

CITY COUNCIL

7:00 P.M.

March 5, 2018

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

Shane Hoff – excused

Lana Fralich, City Administrator
 Tim Costley, City Attorney
 Joe Rhein, City Engineer
 Mike Miller, Public Utilities Supt.
 Steve VanHouse, Devin VanHouse, Derik VanHouse, D&D Services

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

Agenda – Mary MacDonald Lease Agreement was removed from administrator, Duluth Warrior Event was added to communications, and Resolution 2018-14 was changed to Assignment of Garbage Contract. Motion by Goutermont, second Perfetto to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by DeRosier, second Goutermont to approve the minutes of February 20, 2018 planning workshop and regular Council meeting. MOTION CARRIED.

Petitions, Requests and Communications

Duluth Warrior Event – The Council reviewed a thank you note from Jeff Dywer about the March 3 hockey exhibition game with the Duluth Warriors, and noted that this event raised money for veteran services.

City Administrator

Resolution 2018-13 Fine Schedule – The Council reviewed Resolution 2017-33 and an updated fine schedule and noted that City Code 920.07 does not have a subd. 4, so this language was removed from the schedule, and no other changes have been made. Motion by DeRosier, second Perfetto to approve Resolution 2018-13, adopting a schedule of fines, pursuant to City Code 130.02, subd. 3.

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

Member Goutermont – aye
 Member Hoff – absent

RESOLUTION 2018-13 WAS ADOPTED 4 aye, 0 nay, 1 absent

Assignment of Garbage Contract – The Council reviewed a letter from D&D Services LLC stating that they have purchased the business and the assets of Fredrickson Inc. and doing business as John's Sanitary Removal. The current municipal garbage contract with the City requires Council approval for assignment of the contract and they are willing to

perform the duties under this contract until June 30, 2021, under the contract established in Resolution 2016-20. There was discussion about enhancing recycling services. It was noted by City Attorney that a resolution is not needed for this issue but a motion for the assignment of the garbage contract is needed. Motion by Perfetto, second Goutermont to approve an assignment of the existing municipal garbage disposal contract to D&D Services LLC., as owners of Fredrickson Inc. and doing business as John's Sanitary Removal. MOTION CARRIED

Resolution 2018-15 IRRRB Grant Application Water/Wastewater Projects – The Council reviewed an e-mail from the IRRRB regarding their grant application process, and its timeline. It was noted that this application is for the wastewater preliminary treatment, sewer trunk line, sewer bridges and the business park water loop projects. Motion by DeRosier, second Perfetto to approve Resolution 2018-15, making application to and accepting funds from the IRRRB grant program for water and wastewater projects.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-15 WAS ADOPTED 4 aye, 0 nay, 1 absent

Resolution 2018-16 Engineering Services, NPDES Mercury Limit Variance– The Council reviewed a proposal for engineering services to complete a variance application to the MPCA for the wastewater mercury limits. Rhein reviewed the NPDES permit and noted that without this variance, the City has until March 1, 2020 to comply with mercury limits and reviewed the steps the Utility Dept. is taking to use the tertiary clarifiers to come into compliance. There was discussion about mercury compliance and its timeline. It was noted that this contract is not to exceed \$24,400, that MPCA requirement may make additional costs necessary, and that the Public Utilities Commission recommends approval of this proposal. Motion by Goutermont, second Perfetto to approve Resolution 2018-16, authorizing a contract with Bolton and Menk Inc. for engineering services to complete and submit an application to the MN Pollution Control Agency for a variance to the mercury limits proposed in the City's wastewater NPDES permit with the State of Minnesota at a cost of up to \$24,400.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-16 WAS ADOPTED 4 aye, 0 nay, 1 absent

Resolution 2018-17 Engineering Services, Water/Wastewater Projects – The Council reviewed a proposal for engineering services for sewer bridges, the trunk sewer line, and the business park water looping project, and it was noted that these items have been discussed as part of the 2018 budgets and/or planning workshop meetings, that the cost of the engineering will be paid through reserve funds, and that the Public Utilities Commission recommends approval of this proposal. Rhein reviewed each of these projects, and there was discussion about the timeline of these projects, and possible funding sources for construction. It was noted that engineering costs would not exceed the stated costs but that geotechnical services are estimates. Motion by DeRosier, second

Goutermont to approve Resolution 2018-17, authorizing a contract with Bolton and Menk Inc. for engineering and estimated geotechnical services for the sanitary sewer bridge repair project at a cost of \$41,000 plus estimated \$8,000 for geotechnical services; the water main looping project at cost of \$55,500 plus estimated \$7,500 for Geotech services; and the replacement of trunk sanitary sewer preliminary engineering for a cost of \$39,000 plus estimated \$9,000 for geotechnical services.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-17 WAS ADOPTED 4 aye, 0 nay, 1 absent

Resolution 2018-18 Engineering Services Street Financial Planning – The Council reviewed a proposal from the engineer for costs related to the financial planning portion of the street mapping. It was noted that costs will not exceed \$7,000. There was discussion that regarding the financial organization requiring specialty work by the engineers different than the mapping prepared by the City. Motion by Perfetto, second DeRosier to approve Resolution 2018-18, authorizing a contract with Bolton and Menk Inc. for engineering services to assist the financial planning of the street improvement project.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-18 WAS ADOPTED 4 aye, 0 nay, 1 absent

Resolution 2018-19 Financial Planning Agreement, Northland Securities Inc. – The Council reviewed a proposal from Northland Securities, Inc. for financial planning services to do the phase I study of the street improvement project. It was noted that the costs will not exceed \$5,000, and that this cost is in the budget. Motion by Perfetto, second Goutermont to approve Resolution 2018-19, to approve a financial planning agreement with Northland Securities Inc. for financial services planning of the street improvement project.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-19 WAS ADOPTED 4 aye, 0 nay, 1 absent

Resolution 2018-20 PFA Application – The Council reviewed an application for a loan from the MN Public Facilities Authority for the wastewater preliminary treatment project, in the amount of \$3,037,000, and noted that this loan would be for construction but the amount could be amended pending grants and after the construction/engineering is completed. Motion by DeRosier, second Perfetto to approve Resolution 2018-20, submitting application to the MN Public Facilities Authority for a loan from the Clean Water Revolving Fund for improvements to the wastewater treatment facility.

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

Member Goutermont – aye
Member Hoff – absent

RESOLUTION 2018-20 WAS ADOPTED 4 aye, 0 nay, 1 absent

Seasonal and Part Time Employment – The Council reviewed the list of seasonal and part time positions and wages. Motion by Perfetto, second DeRosier to approve the list of seasonal and part time employment positions and to advertise for these positions.

MOTION CARRIED.

Liquor Store Part Time Employment – The Liquor Control Commission recommends advertising for part time employees. Motion by Perfetto, second DeRosier to approve Liquor Store part time employment positions and to advertise for these positions.

MOTION CARRIED.

Water / Wastewater Operators Position – The Personnel Committee recommends hiring Ted Czapliki as a Water & Wastewater operator to fill the open full-time position pending the successful completion of a pre-employment physical and a background check. Motion by Goutermont, second DeRosier to approve to hire Ted Czapliki as a Water & Wastewater operator in the Public Utilities Dept., with a start date dependent upon successful completion of a background check and a pre-employment physical, and at a starting wage of 90% for the one-year probationary period. MOTION CARRIED.

City Attorney – No other business was presented by the attorney.

NEW BUSINESS – No new business was presented.

OLD BUSINESS – No old business was presented.


Claims – Motion by Perfetto, second Goutermont to approve payment of \$79,899.37 paid claims and \$75,018.08 in unpaid claims. MOTION CARRIED.

Motion by Perfetto, second Goutermont to adjourn at 7:39 p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem



Scott M Johnson, Mayor



Lana Fralich, City Administrator