

CITY COUNCIL SPECIAL

The City Council of Silver Bay has set a Special Meeting for the purpose of reviewing and taking action on Resolution 2019-#40 for Phase 2 of Black Beach Campground, Resolution 2019-#41 the Proposed 2020 Budget, and 2019-#42 the Proposed 2020 Levy.

7:00 P.M.

Monday, September 23, 2019

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

Lana Fralich – City Administrator
 Joe Rhein – Bolton & Menk
 Teri Cadeau – Lake County News Chronicle

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

City Administrator

Resolution 2019 - #40 Black Beach Campground – Phase 2 – Rhein discussed alternate options to reduce costs. Options are to remove the awning, accept the original bid, or reject the bid and hold off construction. Motion Goutermont, second DeRosier to support the Black Beach Campground – Phase 2 construction of the main office building to Fourstar Construction Inc. in the base bid amount of \$664,000 and authorize the Mayor and Administrator to execute the necessary documents therefor, including the Notice to Proceed.

Hoff requested there be discussion and clarification before adopting Resolution 2019 - #40 Black Beach Campground – Phase 2. Rhein discussed the possible future increase in costs if the bid is rejected and lost revenues if the campground would not open. Johnson asked if there have been projections of revenue. Fralich discussed financials and stated the campground users would essentially be paying the loan payment and operational costs of the campground and that debt service payments would only be passed on to the tax payers if the campground did not cashflow. The construction of the campground is behind schedule. The grand opening may need to be held off due to vegetation growth.

The City Council thanks the Campground Committee for their due diligence.

Member Goutermont – aye
 Member DeRosier – aye
 Mayor Johnson - aye

Member Perfetto – nay
 Member Hoff – aye

RESOLUTION 2019 - #40 WAS ADOPTED. 4 aye, 1 nay

Resolution 2019 - #41 Proposed 2020 Budget – Fralich reported that 2020 will be a carry through of existing projects approved and focus on campground operations. The reasons for budget increase relate to wages and benefits, severance payouts, increase to the street fund, and increase to the capital fund. There was further discussion on equipment purchases, paving of City Hall and Mary Mac parking lots, roof repairs at the Mary Mac, and general fund transfers. Motion Perfetto, second Hoff to adopt the proposed 2020 revenue and expenditure budget in the grand total amount of \$11,976,980 in revenue and \$11,939,450 in expenses.

Member Goutermont – aye
Member DeRosier – aye
Mayor Johnson - aye

Member Perfetto – aye
Member Hoff – aye

RESOLUTION 2019 - #41 WAS ADOPTED. 5 aye, 0 nay

Resolution 2019 - #42 Proposed 2020 Levy – Motion DeRosier, second Goutermont to adopt the proposed 2019 collectible 2020 Tax Levy in the total amount of \$1,493,815 which is a 3.93% increase.

Member Goutermont – aye
Member DeRosier – aye
Mayor Johnson - aye

Member Perfetto – aye
Member Hoff – aye

RESOLUTION 2019 - #40 WAS ADOPTED. 5 aye, 0 nay

Motion Perfetto, second Hoff to set the 2020 Proposed Budget Truth and Taxation for December 2nd Regular Council Meeting at City Hall, 7 Davis Drive, Silver Bay, beginning at 7:00pm. MOTION CARRIED

City Attorney

Motion Perfetto, second Hoff to adjourn at 7:28 p.m. MOTION CARRIED.

Minutes taken by Lindsey Klemmer



Scott M Johnson, Mayor



Lana Fralich, City Administrator