IRRRB for business assistance that have been adversely affected by the COVID-19 pandemic. There are some matching requirements that need to be included, which may need to come from our EDA loan and rehab funds that are currently underutilized. The City will also need to seek other local partners. Motion by Perfetto, second Hoff to adopt Resolution 2020-#34 to submit a grant application through the IRRRB for business assistance as presented, pending interest from local businesses. MOTION CARRIED.

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

Member Goutermont - Aye
 Member DeRosier - Excused

RESOLUTION 2020 - 34 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2020-#35 Renovation Loan Program and Combining of Funds: Fralich reported on the existing loan programs. It is recommended by the EDA that Fund 407, which was the IRRRB storefront loan program and Fund 275, which was the IRRRB Community Business Partnership Loan Program be combined into one fund and thus one application for the businesses. The 407 funds will be combined into the 275 funds and be renamed to "Renovation Loan Program". An application for this fund has been developed based on the loan application that the city has already been using for both of these programs. The only difference is that all loans will go through a 3rd party financial review by North Shore Federal Credit Union, or another financial institution of the City's choice. Both the IRRRB and the City Auditors were contacted to ensure there is not an issue with combining these programs/funds into one. Motion by Perfetto, second Goutermont to adopt Resolution 2020-#35 approving the combining of Fund 407 into Fund 275, renaming Fund 275 to "Renovation Loan Program", approve the new application to include a 3rd party financial review as presented. MOTION CARRIED.

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

Member Goutermont - Aye
 Member DeRosier - Excused

RESOLUTION 2020 - 35 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Liquor Store PT Position: The Liquor Store has a vacancy and would like to move forward with advertising for the position. Motion Goutermont, second Hoff to move forward with advertising for the Liquor Store part-time position. MOTION CARRIED.

Land Purchase Application Update: The EDA is recommending an update to the Land Purchase Agreement for when City property is to be sold for development. The changes made to the application reflect the 3rd party financial review prior to the City moving forward with their approval process. The financial review will be done by North Shore Federal Credit Union, or another financial institution of the City's choice. Motion Perfetto, second Hoff to update the Land Purchase Agreement as presented. MOTION CARRIED.

Library Director Hiring: The Personnel Committee recommends the hiring of Jennifer Veile be hired for the position of Library Director pending a successful background check and physical. Motion Perfetto, second Goutermont to approve the hire of Jennifer Veile for the position of Library Director at 80% of the current 2020 salary and a 1- year probation period pending successful background check and physical completion. MOTION CARRIED.

The Mayor reported on a garbage issue at the Black Beach Park and note that it is being addressed.

City Attorney

Resolution 2020-#36 State of MN Joint Powers Agreement for City Attorney and Police Department: The Council reviewed a Resolution and Joint Powers Agreement with the State of MN, Department of Public Safety, and BCA, to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. This is a renewal of the past agreement from 2015. The Council reviewed the new fee structure. Motion Perfetto, second Goutermont to adopt Resolution 2020-#36 State of MN Joint Powers Agreements for City Attorney and Police Department as presented. MOTION CARRIED.

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

Member Goutermont - Aye
Member DeRosier - Excused

RESOLUTION 2020 - 36 WAS ADOPTED: 4 aye, 0 nay, 1 excused

OLD BUSINESS

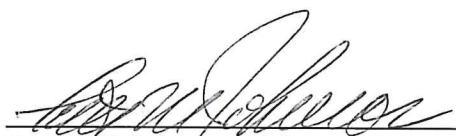
NEW BUSINESS

Fire Relief Pension Multiplier: Council reviewed a memo from the Silver Bay Fire Relief Association relating to the Firefighters pension multiplier. The multiplier request would increase from \$1,900 to \$2,600/year of service. The multiplier is reviewed annually and based upon a 3-year average. This is tabled for a future meeting where all five members are present.

Claims – Motion by Goutermont, second Hoff to approve payment of \$115,202.02 in unpaid claims and \$37,123.96 in paid claims. MOTION CARRIED.

Motion by Hoff, second Goutermont to adjourn at 7:45 p.m. MOTION CARRIED.

Minutes taken by Lindsey Klemmer



Scott M Johnson, Mayor

Attest: 

Lana Fralich, City Administrator