

## CITY COUNCIL

7:00 P.M.

Tuesday, September 3, 2024

Present: Mayor Wade LeBlanc

Richard DeRosier

Dustin Goutermont

Shane Hoff

Ben Bautch

Lana Fralich, City Administrator

Tim Costley, City Attorney

Cole Ernest, Chief of Police

Rick Evans, Northshore Journal

Josh Stier, Bolton & Menk

Joe Rhein, City Engineer, Bolton & Menk

Kitty Mayo, Lake County Press via ZOOM

Julie Jensen

Wendy Jensen

Dale & Janey Knaffla

Chip & Terri Rothstein

Chuckie Knudson

Marcia Oates

Evanna Judkins

Stacy Peterson

Eric Judkins

Leanne Buell

Noreen Carlson

Judy Carlson

Donny Thompson

Patrick's Phone via ZOOM

Carolyn Hudyma

Tammy Alcaraz

Lance Williams

Pat & Carol Salus

Renee Pearson

Laurie Larson

Barb Jonson

Rex Parker

Teresa Schultz

Curt Anderson

Randy Carlson

Vickie Thompson

Observer via ZOOM

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

**Agenda** – Motion by Goutermont, second Bautch to approve the Agenda with addition of Police Chief training and MN Bid. **MOTION CARRIED.**

**Consent Agenda** – Motion by Bautch, second Hoff to approve the meeting minutes from the July 29, 2024 Special Joint Meeting, August 5, 2024 Public Hearing, August 5, 2024 Regular Council Meeting, and August 26, 2024 Special Meeting. **MOTION CARRIED.**

**Petitions, Requests, and Communications** –

**Public Comments-**

City Attorney Costley reminded the public to state name and comment and that this is for taking comments versus discussion.

Julie Jensen expressed concern regarding public notification during the recent water outage emergency and would like to see a more efficient way to notify the public. Mayor LeBlanc advised that

they posted on website, social media, took calls, and used Lake County alert system. Administrator Fralich advised that we do not have a city emergency notification system, but did use the Lake County system to alert residents.

Judy Carlson asked the status on the perimeter ditching and if it is part of the storm water management plan. Administrator Fralich advised letters have been sent to property owners where the ditch crosses private property, requesting owners' interest in providing an easement to the City, and that the City has not yet received all replies back. Judy Carlson asked how MN Power can access properties. Fralich stated it was a different kind of easement, which the Attorney also explained.

Renee Pearson expressed concern regarding survey crew pulling survey pins and completely removing them when her father questioned, which resulted in a neighbor having his lot resurveyed. She asked what markers are used in survey when pins are pulled. Mayor LeBlanc stated that there should be pins at section corners when surveys are being completed. City Attorney Costley stated that it is common for neighbors to disagree on survey lines.

Dale Knaffla confirmed that the city had requested easements for the perimeter ditching.

Ray Parker would like any new projects to be decided by the voters. Mayor LeBlanc stated that all projects are discussed by the respective boards and referred to Council for approval. He encouraged anyone interested attend the board and commission meetings.

Teresa Alcaraz questioned the Mayor owning a gravel pit and she feels it is unethical. City Attorney Costley advised that a mayor can own a gravel pit, there is no conflict, and if anyone has a claim that Mayor LeBlanc is doing anything unethical to submit, in writing, citing the statutes being violated, and provide documentation to his office that he would review

Carolyn Hudyma expressed frustration in the community by people not hearing about projects prior to council receiving. She suggested doing town hall meetings. Mayor LeBlanc stated all meetings of the City are published in accordance with the law, and encourages public to attend Board and Commission meetings, prior to Council receiving recommendations.

Vickie Thompson expressed her appreciation on the early agenda and links posted, she questioned why Davis Dr. was removed from the CSAH project and impact on funding. Administrator Fralich advised that after discussion with engineers, and the timing for the construction of the new booster station to be located on the corner of Banks and Davis, it would be best to delay improvements to Davis Drive in order to not tear up a new road, and that she was not aware of any effect on the CSAH funding.

Chuckie Knudson stated that she was unable to hear questions and answers and suggested more microphones be put in place.

Julie Jensen suggested the survey work be done on Davis Drive anyway.

Curt Anderson stated that Councilor DeRosier had previously stated to not spend money on Davis Drive and put into a potential new road behind shopping center. Councilor DeRosier explained that, as HRA Chair, there is a possibility of building another apartment building and a way to access it was via a new street behind shopping center. The idea was to remove the CSAH designation on Davis and use it on a new proposed road behind the Shopping Center to potentially help pay for the cost. Curt Anderson asked if the property owners on the new road would be assessed as well. Councilor

DeRosier advised that it hadn't started the planning stage, but appreciated input and ideas from the public. Lance Williams asked which culverts needed to be replaced and if it was Lake County's responsibility.

Dale Knaffla expressed concern regarding if closing Davis Dr would have an effect on emergency vehicle response time. Mayor LeBlanc stated emergency response has been discussed, fire department takes Davis, but ambulance rarely does.

Vickie Thompson stated that in the City Center/Downtown Design images shows Davis Dr. is gone, and parking lot changes.

Donny Thompson stated that, as a first responder, it would take longer time to get to fire hall from Bri-esas than from his home due to traffic and feels that time matters. Ray Parker agreed that when he had a stroke at the clinic time mattered for his survival.

Noreen Carlson asked if the city had a date to remove the trees that were cut down at the trailhead site. Administrator Fralich advised the trees were cut down to accommodate the long eared bat migration timeframe, that removal would be part of the contracts, and that construction is delayed to 2025 due to meeting federal requirements for funding before project can begin.

### **Mayor/Council Comments-**

Councilor DeRosier stated that while he appreciates freedom of speech, he would like to set the record straight regarding current publication in newspaper from a candidate for Mayor, Dean Floen. The City Council, Mayor, Administration, and Board Members have higher standards to uphold, comply with bylaws and codes, and he feels the residents should also be held to the same higher standards as well and expressed frustration by the lies and untruths that are being spread on social media which, in his opinion, do not accomplish anything but grief for those involved, felt it is ok to call people out when they are wrong, and felt that articles in the newspapers need to be responsible, accurate, and without innuendos and accusations. He continued with an example from a previous Council meeting where a constituent questioning the City receiving a MN Lottery grant, where he clarified that the city receives a small portion of sales from the lottery machine located in the lounge, but was not aware of any lottery grants, but then it was placed on social media that he was a liar which he took offense to.

Vickie Thompson questioned if it that was appropriate to discuss at a City Council meeting. She further questioned if money has been reimbursed from Boathouse Bay, if the city will get land back if project falls through, why the EDA director had not been vetted before being hired, and concern regarding the mistrust felt within the community. Councilor DeRosier advised that there are not taxpayer dollars going into Boathouse Bay that won't be reimbursed and feels that to accuse the city of doing things underhanded is offensive.

Dale Knaffla asked if the city has considered buying material for infrastructure beforehand to save costs.

Mayor LeBlanc commented, for the record, regarding a letter to the editor stated he had visited Hogenson's property this year was incorrect, and that he visited the property three years ago.

**Letter from Ed Maki Jr. –** Council reviewed a letter received from Ed Maki Jr in support of cleaning the city of blight.

**City Administrator –**

**Resolution 2024-#45 Custom Fire Quote for Upgrade and Refurbish of Fire Engine-** Council reviewed a quote from Custom Fire, via Sourcewell, to update and refurbish the existing 31-yr old fire engine pumper and apparatus. The cost to refurbish the engine is less than the cost to replace. The quote of \$281,028.84 is lower than the 2024 budgeted amount of \$300,000 and will be paid with funds of \$50,000 received from the Greenwood Fire, \$175,000 already levied as part of the 2025 vehicle replacement schedule, and \$56,028.84 drawn down on the General Fund reserves. Curt Anderson asked if there would be a spare fire engine to use during refurbishing, Councilor Goutermont replied there would be along with mutual aid available from Finland Fire Department. Motion by Goutermont, second Bautch to adopt Resolution 2024-#45 Custom Fire Quote for Upgrade and Refurbish of Fire Engine, through Sourcewell, at a cost of \$281,028.84. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

RESOLUTION 2024 – 45 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2024-#46 Bolton & Menk Design Amendment- Geotechnical Services for 2025 Street & Utility Improvements for CSAH Banks & Edison Boulevard-** Josh Stier, Bolton & Menk presented a proposal relating to additional geotechnical services for the Lake County CSAH Banks and Edison Boulevards. The technical services done by Lake County do not meet the depth requirement for the City's portion of utilities. Bolton and Menk is recommending the quote received from Northeast Technical Services to complete the additional borings, based on a billed hourly and not to exceed \$8905. There was discussion on the one boring being on Davis Drive, if it should be included, which there was a consensus it should be. Motion by DeRosier, second Bautch to adopt Resolution 2024-#46 Bolton & Menk Design Amendment for Geotechnical Services relating to the 2025 Street & Utility Improvements for CSAH Banks & Edison Boulevard at the cost of \$8,905. MOTION CARRIED.

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

Member Goutermont – Aye  
Member DeRosier – Aye

RESOLUTION 2024 – 46 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2024-#47 Bolton & Menk Proposal Services for Preliminary Engineering Professional Services for Phase 1 of Citywide Street & Utility Improvements Program-** Josh Stier, Bolton & Menk, presented a proposal to begin the preliminary engineering for the proposed Phase 1 of the Citywide Street and Utility Improvement project, that would include review of Sections A, B, and C, as recommended by the Public Works Committee and the Public Utilities Commission. The proposal includes geotechnical engineering, topographic and boundary surveying, wetland delineation, project permitting, and preliminary design at a cost \$236,300. Motion by Hoff, second Bautch to adopt Resolution 2024-#47 which accepts a proposal for services from by Bolton & Menk to provide preliminary engineering professional services for Phase 1 of the Citywide Street & Utility Improvements Program. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

RESOLUTION 2024 – 47 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2024-#48 Bolton & Menk Proposal for Citywide Street Program Budget Allocation-** Council reviewed a proposal from Bolton & Menk to create a program for the Citywide Street & Utility Improvement Project. The proposal includes creating and adopting a Special Assessment Policy along with holding public meetings. The proposed cost is \$8500 and would be added to the previous budget allocation for this project that has been worked on since 2017. Renee Pearson asked for clarification regarding potential assessment costs to each homeowner and can there be a cap on assessment cost. Administrator Fralich clarified that an overall policy will be created with the goal to be as equal and fair for everyone, and that actual costs of the assessment will not be known until a project is actually started on the property owner's street. Erica Jensen asked for clarification regarding phases, funding, and asked that the public be involved during the policy planning. It was advised that Horn Boulevard was the sample of how the roads would be reconstructed. Joe Rhein, City Engineer stated that the city has to follow State Statute and cannot charge more than a benefit to property owners, that before a policy is adopted there will be several check points, including having a public hearing, and expressed that property owners have rights and protections. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#48 approving a proposal from Bolton & Menk to add \$8,500 for the Citywide Street and Utility Program Budget Allocation. MOTION CARRIED.

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

Member Goutermont – Aye  
 Member DeRosier – Aye

RESOLUTION 2024 – 48 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2024-#49 Bolton & Menk Request to Amend Professional Services Agreement for the Multi-Modal Trailhead Center.** Council reviewed an amendment request from Bolton & Menk relating to the additional professional services required to amend the cultural resources, environmental review, and site design due to the changes made with the removal of the senior workshop, at a proposal cost of \$19,700. Joe Rhein reviewed the changes made to the site design and resulting cost savings of project. Dale Knaffla commented that he hasn't seen the new location or got notification of a proposed meeting between the seniors and school. Janey Knaffla also expressed her concern for relocating the senior workshop and communication with seniors who currently use the building. Councilor Hoff stated that the Parks & Recreation Director was in the process of setting up a meeting. Janey Kanafla commented on making a decision prior to that meeting. P. Salas commented something being taken away for citizens for tourists. Judy Carlson commented to take care of residents. Councilor Hoff advised that the decision to move ahead results in a significant cost savings. Mayor LeBlanc advised additional site options and advised no more comments would be taken. Motion by Hoff, second Bautch to adopt Resolution 2024-#49 Bolton & Menk requesting to amend the Professional Services Agreement for the Multi-Modal Trailhead Center at a cost of \$19,700. MOTION CARRIED.

Mayor LeBlanc – Aye  
 Member Bautch – Aye

Member Goutermont – Aye  
 Member DeRosier – Aye

Member Hoff – Aye

RESOLUTION 2024 – 49 WAS APPROVED: 5 aye, 0 nay, 0 excused

Multiple attendees left at 8:25 p.m.

**East Lakeview Drive Improvements Update & Change Orders #1-5-** Josh Stier, Bolton & Menk provided an update on the East Lakeview Drive project and change order information, that the project will be wrapping up end of September, with some minor punch list items left, that Change order #1 had been previously discussed relating to a concrete structure found underground, change orders #2-5 relates to damage and mitigation from the recent flooding, and that the total costs of the change orders would result in an additional \$60,582.19, however, there was project cost savings that would offset and that the overall project is still expected to be underbudget with the addition of the change orders, which would result in more of the IRRR funding applied to engineering costs which were the city's portion of the costs. It was also noted that Lake County is the sponsoring agency for the project so the City would be making a recommendation to Lake County to approve. Motion by Bautch, second Goutermont to recommend approval of Change Orders #1, #2, #3, #4, and #5 for a cost of \$60,582.19 to Lake County. MOTION CARRIED.

**Water Treatment Facility Improvement Projects Advertisement for CMAR Procurement RFP-** Council reviewed the previously approved Request for Proposals for a Construction Management At-Risk Procurement and that Bolton & Menk have completed the RFP to seek a CMAR for the project and is requesting authorization to move forward with advertising. Motion by DeRosier, second Bautch to move forward with advertising. MOTION CARRIED.

**Library Variance and Lot Split-** The Planning & Zoning Commission held a public hearing and is recommending the lot split and variance for the Library, which was needed in order to separate out the Library from the rest of the parcel so a declaration can be placed on the property relating to the MN Dept of Education funding that was obtained for the Library Construction project. There was discussion on the lot split and the variance created for the front setback and a side setback on the NW side of the library. Motion by DeRosier, second Hoff to accept the lot split and variance as needed for Library Construction funding and recommended by Planning and Zoning. MOTION CARRIED.

**Set Public Hearing for Cannabis Moratorium-** Motion by Goutermont, second Bautch to set a Public Hearing for at 7:00 p.m. on Monday, September 16, 2024 for the purpose of placing a moratorium on cannabis operations to provide the city time to prepare and consider adoption of reasonable restriction on the time, place, and manner of the operation of a cannabis business, adoption of an interim ordinance prohibiting the operation of a cannabis business within the city until January 1, 2025, and to allow the city time to study and plan for the appropriate zoning and regulations for operating a cannabis business. MOTION CARRIED.

**Library Temporary Location at Mary Mac-** The Library Board is requesting the Library be temporarily relocated to a vacant room at the Mary MacDonald building while the interior of Library repairs are completed. The Library would be open to the public in the new temporary location. Motion by DeRosier, second Bautch to approve as recommended by the Mary Mac Committee. MOTION CARRIED.

**Set Canvas Meeting-** Motion by Goutermont, second Hoff to set the Election Canvassing Board meeting on Tuesday, November 12, 2024 at 9:00 a.m. MOTION CARRIED.

**Set Budget Workshop Meetings-** Motion by Goutermont, second Bautch to set additional Budget Workshop meetings on September 9<sup>th</sup> and September 24<sup>th</sup> at 4:30 p.m. MOTION CARRIED.

**Set Special City Council Meeting-** Motion by Bautch, second Hoff to set a Special City Council Meeting to approve the 2025 proposed budget and levy for Tuesday, September 24<sup>th</sup>, 2024 at 6:00 p.m. MOTION CARRIED.

**Chief of Police Training-** Police Chief Ernest is requesting he attend the EVOC Driving Precision Training in Hibbing on October 7<sup>th</sup> and 16<sup>th</sup>, 2024 at a cost of \$200 with no hotel expenses. Motion by DeRosier, second Goutermont to approve Cole Ernest to attend the necessary training. MOTION CARRIED.

**MN Bid-** Chief Ernest is requesting to place a surplus police vehicle (Vin#1FM5K8AR4FGB41127) on MNBid with a listing fee of \$50 and maximum selling fee of \$750 to determine if the City should use this platform going forward for surplus items, and that he is aware that the MN Vets Home and State Patrol use MNBid. Motion by DeRosier, second Bautch for Chief Ernest to list the surplus police vehicle on MNBid. MOTION CARRIED.

**City Attorney** – City Attorney Costley advised the Council that decisions regarding licensing for the Cannabis Moratorium need to be made quickly and zoning put in place by January 1<sup>st</sup>, 2025.

#### **OLD BUSINESS –**

**Portable Toilets at Snowmobile Club (Hiker's) Parking Lot-** Mayor LeBlanc has received confirmation from the Superior Hiking Trail Committee that they will support \$200/month for 2 ½ months to offset the cost of the portable toilets placed in the hiker's parking lot. Motion by Bautch, second Goutermont to move forward with proposal from Matt Lundgren Septic at a cost of \$300 per month with a weekly pumping. Donny Thompson advised that when the trail is busy in the Fall, the toilets may have to be pumped more than once a week. MOTION CARRIED.

**NEW BUSINESS** –.None at this time.

**Claims** – Motion by Hoff, second Bautch to approve payment of \$345,581.30 in paid claims and \$172,407.96 in unpaid claims. MOTION CARRIED

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

Member Goutermont – Aye  
Member DeRosier – Aye

Motion by Goutermont, second Bautch to adjourn at 8:50 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

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Wade LeBlanc, Mayor

\_\_\_\_\_  
Lana Fralich, City Administrator