

CITY COUNCIL

7:00 P.M.

Monday, July 17, 2023

Present: Mayor Wade LeBlanc
Shane Hoff
Richard DeRosier
Dustin Goutermont

Absent: Ben Bautch

Lana Fralich, City Administrator

Tim Costley, City Attorney

Joe Rhein, City Engineer, Bolton & Menk via ZOOM

Kitty Mayo, Lake County Press via ZOOM

Dave Nobbe, via ZOOM

Christopher Belfield, KTWH

Ryder McMillen

Gene LaFond -left at 7:35 p.m.

Rick Evans, Northshore Journal

Noreen Carlson

Isaac Swanson

Carolyn Hudyman

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

Agenda – Motion by Goutermont, second Hoff to approve the Agenda as presented. **MOTION CARRIED.**

Consent Agenda – Motion by Goutermont, second DeRosier to approve the meeting minutes from the July 3rd 2023 Regular Meeting and April 2023 Treasurer’s Report. **MOTION CARRIED.**

Petitions, Requests, and Communications –

KTWH Presentation- Christopher Belfield from KTWH Radio in Two Harbors presented information regarding the KTWH FP NCE Expansion Project for the Two Harbors Community Radio. KTWH was approved for an FCC license to expand from low power to full power which will allow expansion to the Silver Bay area. They currently air on 99.5 but will airing on 88.3 once expansion is complete. They are asking Council for an endorsement of support for community radio and getting the information regarding the expansion to the public.

Downtown Planning Public Information Meeting- The EDA has scheduled a public information meeting regarding the Downtown Planning Design on July 25, 2023, 6:30 p.m. at the Reunion Hall.

City Administrator –

Resolution 2023-#36 Public Hearing-Business Subsidy to Sawtooth 16, LLC for Boathouse Bay- Resolution was reviewed regarding setting a public hearing on August 7th for the Business Subsidy to Sawtooth 16, LLC for Boathouse Bay, which had been previously approved by Council. Motion by DeRosier, second Goutermont to adopt Resolution 2023-#36 Public Hearing-Business Subsidy to Sawtooth 16, LLC for Boathouse Bay. **MOTION CARRIED.**

Mayor LeBlanc – Aye

Member Goutermont – Aye

Member Bautch – Absent
Member Hoff – Aye

Member DeRosier – Aye

RESOLUTION 2023 – 36 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2023-#37 Public Hearing- Tax Increment Financing Plan (TIF 1-1) and Municipal Development District 1 for Boathouse Bay Development- Resolution was reviewed regarding setting a public hearing on August 7th for Tax Increment Financing Plan (TIF 1-1) and Municipal Development District 1 for Boathouse Bay, which had been previously approved by Council. Motion by Goutermont, second DeRosier to adopt Resolution 2023-#37 Public Hearing- Tax Increment Financing Plan (TIF 1-1) and Municipal Development District 1 for Boathouse Bay. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2023 – 37 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2023-#38 Set Public Hearing Tax Abatement Plan to Sawtooth 16, LLC for Boathouse Bay Development- Resolution was reviewed regarding setting a public hearing on August 7th for the Tax Abatement Plan to Sawtooth 16, LLC for Boathouse Bay, which had been previously approved by Council. Motion by DeRosier, second Goutermont to adopt Resolution 2023-#38 Set Public Hearing for Tax Abatement Plan to Sawtooth 16, LLC for Boathouse Bay. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2023 – 38 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2023-#39 IRRRB Grant Submission for Boathouse Bay- The EDA recommends submitting a grant to IRRRB for additional funding that is needed for utility infrastructure due to bids coming in higher than what TIF/Abatement will support. Motion by Goutermont, second DeRosier to adopt Resolution 2023-#39 IRRRB Grant Submission for Boathouse Bay retroactive to July 14th, 2023. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2023 – 39 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2023-#40 Zamboni Advertising Agreement with NSFCU – North Shore Federal Credit Union approached the Parks and Recreation Board regarding advertising on the Zamboni. Council reviewed the agreement that has been drafted by the City Attorney and recommended by the Parks and Rec board. There was discussion regarding having other advertisers, length of contract and fees. Motion by Hoff, second Goutermont to adopt Resolution 2023-#40 Zamboni Advertising Agreement with NSFCU for a three-year term and \$2500/annually. MOTION CARRIED.

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

Member Goutermont – Aye
 Member DeRosier – Aye

RESOLUTION 2023 – 40 WAS ADOPTED: 4 aye, 0 nay, 1 excused

Resolution 2023-#41 2024 CSAH Project-Bolton & Menk- Joe Rhein, City Engineer, presented information regarding the cleaning and televising of the City’s sanitary sewer relating to the sections of roadways planned the 2024 CSAH street improvements on Banks Blvd that Lake County will be conducting. The proposed cost is \$10,450 plus \$.95 per lineal foot if cutting is required, based on 5500 lineal feet of line. Discussion followed regarding schedule, televising the whole city, sanitary sewer line areas in need of repair, and age of lines. Motion by DeRosier, second Hoff to adopt Resolution 2023-#41 2023 CSAH Project- Bolton & Menk and hire Great Lakes Pipe to complete the cleaning and televising. MOTION CARRIED.

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

Member Goutermont – Aye
 Member DeRosier – Aye

RESOLUTION 2023 – 37 WAS ADOPTED: 4 aye, 0 nay, 1 excused

East Lakeview Drive-Bolton & Menk- Joe Rhein, City Engineer, presented a brief update of the East Lakeview Drive project to Council. State funding of \$1.6 million has been received. Plan approval, requesting and approval of bids will be done by Lake County. MNDOT approved plans on July 7th, County and City Engineers have signed and waiting for Lake County signature. There are still a few variances needed, along with the right of way easement from Northshore Mining. Northshore Mining is working on the draft agreement. Discussion regarding the timeline of obtaining bids and construction. Further discussion regarding submitting advertisement for bids this week although the city doesn’t have the right a way secured. Motion by Goutermont, second DeRosier to submit advertisement to be published July 18th. MOTION CARRIED.

Department of Health Lead Service Line Assessment Application- It is required by the State to prepare an inventory of lead service lines and submit by October 16, 2024. The City does not believe to have any lead service lines within in the city, an inventory must still be completed. The MN Department of Health is offering a technical assistance grant up to \$75,000, to be determined by MN Department of Health, to be used to pay for consultants to help the city with inventory. The application is due by July 20th and Bolton & Menk will assist in completing the application if needed. Motion by DeRosier, second Hoff to submit grant request. MOTION CARRIED.

MN Power Grant Acceptance-Library Construction Project- Motion by Hoff, second Goutermont to accept the \$10,000 grant from MN Power to be used toward the Library Construction Grant Project. MOTION CARRIED.

Special Event Bartender ReHire- Motion by DeRosier, second Goutermont to rehire Liv Hoff as a Special Event Bartender for Bay Days at 80% of the Bartender wage, effective July 6th, 2023. Liv Hoff previously was employed by the city as a Park and Rec Aide. MOTION CARRIED, with Hoff abstaining.

Water/Sewer Operator Hiring- The Personnel Committee is recommending hiring Jesse Siskar as Water/Sewer Operator, pending completion of his background check and pre-employment physical.

Motion by Goutermont, second DeRosier to hire Jesse Siskar at 80% of the Full-time Water/Sewer Operator wage of \$25.29/hour, moving to 90% after successful completion of 6 months, and full wage after successful completion of 1 year probation. Start date will be dependent upon successful completion background check and pre-employment physical. MOTION CARRIED.

Water/Wastewater Operator Training- Motion by Goutermont, second Hoff to approve Jason Roswold attending the 2023 MNAWWA Annual Conference in Duluth, MN September 20-22, 2023 to receive the training needed for required continuing education credits. The cost of training is \$330+tax, and normal meals and mileage. There will be no hotel expenses. MOTION CARRIED.

Police Training- Chief Ernest is requesting Officer Micaiah Schubert attend training August 7th-10th in Walker, MN to become a Certified Firearms Instructor. Motion by DeRosier, second Hoff for Officer Schubert attend training at a cost of \$575 plus \$149+tax/per night hotel, meals, and mileage. MOTION CARRIED.

Firefighter Job Description- The Firefighter Job description has been updated and reviewed by the Fire Chief. There has not been a job description for volunteer firefighter positions and one is now required to obtain pre-employment physical on the application. Motion by Goutermont, second DeRosier to approve updated job description. MOTION CARRIED.

City Attorney –

Boathouse Bay Development Document-Independent Legal Review- City Attorney Costley is requesting the hiring of a 3rd party law firm to do a review of the Development Documents of the Boathouse Bay project. He is recommending hiring of Kennedy & Graven, Chartered at a wage of \$250/hour. Motion by DeRosier, second Goutermont to hire for the purpose of a 3rd party review of Boathouse Bay documents. MOTION CARRIED.

OLD BUSINESS – None at this time.

NEW BUSINESS –

Home Use Occupation Permit- 28 Quincy- The Planning and Zoning Commission has held a public hearing and recommends approval of the Home Use Occupation Permit application submitted by Isaac Swanson and Ryder McMillen of Stitched Apparel and Graphics, LLC at 28 Quincy. Motion by DeRosier, second Hoff to approve Home Use Occupation Permit at 28 Quincy pending homeowners' signature. MOTION CARRIED.

Conditional Use Permit for Short-Term Rental- 5308 Mt Rockwood Road- The Planning and Zoning Commission has held a public hearing and is recommending the approval of a Conditional Use Permit to conduct a short-term rental at 5308 Mt. Rockwood Road by Dave Nobbe, pending a required public health inspection to be done by Lake County. Per Dave Nobbe, Lake County will not be able to complete the inspection until mid-August. Discussion regarding application renewal required yearly. Motion by DeRosier, second Goutermont to approve Interim Use Permit for Short-term rental at 5308 Mt. Rockwood Road, pending successful completion of County Health Inspection approval. MOTION CARRIED.

Set Budget Workshop Meetings- Motion by Goutermont, second DeRosier to set budget workshop meeting dates of Monday, August 21st; Tuesday, September 5th; and Monday, September 18th, 5:00 p.m. prior to City Council meetings. MOTION CARRIED.

EDA Board Resignation- Motion by Goutermont, second Hoff to accept resignation, with regrets, of Joe Nicklay from EDA board. MOTION CARRIED.

EDA Board Appointments- The EDA board is recommending both Alex Truax and Kaitlyn Goutermont to serve the vacant positions. This will fill the vacancies and EDA will now become a 7-member board. Motion by Goutermont, second Hoff to approve both. MOTION CARRIED.

EDA Board Terms- Upon review, by the City Attorney, of the State Statutes and in correlation of the city code, the EDA is required to have staggered terms. The EDA is recommending the following staggered terms of the existing board:

Nelson French- term expires 12/31/2023

Beth Smuk – term expires 12/31/2024

Steve VanHouse – term expires 12/31/2025

Alex Truax -term expires 12/31/2026

Katelyn Goutermont – term expires 12/31/2027

2 City Councilors – terms expire 12/31/2028

Motion by Goutermont, second Hoff to approve changes. MOTION CARRIED.

Claims – Motion by Goutermont, second DeRosier to approve payment of \$31,396.67 in unpaid claims and \$228,827.13 in paid claims. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Aye

Member Goutermont – Aye

Member DeRosier – Absent

Motion by DeRosier, second Goutermont to adjourn at 8:02 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

Wade LeBlanc, Mayor

Lana Fralich, City Administrator