

## CITY COUNCIL

7:00 P.M.

Monday, May 20, 2019

Present: Mayor Scott Johnson  
Dustin Goutermont  
Richard DeRosier  
Shane Hoff

Excused: Carlene Perfetto

Lana Fralich, City Administrator  
Tim Costly, City Attorney  
Teri Cadeau, Lake County News Chronicle  
Joe Rhein, Bolton and Menk  
Brian Guldán, Bolton and Menk  
Bob Entzen, Lake County HRA

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

**Agenda** – Motion Goutermont, second DeRosier to approve the agenda with the addition of the response letter to the FAA concerning the Silver Bay Airport. MOTION CARRIED.

**Consent Agenda** – Motion DeRosier, second Hoff to approve the minutes from the May 6<sup>th</sup>, 2019 Regular Meeting. MOTION CARRIED.

### **Petitions, Requests and Communications**

**Lake County HRA** – Bob Entzen of the Lake County HRA board discussed housing needs for permanent residents within Lake County, the effects of short-term/vacation rentals on housing, and the need for regulations on these rental properties. Entzen has asked the City Council to work with the HRA and the City of Two Harbors to continue discussions on the matter. Mayor Johnson reports that currently the City does not allow for short-term/vacation rental properties within the residential districts of the City, but will continue in conversations. Motion Hoff, second Goutermont to support continued conversations and involvement with the Lake County HRA and City of Two Harbors on the issue. MOTION CARRIED.

**Neighborhood Revitalization Schedule** – The City will begin accepting applications for the Neighborhood Revitalization program grant beginning June 3<sup>rd</sup>, 2019. Applications can be picked up at City Hall or found on the City website. Original applications must be dropped off at City Hall and is on a first come first serve basis with priority given to first time applicants.

### **City Administrator**

**City Hall/Street Shop/Liquor Store Improvement Projects** – Council Members reviewed and Joe Rhein of Bolton and Menk discussed the results of the bids that came in for the City Hall, Street Shop, and Liquor Store improvement projects. The Street Department and Liquor Store projects were over the construction estimates, which engineers are

hearing high costs do to the demand for contractors. The City does not intend to use reserves but an increase in the loan amount would be required. Bid alternate for carpeting will be included in the costs but not the alternate for windows. Motion DeRosier, second Goutermont to accept the bid and award the contract to Kaski, Inc. for a base bid amount of \$464,120 plus Alternate #1 for \$7,000 for carpeting for the City Hall project; \$ 174,700 for the Liquor Store project; and \$409,220 for the Street Shop project for a total contract award in the amount of \$1,055,040. MOTION CARRIED.

**Preliminary Treatment Project** – Brian Guldán of Bolton and Menk discussed the plans and specifications for the preliminary treatment project and requests to advertise for bids beginning May 24<sup>th</sup>, 2019 with public bids due June 27<sup>th</sup>, 2019. The Public Utilities Commission recommends moving forward with advertising for bids. Motion Goutermont, second DeRosier to advertise for bids. MOTION CARRIED.

**Surplus Items** – AV100 Alphagen Character generator and Telvue B100 Digital Broadcaster server with Knox switcher were in the Library and need to be declared surplus obsolete as they have out-lived their useful life and have no salvage value. Motion Goutermont, second Hoff to declare items surplus obsolete. MOTION CARRIED.

**Budget Workshops** – It is recommended to set the 2020 Budget Workshops for August 5<sup>th</sup>, August 19<sup>th</sup>, September 3<sup>rd</sup>, and September 16<sup>th</sup>, 2019 beginning at 5:00 p.m. prior to the City Council regular meetings. Motion DeRosier, second Hoff to accept the budget workshop schedule. MOTION CARRIED.

**2019 Summer Recreation Schedule and Fees** – City Council members reviewed the recreation schedule and fees. There were no changes. Motion Goutermont, second Hoff to accept the 2019 summer recreation schedule and fees. MOTION CARRIED.

### **City Attorney**

**Response Letter to the FAA** – City Attorney Costley drafted a response letter to the FAA with a formal request of the closure of operations at the Silver Bay Municipal Airport. Motion Goutermont, second DeRosier to have the Mayor sign and send the letter. MOTION CARRIED.

OLD BUSINESS

NEW BUSINESS

**Mary MacDonald Board Reappointment** – The Mary Mac Committee recommends reappointing Steve VanHouse to the Mary MacDonald Board. Motion DeRosier, second Goutermont to accept the reappointment of Steve VanHouse. MOTION CARRIED.

**Claims** – Motion Goutermont, second DeRosier to approve payment of \$78,795.26 in unpaid claims and \$101,972.98 in paid claims. MOTION CARRIED.

Motion Hoff, second Goutermont to adjourn at 8:23 p.m. MOTION CARRIED.

Minutes taken by Amy Nelson



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Scott M Johnson, Mayor



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Lana Fralich, City Administrator