

CITY COUNCIL

7:00 P.M.

Monday, April 15, 2024

Present: Mayor Wade LeBlanc
Richard DeRosier
Dustin Goutermont
Ben Bautch

Absent: Shane Hoff

Lana Fralich, City Administrator
Tim Costley, City Attorney
Cole Ernest, Chief of Silver Bay Police Dept via ZOOM
David Drown, Economic Development Director
Joe Rhein, City Engineer, Bolton & Menk via ZOOM
Nathan Stadler, Lake County Sheriff
Rick Evans, Northshore Journal
Kitty Mayo, Lake County Press via ZOOM
Matthew Johnson, Lake County HRA via ZOOM
Scott Whittemore, Nor-Son Construction via ZOOM left 7:18 p.m.
Carolyn Hudyma
Chuckie Knudson
Marcia Oates

Mayor LeBlanc called the meeting to order at 7:06 p.m.

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

Consent Agenda – Motion by Goutermont, second DeRosier to approve the meeting minutes from the April 1, 2024 Regular Meeting and April 8, 2024 Public Hearing. **MOTION CARRIED.**

Petitions, Requests, and Communications –

Public Comments- None at this time.

Kitty Mayo – Request of Waiver of Fees for Use of ReUnion Hall for Candidate Debate- Kitty Mayo is requesting a waiver of the ReUnion Hall fees for the purpose of a public candidate forum between incumbent Representative Roger Skraba and Harley Droba to be held in June 2024, prior to the election. Motion by DeRosier, second Goutermont to waive ReUnion Hall fees. **MOTION CARRIED.**

Mayor for the Day Essay- Three students submitted essays for the League of MN Cities Mayor for the Day essay contest. Mayor LeBlanc took participants out to lunch and provided a recap of student ideas to Council.

RAMS Letter of Support for School District Regarding Seasonal/Rec Properties- Council reviewed a letter of support from RAMS relating to proposal SF 4995/HF 4986 (Hauschild, Lislegard) which is proposing to allow school districts to redirect local property tax dollars back to the school district from where it was generated.

Spring/Summer 2024 City Newsletter- The Spring/Summer 2024 City Newsletter has been mailed with the 2nd quarter utility cards to residents. The newsletter is also available on the city website and various locations within the city.

Liquor Store Closing at 5:00 p.m. Tuesday, April 23rd- The Liquor Store will be closing at 5:00 p.m. April 23rd for employee training.

City Administrator –

Resolution 2024-#22 Nor-Son Construction LLC. Contract, through Sourcewell, for Library Addition and Roofing Project- Council reviewed the final contract by Gordian through Sourcewell, cost listing, and bid information. It was noted there was a reduction of \$9,199 in the contract due to Gordian lowering their administration fee. The total contract amount is \$1,217,306. Discussion followed regarding survey of property and declaration for grant. Motion by DeRosier, second Goutermont to adopt Resolution 2024-# Nor-Son Construction LLC. Contract through Sourcewell for Library Addition and Roofing Project. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 22 WAS APPROVED: 4 aye, 0 nay, 1 excused

Resolution 2024-#23 Transfer of General Funds (Fund 101) to the Library Fund (Fund 211) and to Levy \$35,000 in Library Funds (Fund 211), beginning with 2025 Budget, for the purpose of Reimbursement to the General Fund (Fund 101) for the Library Addition and Roofing Project. Motion by Bautch, second Goutermont to adopt Resolution 2024-#23 Transfer of General Funds (Fund 101) to the Library Fund (Fund 211) and to Levy \$35,000 in Library Funds (Fund 211), beginning with 2025 Budget, for the purpose of Reimbursement to the General Fund (Fund 101) for the Library Addition and Roofing Project. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 23 WAS APPROVED: 4 aye, 0 nay, 1 absent

Council Member DeRosier, stated as Chair of the Lake County HRA Board, he will abstain from comments and voting to prevent any real or perceived potential conflict of interest.

Resolution 2024-#24 Amendment to the Zoning Code 1210.06 (HB) Highway Business Commercial Subd. 3: A. Planning & Zoning Commission has held the required public hearing and is recommending approval of the amendment to the Zoning Code 1210.06 (HB) Highway Business Commercial Subd. 3: A to read as follows: Subd 3- Uses allowed by a Conditional User Permit, A. -All uses identified as Conditional Uses in the R-1 and SC District and Permitted Uses in the R-2 District. Motion by Goutermont, second Bautch to adopt Resolution 2024-#24 Amendment to the Zoning Code 1210.06 (HB) Highway Business Commercial Subd. 3: A. MOTION CARRIED with DeRosier abstaining.

Mayor LeBlanc – Aye

Member Goutermont – Aye

Member Bautch – Aye
Member Hoff – Absent

Member DeRosier – Abstain

RESOLUTION 2024 – 24 WAS APPROVED: 3 aye, 0 nay, 1 absent, 1 abstain

Resolution 2024-#25 Steve and Michelle VanHouse Variance Request to Subdivide Parcel #22-7470-10352 into Two Parcels. The Planning & Zoning Commission has held the required public hearing and is recommending approval of the Variance request by Steve and Michelle VanHouse to subdivide Parcel #22-7470-10352 into two parcels. Motion by Goutermont, second Bautch to adopt Resolution 2024-#25 Steve and Michelle VanHouse Variance Request. MOTION CARRIED with DeRosier abstaining.

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

Member Goutermont – Aye
Member DeRosier – Abstain

RESOLUTION 2024 – 25 WAS APPROVED: 3 aye, 0 nay, 1 absent, 1 abstain

Resolution 2024-#26 Lake County Housing and Redevelopment Authority Variance Request to Subdivide Parcel #22-7470-10355 into Two Parcels and a Variance from the Height Restriction to 42 Feet at its Peak. The Planning & Zoning Commission has held the required public hearing and is recommending approval of the variance request by Lake County HRA to subdivide Parcel #22-7470-10355 into two parcels and to vary from the height restriction from 35 feet to 42 feet at its peak, as it relates to the proposed development of a three-story apartment building called Silverpointe II. Motion by Bautch, second Goutermont to adopt Resolution 2024-#26 Lake County Housing and Redevelopment Authority Variance Request. MOTION CARRIED with DeRosier abstaining.

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

Member Goutermont – Aye
Member DeRosier – Abstain

RESOLUTION 2024 – 26 WAS APPROVED: 3 aye, 0 nay, 1 absent, 1 abstain

Resolution 2024-#27 Lake County Housing and Redevelopment Authority Conditional Use Permit application to develop a Multi-Family Commercial Building in a (HB) Highway Business Commercial Zone. The Planning & Zoning Commission has held the required public hearing and is recommending approval of granting a Conditional Use Permit to the Lake County HRA, upon acquisition of property, for the purpose of developing a multi-family commercial building in a (HB) Highway Business Commercial Zone with a condition that they combine the new smaller portion of the VanHouse subdivided lot with split B to create one parcel and to provide public access through the property. Motion by Goutermont, second Bautch to adopt Resolution 2024-#27. MOTION CARRIED with DeRosier abstaining.

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

Member Goutermont – Aye
Member DeRosier – Abstain

RESOLUTION 2024 – 27 WAS APPROVED: 3 aye, 0 nay, 1 absent, 1 abstain

Resolution 2024-#28 To Submit Application and Act as Legal Sponsor for the Silverpointe II Workforce Housing Project. Council reviewed the application to be submitted to the Minnesota Housing Finance Agency for the purpose of applying for a forgivable loan in the amount not to exceed \$3,345,363 for the Lake County HRA Silverpointe II Workforce Housing Project. The city must be the applicant and recipient of the funds for the project. The contractor, DW Jones, will be providing administrative support. Matthew Johnson, Lake County HRA director thanked the city for acting as legal sponsor. Motion by Goutermont, second Bautch to adopt Resolution 2024-#28 To Submit Application and Act as Legal Sponsor for the Silverpointe II Workforce Housing Project. MOTION CARRIED with DeRosier abstaining.

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

Member Goutermont – Aye
Member DeRosier – Abstain

RESOLUTION 2024 – 28 WAS APPROVED: 3 aye, 0 nay, 1 absent, 1 abstain

Resolution 2024-#29 Tax Abatement and Abatement Plan for New Home Grant Program within the City of Silver Bay. The required public hearing has been held to authorize the tax abatement within the City of Silver Bay for the new Home Incentive Grant program and abatement plan. Two new homes have been built in 2023 that qualify for the incentive program (parcel #22-7551-02-20 and #22-7401-30020), with both homesteading their properties which resulted in the 15% incentive. The City expensed \$30,540 and \$93,199.35 for a total of \$124,783.85 plus legal fees. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#28 Tax Abatement and Abatement Plan for New Home Grant Program within the City of Silver Bay. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 29 WAS APPROVED: 4 aye, 0 nay, 1 absent

Resolution 2024-#30 Lenslock Agreement to Purchase and Install Body Worn Cameras and Adopt Policy #D-17 Audio/video Recorders. A public hearing was held previously and the Chief of Police is recommending the purchase and implementation of Body Worn cameras and dash cameras for the purpose of capturing evidence arising from police-citizen encounters. The preferred company is Lenslock with a total cost of \$37,795 to be paid over five years with the first-year payment offset with Public Safety Aid, in the amount of \$8,159, that has already been received by the City. The policy closely mirrors Lake County Sheriff Department, who is also using Lenslock. Motion by Goutermont, second Bautch to adopt Resolution 2024-#30 Lenslock purchase agreement and adoption of Policy #D-17 Audio/Video Recorders. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 30 WAS APPROVED: 4 aye, 0 nay, 1 absent

Fire Truck Refurbish – Sourcewell- Custom Fire- The Fire Chief is recommending refurbishing the current fire truck the department has. It was anticipated a new truck cost would be \$300,000 but current estimate is \$582,735. Council reviewed a proposal from Custom Fire, through Sourcewell, to refurbish the engine at a cost of \$237,000. Motion by Bautch, second DeRosier to move forward with contract

preparation with Custom Fire through Sourcewell. Resolution will be provided at next meeting. MOTION CARRIED.

City-wide Street Improvement Project Legislative Meeting at the Capital- The City has been requested to testify on April 18th at 8:30 a.m. and 1:00 p.m. at the Capital regarding the \$6.3 million funding request to aid in the city-wide street improvement project. If the city receives the funding it will not lower the city-wide street assessment costs but would help the timeframe of the total project. City Administrator Fralich will be attending and is requesting reimbursement of hotel expense on April 17th of \$155 plus tax/fees and expenses relating to parking, taxi/uber/lyft if needed, normal meals, and mileage expense. Motion by DeRosier, second Goutermont to approve travel expenses. MOTION CARRIED.

AWAIR Training- Motion by Bautch, second DeRosier to approve annual AWAIR training for employees via ZOOM on April 25th, 8:30-11:30 a.m. at a cost of \$650. MOTION CARRIED.

City Attorney – City Attorney Costley is recommending the City start creating an Assessment Policy for the City-wide Street Improvement project in an effort to be prepared when/if the government funds are received.

OLD BUSINESS –

Council Member DeRosier asked if there were any updates regarding the cannabis laws, City Attorney stated it will still be a while. Fralich will be meeting with Administrators of Lake County, Two Harbors, and Beaver Bay to have an initial discussion on cannabis.

NEW BUSINESS – None at this time.

Claims – Motion by DeRosier, second Goutermont to approve payment of \$295,463.93 in paid claims and \$105,427.23 in unpaid claims. MOTION CARRIED

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

Member Goutermont – Aye
Member DeRosier – Aye

Motion by DeRosier, second Bautch to adjourn at 7:35 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

Wade LeBlanc, Mayor

Lana Fralich, City Administrator