

CITY COUNCIL

7:00 P.M.

Monday, April 6, 2022

Present: Mayor Wade LeBlanc
Richard DeRosier
Shane Hoff

Excused: Ben Bautch
Dustin Goutermont

Lana Fralich, City Administrator
Tim Costley, City Attorney
David Drown, Economic Development Authority Director- left at 7:45 p.m.
Kitty Mayo, Lake County Press via ZOOM

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

Agenda – Motion by DeRosier, second Hoff to approve the Agenda with Pay Equity Report addition and removal of Resolution 2022-#37. MOTION CARRIED.

Consent Agenda – Motion by DeRosier, second Hoff to approve the meeting minutes from the March 21, 2022 Regular Meeting and December 2021 Treasurer's Report. MOTION CARRIED.

Petitions, Requests, and Communications

Public Notice of Drinking Water Infrastructure Improvements- Bolton & Menk will be requesting public comments for the Water Facility Upgrade and City's intentions to finance the project through a PFA loan.

Bay Days Parade 2022- Discussion on participation in Bay Days parade, updating the city float, involving other city departments, and combining efforts with the Blue Line Club.

Pay Equity 2022 Report- City has received the notice of Pay Equity Compliance from the State.

City Administrator

Bay Area Historical Building Lighting Upgrade- The Bay Area Historical Society is requesting updating the lighting in their buildings. City staff are unable to complete and BAHS received 3 quotes with recommendation of Noreast for the project at a cost of \$2685. There are funds available and project can be completed by Memorial Day, when Bay Area Historical Society opens for the season. Discussion followed regards to savings with LED lighting and possible relocation of building in the future. Motion by Hoff, second DeRosier to accept bid from Noreast at a cost of \$2685. MOTION CARRIED.

Neighborhood Revitalization Grant Advertisement- Motion Hoff, second DeRosier to advertise for the Neighborhood Revitalization program, which provides a \$500 grant for homeowners and businesses to improve the exterior of their residence to begin accepting applications on May 2, 2022. MOTION CARRIED.

Firewood Contract RFP- Motion DeRosier, second Hoff to advertise for Campground Firewood supplier with same RFP presented as last year and revised due date of April 15th. MOTION CARRIED.

Parks and Recreation Summer Rec Fee Schedule- Motion by DeRosier, second Hoff to approve 2022 Parks and Recreation Summer Rec Fees with no changes from 2021. MOTION CARRIED.

Resolution 2022-#34 Street Department GO Note Payoff- Council reviewed the recommendation to pay off the Street Department General Obligation Note issued in 2019 for the Street Shop's Roof and Wall project. Pay off amount is \$321,710.17 by April 8, 2022 which will save the City \$80,116.88 in interest. Motion by DeRosier, second Hoff to approve Resolution 2022-#34 Street Department GO Note Payoff in the amount of \$321,710.17 MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Absent
Member Hoff – Aye

Member Goutermont – Absent
Member DeRosier – Aye

RESOLUTION 2022 – 34 WAS ADOPTED: 3 aye, 0 nay, 2 excused

Resolution 2022-#35 Liquor Store Revenue Note Payoff- Council reviewed recommendation to pay off the Street Department General Obligation Note issued in 2019 for the Liquor Store project. Pay off amount is \$63,244.39 by April 8, 2022 which will save the City \$2,674.02 in interest. Motion by Hoff, second DeRosier to approve Resolution 2022-#35 Liquor Store Revenue Note Payoff in the amount of \$63,244.39. MOTION CARRIED.

Mayor LeBlanc – Aye
Member Bautch – Absent
Member Hoff – Aye

Member Goutermont – Absent
Member DeRosier – Aye

RESOLUTION 2022 – 35 WAS ADOPTED: 3 aye, 0 nay, 2 excused

Resolution 2022-#36 Sewer GO Revenue Note Payoff- Council reviewed the recommendation to pay off the GO Sewer Revenue Note issued in 2019 for the Wastewater Sanitary Sewer Improvement project. Pay off amount is \$229,806.19 by April 8, 2022 which will save the City \$57,213.11 in interest. Motion by DeRosier, second Hoff to approve Resolution 2022-#36 Sewer GO Revenue Note Payoff in the amount of \$229,806.19. MOTION CARRIED.

Mayor LeBlanc – Aye
 Member Bautch – Absent
 Member Hoff – Aye

Member Goutermont – Absent
 Member DeRosier – Aye

RESOLUTION 2022 – 36 WAS ADOPTED: 3 aye, 0 nay, 2 excused

Resolution 2022-#38 Public Financing Professional Services- In order for the city develop TIF districts, the sale of TIF Revenue Bonds, and complete the work on a city-only tax abatement for the Boathouse Bay project, a public financing company will be needed to complete the required documents. The city solicited three proposals with two received. Council reviewed proposals from David Drown & Associates and Ehlers and discussed a potential conflict of interest due to David Drown also being the city Economic Development Director, timing concerns to complete, and tabling decision for full council attendance and possibly delaying decision until full council is in attendance. City Attorney provided information on conflict of interest and exceptions for professional services. Further discussion continued relating to appearance of impropriety. David Drown, who was in attendance, offered his company's work at not cost to the city in an effort to not delay the project and remove the conflict of interest. Motion by DeRosier, second Hoff to approve Resolution 2022-#38 Public Financing Professional Services by David Drown & Associates provided pro bono. MOTION CARRIED.

Mayor LeBlanc – Aye
 Member Bautch – Absent
 Member Hoff – Aye

Member Goutermont – Absent
 Member DeRosier – Aye

RESOLUTION 2022 – 38 WAS ADOPTED: 3 aye, 0 nay, 2 excused

City Attorney – Nothing at this time.

OLD BUSINESS

MN DNR-EAW for Northshore Mining's Big 39 and Little 39 Creek Mitigation Project- Motion by DeRosier, second Hoff to send a letter of support by April 14th if needed. MOTION CARRIED.

Airport Update- Mayor LeBlanc updated Council on status of airport, his meeting with IRRRB, doing a feasibility study, through a grant, to determine viability of the airport and the potential development of an airport authority, and meeting with city and townships to continue discussions.

NEW BUSINESS

Property Tax Valuations- Discussion on new property tax valuation and tax increases for residents. Council has received many calls and messages. Motion by Hoff, second DeRosier to send a letter with concerns to Lake County and request a meeting with the assessor. MOTION CARRIED.

Claims – Motion by DeRosier, second Hoff to approve payment of \$263,128.91 in unpaid claims and \$123,159.28 in paid claims. Noted that loan payoffs are in addition to claims. **MOTION CARRIED.**

Motion by DeRosier, second Hoff to adjourn at 7:59 p.m. **MOTION CARRIED.**



Wade LeBlanc, Mayor

Minutes taken by Lisa Christenson

Attest:



Lana Fralich, City Administrator