

CITY COUNCIL

7:00 P.M.

Monday, September 16, 2024

Present: Mayor Wade LeBlanc

Richard DeRosier

Dustin Goutermont

Shane Hoff

Ben Bautch

Lana Fralich, City Administrator

Tim Costley, City Attorney

Joe Rhein, City Engineer via ZOOM

Kitty Mayo, Lake County Press via ZOOM

Rick Evans, Northshore Journal

John Anderson, Sawtooth 16, LLC

Tina Goutermont via ZOOM

Noreen Carlson

Nancy Christenson

Catherine Miller

Eric Judkins

Tammy Alcaraz

Dean Floen

Donny Thompson

Morris Manning

Marcia Oates

Judy Carlson- left at 7:37 p.m.

Phil Huston

Jenny Goutermont via ZOOM

Renee Pearson

Patrick Miller

Teresa Schulz

Gregory Lien

Erica Jensen

Annette Lewis

Debbie Russell

Carolyn Hudyma

Karen Rautio

Gene LaFond

Observer via ZOOM

Mayor LeBlanc called the meeting to order at 7:17 p.m.

Agenda – Motion by Goutermont, second Hoff to approve the Agenda with addition of Resolution 2024-#57 2025 Proposed Budget, Resolution 2024-#58 2025 Proposed Levy, and set Truth-in-Taxation Meeting. MOTION CARRIED.

Consent Agenda – Motion by Bautch, second DeRosier to approve the meeting minutes from the September 3, 2024 Budget Workshop and September 3, 2024 Regular Meeting. MOTION CARRIED.

Petitions, Requests, and Communications –

Public Comments-

Mayor LeBlanc reminded those attending that Commissions are planning boards and the Council is an action board.

Erica Jensen questioned if the blight issue is continuing to move forward and if the city has a plan to do abatements. Mayor LeBlanc stated a meeting is being scheduled with himself, Chief of Police, City Attorney, and Councilor DeRosier. City Administrator Fralich explained that the city has previously done an abatement and a plan was in place.

Tammy Alcaraz stated that after the public hearing regarding junk/blight she feels a lot of homeowners cleaned up their yards, but she has pictures of a home that has a lot of blight and would like to know who to contact. She was advised to bring in the information to the Police Department.

Patrick Miller stated that Ms. Alcaraz is referring of his sons' home. His son picks up unwanted and broken junk for people who call him, brings to his yard until he has a trailer full and then disposes them. Mr. Miller stated that if it is a problem, those concerned should to talk to his son and he will stop helping others.

Catherine Miller expressed her concern regarding the city street project and the special assessment on properties, she would like city to follow Ely's plan of using IRRR funding to help with match. She has spoken with Rep Skraba and felt he was unaware that the city would be placing a special assessment on properties. Mayor LeBlanc and City Administrator explained the funding plan presented to Legislators, which included special assessments, the phases of the plan for which the City will need to apply for each phase, and that the project would meet the matching funds required when application for funding was submitted. Patrick Miller expressed frustration that he is hearing a different story from Rep Skraba and thinks a meeting with Rep Skraba, attorneys, and city staff should be done. He feels the citizens should not have to pay a special assessment.

Eric Judkins asked why good sidewalks are being replaced when there are sidewalks in much worse condition. Mayor LeBlanc replied that the sidewalks are prioritized and it would be a waste to repair some sidewalks that would be torn up during the street project and have to be replaced again.

Eric Judkins feels the city is wasting money and would like to see money spent on the citizens and what they need rather than builders. He asked why the campground profits go to Parks & Rec instead of the city and how that helps the city. Mayor LeBlanc explained the profits make it so there is little to no levy needed for the Parks department.

Judy Carlson asked for an update on perimeter ditching, questioned the city's responsibility to maintain. She expressed frustration that the city doesn't care about the citizens.

Judy Carlson left at 7:37 p.m.

Eric Judkins stated that he has spoken with many citizens who do not understand why the council hates the city.

Mayor/Council Comments-

Councilor Hoff thank everyone who has helped with the Outdoor Rink project through grants and volunteer work. Blacktopping is complete and the rink will be available for skating this winter, painting will be done in the spring for Pickleball and skating.

Tammy Alcaraz questioned if the Outdoor Rink will be in the way of the new Trailhead center. Councilor Hoff advised it would not be affected by the Trailhead Center.

City Administrator –

Resolution 2024-#50 Moratorium on Cannabis Operations until January 1, 2025. A public hearing was held prior to council meeting and public comments were taken. Motion by Goutermont, second Hoff to adopt Resolution 2024-#50 Moratorium on Cannabis Operations until January 1, 2025.

City Attorney Costley advised council they will need to make a decision and cannabis discussion should remain on the agenda. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 50 WAS APPROVED: 5 aye, 0 nay, 0 excused

Resolution 2024-#51 Approval of Silver Bay Library Lot Split and Variance. The lot split and variance was approved by motion at the September 3, 2024 council meeting, a resolution is required for recording purposes. Motion by Hoff, second Bautch to adopt Resolution 2024-#51 Approval of Silver Bay Library Lot Split and Variance. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 51 WAS APPROVED: 5 aye, 0 nay, 0 excused

Resolution 2024-#52 MN Dept. of Education Grant Funding Assistance for Library Addition and Roofing Project. Motion by DeRosier, second Hoff to adopt Resolution 2024-#52 accepting the MN Dept. of Education Grant Funding Assistance of \$497,545 for Library Addition and Roofing Project. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 52 WAS APPROVED: 5 aye, 0 nay, 0 excused

Resolution 2024-#53 Amendment to the Sourcewell Contract with Nor-Son, Inc. for Change Order #1. Council reviewed change order #1 for replacement of a broken stoop pad at a cost of \$2000, pouring a new stoop pad for \$650, delete staining the concrete to offset costs reducing costs by \$650, add spray foam at rims for an added cost of \$700, and remove the final cleaning by contractor to save \$2700 as cleaning would be completed by Library staff, which resulted in a net \$0 Change Order. Motion by Goutermont, second DeRosier to adopt Resolution 2024-#53 Amendment to the Sourcewell Contract with Nor-Son, Inc. for Change Order #1. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 53 WAS APPROVED: 5 aye, 0 nay, 0 excused

Resolution 2024-#54 Change to Chapter 12 Zoning, Section 1210.01 Zoning Districts Established, Section 1210.10 Forest Reserve to Clean up Duplication and Clarify Short Term Rental as Interim Use. The Planning & Zoning Commission has held a Public Hearing and is recommending approval of the proposed changes to Chapter 12, Zoning Section 1210.01 Forest Reserve to clean up duplication and clarify short term rental and interim use. It is recommended to refer to EDA for review and provide their comments and recommendations since they are acting as

the Developer of the Silver Bay Golf Course Residential District. Motion by Goutermont, second Bautch to table Resolution 2024-#54 Change to Chapter 12 Zoning, Section 1210.01 Zoning Districts Established, Section 1210.10 Forest Reserve to Clean up Duplication and Clarify Short Term Rental as Interim Use until review by EDA. MOTION TABLED.

Resolution 2024-#55 New Zoning District Chapter 12, Zoning, Section 1210.14 Silver Bay Golf Course Residential. The Planning & Zoning Commission has held a Public Hearing and is recommending approval of the proposed new zoning district, Section 1210.14 Silver Bay Golf Course Residential. It is recommended to refer to EDA for review and provide their comments and recommendations since they are acting as the Developer of the Silver Bay Golf Course Residential District. Motion by Goutermont, second Bautch to table Resolution 2024-#55 New Zoning District Chapter 12, Zoning, Section 1210.14 Silver Bay Golf Course Residential until EDA review. MOTION TABLED.

Resolution 2024-#56 Revisions to Chapter 12, Zoning, Section 1239 Short Term Rentals, Subd. 5.D.1 by Adding Golf Course Residential District Cap and Clarifying Short Term Rental Permits Limited to Golf Course Residential, Forest Reserve, and Bayview Park Districts. The Planning & Zoning Commission has held a Public Hearing and is recommending approval of the proposed revisions to Chapter 12 Zoning, Section 1239 Short Term rental, Subd. 5. D.1 by adding Golf Course Residential District Cap and to clarify short term rental permits limited to Golf Course Residential, Forest Reserve, and Bayview Park Districts. It is recommended to refer to EDA for review and provide their comments and recommendations since they are acting as the Developer of the Silver Bay Golf Course Residential District. Motion by Goutermont, second Bautch to table Resolution 2024-#56 Revisions to Chapter 12, Zoning, Section 1239 Short Term Rentals, Subd. 5. D.1 by Adding Golf Course Residential District Cap and Clarifying Short Term Rental Permits Limited to Golf Course Residential, Forest Reserve, and Bayview Park Districts until EDA review. City Attorney noted that is recommended for 37 short term rentals, not 10. MOTION TABLED.

Resolution 2024-#57 Proposed 2025 Budget- Council reviewed the proposed budget for FY 2025. There was discussion on the Proposed Budget and Levy to be set by September 30, 2024 and that the budget and levy would not increase but could potentially decrease by the time the final budget and levy would be certified by December 31, 2024. Motion by DeRosier, second Bautch to adopt Resolution 2024-#57 Proposed 2025 Budget revenue and expenditure budget in the grand total amount of \$29,834,905 in revenue and \$32,362,968 in expenses and to set the Truth in Taxation meeting at 7:00 p.m. December 2, 2024 during the regular City Council meeting to be held at City Hall, 7 Davis Drive, Silver Bay, MN 55614. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 57 WAS APPROVED: 5 aye, 0 nay, 0 excused

Resolution 2024-#58 Proposed 2025 Levy. Council reviewed the levy based upon the proposed budget, which put the levy at a 10.7% increase or \$1,852,675 for 2025. Motion by Hoff, second Goutermont to approve Resolution 2024-#58 the proposed 2024 collectible 2025 Tax Levy in the amount of \$1,852,675. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Goutermont – Aye

Member Bautch – Aye
Member Hoff – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 58 WAS APPROVED: 5 aye, 0 nay, 0 excused

Set Truth-in-Taxation Meeting- Motion by DeRosier, second Bautch to set Truth-in-Taxation meeting on December 2, 2024 at 7:00 p.m. prior to regular city council meeting. MOTION CARRIED.

Accounting Technician Job Description- ABDO has completed a review of the Administration Office and job duties of staff. Council reviewed the Accounting Technician job description. This is not a new position but changes the Assistant Deputy Clerk to better describe the current duties of the position. It is recommended by the Personnel Committee approval of new job description and Veronica Duresky remain at her current wage of \$29.50 through 2025. Motion by DeRosier, second Bautch to approve. MOTION CARRIED.

PT Deputy Clerk Job Description- ABDO has completed a review of the Administration Office and job duties of staff. Council reviewed the new job description for Part-time Deputy Clerk that was derived from a combination of past duties of Deputy Clerk, Administrative Assistant, and Confidential Secretary and better describes the current duties of this position. It is recommended by the Personnel Committee to approve the new job description, and amend Lisa Christenson's wage to \$26.50, effective 9/17/2024, to remain at this wage through 2025, with this position remaining at 32/hour week with single benefits. Motion by Hoff, second Goutermont to approve. MOTION CARRIED.

Amendment to Finance Manager Job Description- Council reviewed the amendment of moving the "accountant" within the Finance Manager Job description to "Accounting Technician" to reflect the proper position the Finance Manager oversees. Motion by DeRosier, second Goutermont to approve this change. MOTION CARRIED.

Human Resources and Payroll Coordinator Hiring- The Personnel Committee is recommending the hiring of Meredith Carter for the position of Human Resources and Payroll Coordinator, pending successful completion of background check and pre-employment physical. It is recommended, due to her experience, she starts at the full 2024 wage rate with a 1 year probation period. Motion by Bautch, second Hoff to approve hiring. MOTION CARRIED.

Head Part-time Bartender Hiring- The Liquor Commission and Personnel Committee are recommending hiring another Head Part-time Bartender for 32 hours a week with single insured benefits in an effort to allow for more consistent scheduling. Motion by Bautch, second Goutermont to begin advertising. MOTION CARRIED.

Tammy Alcaraz asked for clarification if those employed in Silver Bay have to live in the city.

Part-time Bartender Hiring(s)- The Liquor Commission and Personnel Committee are recommending hiring for Part-time Bartenders to expand the pool for availability. Motion DeRosier, second Goutermont to begin advertising. MOTION CARRIED.

Temporary Liquor Store Hours- The Liquor Commission and Personnel Committee are recommending a temporary change in Liquor Store hours due to staffing schedules and the ability to complete managerial duties. The temporary hours would be open at 10:00 a.m. Monday-Saturday and keep Sundays opening at 11:00 a.m. There is no change to closing times. The temporary hours will only be until a new 32 hour/week position has been filled and completed training. The new hours would begin Monday, September 23rd. Member Hoff recommended notice in paper and Liquor Store

Manager let patrons know as soon as possible. Motion by Goutermont, second DeRosier to accept temporary hour change. MOTION CARRIED.

Police Department Temporary Wage Adjustment- Due to the Full-time vacancy that has yet to be filled, the Personnel Committee is recommending a temporary wage adjustments of \$4.00/hour for the Chief and \$3.00/hour for officers, effective on next payroll. It was noted that the wage adjustments are temporary, until the vacant position is open. Discussion followed regarding labor negotiations in 2025, the effect the temporary wage adjustment may have on negotiations, and working with the union. Motion by Hoff, second Bautch to accept temporary wage increases. MOTION CARRIED with DeRosier voting nay.

Tammy Alcaraz expressed her concerns regarding police officers not dealing with problems and she has started to go directly to Lake County Sheriff.

Water Department Temporary Wage Adjustment- Due to the Full-time vacancy that has yet to be filled, the Personnel Committee is recommending a temporary wage adjustments of \$4.00/hour for the Superintendent and \$3.00/hour for Operators, effective on next payroll. It was noted that the wage adjustments are temporary, until the vacant position is open. Discussion followed regarding labor negotiations in 2025, the effect the temporary wage adjustment may have on negotiations, and working with the union. Motion by Hoff, second Bautch to accept temporary wage increases. MOTION CARRIED with DeRosier voting nay.

City Attorney – Nothing at this time.

OLD BUSINESS – None at this time.

NEW BUSINESS –

Mayor LeBlanc reminded those attending to be respectful of those speaking.

John Anderson provided an update on the progress at Boathouse Bay. Equipment and pipe were delivered and will be installed this week. He thanked the council and people who have given support to the project and will provide updates from time to time.

Tammy Alcaraz question if the environmental issues by Boathouse Bay development area had been taken care of.

Claims – Motion by Goutermont, second Bautch to approve payment of \$303,316.76 in paid claims and \$160,847.03 in unpaid claims. MOTION CARRIED

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

Member Goutermont – Aye
Member DeRosier – Aye

Motion by DeRosier, second Bautch to adjourn at 8:03 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

Wade LeBlanc, Mayor

Lana Fralich, City Administrator