

CITY COUNCIL

7:00 P.M.

Monday, December 23, 2024

Present: Mayor Wade LeBlanc
Richard DeRosier
Dustin Goutermont

Excused Shane Hoff
Ben Bautch

Lana Fralich, City Administrator
Tim Costley, City Attorney
Joe Rhein, City Engineer, Bolton & Menk
Josh Stier, City Engineer, Bolton & Menk
Cole Ernest, Chief of Police
Micaiah Schubert, Silver Bay Police Dept.
Rick Evans, Northshore Journal
Northshore Journal, via ZOOM
John Anderson, Sawtooth 16, LLC
Carolyn Hudyma
Jenny & Nick Bjerken
Tina Goutermont
Gregory Lien
Gordon Goutermont

Kitty Mayo, Lake Co Press via ZOOM
Julie Jensen
Karen Rautio
Laura & Rick Goutermont
Brooklyn Goutermont
Donny Thompson

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

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

Petitions, Requests, and Communications –

Public Comments- None at this time.

Mayor/Council Comments- Mayor LeBlanc report that he has received numerous phone calls regarding the USPS delivery and will be drafting a letter to our federal delegation, work continues on obtaining right of way regarding ditch easements, and he attended the RAMS meeting where Councilor Hoff was reappointed.

Consent Agenda –

December 2, 2024 Regular Meeting

Treasurer's Report- September 2024

2025 Custodial Contracts-Jones Cleaning: Liquor Store, City Hall, Police and Juel Salveson: Mary MacDonald, and Reunion Hall

2025 Service Contract Renewals- Mike Rowlee Jr: Fire Administrator, Gary Thompson: Building Official, David Drown and Associates: EDA Director/Community Planner, Jeff Anderson: Costin Group.

2025 License Renewals- Silver Bay Liquor License Renewal for On & Off Sale and 2AM, Silver Bay Liquor Store Reunion Hall, Zups & Briesa's Cigarette License, Silver Bay Golf Course Liquor M-Sat and Sunday, Silver Bowl Liquor License M-Sat and Sunday, Northwoods Family Grille Liquor License M-Sat.

2025 Home Use Occupation Renewal- Northshore Journal

2025 Wages

2025 Water, Sewer, & Garbage Rates

2025 Board Appointments- Parks & Rec: Gene LaFond, Jenny Bjerken, and Nathan Stadler. Public Works: Dustin Goutermont

Employee Training- Micaiah Schubert and Caleb Fischer attending DMT-G recertification.

Motion by DeRosier, second Goutermont to approve consent agenda items. MOTION CARRIED

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Absent

Member DeRosier – Aye

City Administrator –

Resolution 2024-#64 Final Budget- The Council reviewed and discussed the 2025 Final Budget which includes addition of new Fund 403 for the TIF-Boathouse Bay and new Fund 606 for the Storm Water, which the city will start the process to establish the Storm Water fund. Other noted changes adjustments in Marina revenues and miscellaneous and minor corrections throughout the budget when doing the final review. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#64 approving the 2025 Final Fiscal Year Budget, including the vehicle replacement schedule, as presented with Revenues of \$30,483,505 and Expenditures of \$32,589,630. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 64 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#65 Final Levy- The Council reviewed the 2025 Final Tax Levy of 10.7%. Motion by Goutermont, second DeRosier to adopt Resolution 2024-# 65 Final Levy for the amount of \$1,852,675. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 65 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#66 State of MN Cooperative Agreement for Silver Bay Marina- Council reviewed the updated State of MN Cooperative Agreement with the DNR, as recommended by the Parks & Recreation Board. The changes in contract relate to going from a 3 year agreement to 5 years with an increase in aid to \$60,000/year. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#66 State of MN Cooperative Agreement for Silver Bay Marina. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 66 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#67 DNR Grant Agreement for Multi-Modal Trailhead Center- Council reviewed a DNR grant agreement for \$1,100,000 to be used for the Multi-Modal Trailhead project. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#67 DNR Grant Agreement for Multi-Modal Trailhead Center retroactive to the date the funding was awarded thru the legislature. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 67 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#68 Easement Agreement with Northshore Mining for Multi-Modal Trailhead Center- Council reviewed the easement agreement signed by Northshore Mining providing an easement for land in order to develop the Multi-Modal Trailhead Center. Motion by Goutermont, second DeRosier to adopt Resolution 2024-#68 Easement Agreement with Northshore Mining for Multi-Modal Trailhead Center retroactive to agreement date. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 68 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#69 Easement Agreement with Northshore Mining, Successor-in-interest to Cyprus Northshore Mining Corporation- Council reviewed the easement agreement signed by Northshore Mining providing an easement for land in order to develop the Multi-Modal Trailhead Center. Motion by Goutermont, second DeRosier to adopt Resolution 2024-#69 Easement Agreement with Northshore Mining, Successor-in Interest to Cyprus Northshore Mining Corporation retroactive to agreement date. MOTION CARRIED.

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

Member Goutermont – Aye
Member DeRosier – Aye

RESOLUTION 2024 – 69 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#70 Easement Agreement with Northern Land Company- Council reviewed the easement agreement signed by Northern Land Company providing an easement for land in order to develop the Multi-Modal Trailhead Center Motion by Goutermont, second DeRosier to adopt Resolution 2024-#70 Easement Agreement with Northern Land Company retroactive to agreement date. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 –70 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#71 CMAR Proposal for Multi-Modal Trailhead- Council reviewed a proposal from Krause Anderson Construction Company for professional services to serve as the Construction Management at Risk for the Multi-Modal Trailhead project at an amount not to exceed \$10,000, as recommended by the interviewing committee who interviewed six proposals. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#71 CMAR Proposal for Multi-Modal Trailhead. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 72 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024 #72 Delinquent Tax Certification- Motion by DeRosier, second Goutermont to adopt Resolution 2024-#72 Delinquent Tax Certification with the following properties to be placed on 2025 property taxes payable list: 88 Banks Blvd (\$313.71), 82 Banks Blvd (\$313.71), 43 Davis Dr (\$313.71), 51 Bell Cir (\$541.12), 139 Edison Blvd (\$541.12), 41 Horn Blvd (\$541.12), 122 Banks Blvd (\$608.49), 39 Evans(\$541.12). MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 72 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#73 Ordering Preparation of Feasibility Report for CSAH 32 project- Council reviewed the proposed resolution ordering the preparation of feasibility report for the CSAH 32 project which is require to comply with MN Statutes Chapter 429 relating to special assessing of properties. Motion by Goutermont, second DeRosier to adopt Resolution 2024-#73 Ordering Preparation of Feasibility Report for CSAH 32 Project. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 73 WAS APPROVED: 3 aye, 0 nay, 2 excused

Resolution 2024-#74 Lake County Hazard Mitigation Plan- Lake County has recently completed a multi-jurisdictional Hazard Mitigation plan which has completed the federal review and met the

required criteria. Motion by DeRosier, second Goutermont to adopt Resolution 2024-#74 Lake County Hazard Mitigation Plan. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member Goutermont – Aye

Member DeRosier – Aye

RESOLUTION 2024 – 74 WAS APPROVED: 3 aye, 0 nay, 2 excused

East Lakeview Drive Final Pay App- Council reviewed the final pay application in the amount of \$39,845.86. It was noted that the cities portion of the project was \$70,966.66 and was included in the paid claims list. Motion by DeRosier, second Goutermont to recommend to Lake County payment of final payout. MOTION CARRIED.

Boathouse Bay Draw Request #3- City Administrator Fralich stated the draw request has not been finalized. She is currently working with IRRRB and the City auditor on invoices, but hoping to have payment completed by end of the year. Motion by Goutermont, second DeRosier to approve payment by City Administrator when invoices are finalized. MOTION CARRIED.

Campground Rate Increase- Parks & Recreation Board are recommending a rate increase at Black Beach campground. This is the first increase since opening. The new rates are as follows:

Electric only sites Sunday-Thursday	\$34.00/day
Electric only sites Friday-Saturday	\$39.00/day
Electric only sites Weekly Rate (7-day)	\$209/week
Full hookup sites Sunday-Thursday	\$47.00/day
Full hookup sites Friday-Saturday	\$50.00/day
Full hookup sites Weekly Rate (7-day)	\$285.00/week

Motion by DeRosier, second Goutermont to approve rate increases. MOTION CARRIED.

2025 Personnel Policy Amendment Eliminating ESST for Firefighters- Council reviewed the amended Personnel Policy to be effective January 1, 2025. Only change made reflect the exclusion of Earned Sick and Safe Time for Firefighters, as amended in law. Motion by DeRosier, second Goutermont to approve. MOTION CARRIED.

MN Air National Guard Request for Use of the Airport- The MN National Guard has again requested to use the airport for a few hours to conduct training that would include use of helicopters and radios to conduct mounted and dismounted operations training. Council reviewed the proposed land lease. Motion by Goutermont, second DeRosier to refer proposed lease agreement to City Attorney for final draft. MOTION CARRIED.

Human Resources & Payroll Coordinator Hiring- Motion by DeRosier, second Goutermont to hire Jeffrey Hoffman as the Human Resources & Payroll Coordinator, pending successful completion of a background check and pre-employment physical. This is a full-time position with benefits. Starting wage is 80% of Human Resources & Payroll Coordinator full-time wage, 90% after successful completion of 6 months, and full wage rate after successful completion of 1 year probation. MOTION CARRIED.

Head PT Bartender Hiring- Motion by Goutermont, second DeRosier to hire Mellisa Voegle as Head PT Bartender, pending successful completion of background check and pre-employment physical. This is a 32 hour position with benefits, starting wage is 80% of full-time Head PT Bartender wage,

90% after successful completion of 6 months, and full wage rate after successful completion of 1 year probation. MOTION CARRIED.

PT Bartender Hiring- Motion by DeRosier, second Goutermont to hire Phoenix Kallinen as PT Bartender, 80% of the PT Bartender wage, pending successful completion of background check. MOTION CARRIED.

City Attorney –

Set Public Hearing on Addition of Section 372- Cannabis Business to City Code, Chapter 3, Licensing & Municipal Regulations- Motion by Goutermont, second DeRosier to set public hearing at 7:00 p.m. January 6, 2025 for the purpose of taking public comment on amending Chapter 3, Licensing and Municipal Regulations, to add Section 372-Cannabis Business. MOTION CARRIED.

Public Comment Guidelines- Council reviewed policy, drafted by City Attorney, relating to public comments to be received during City Council, and Boards, Commissions & Committee meetings. Consensus to table until January 6, 2025 meeting when all Council members are in attendance. MOTION TABLED.

OLD BUSINESS – None at this time.

NEW BUSINESS –

Library Meeting Room Use Policy- Council reviewed the proposed Library meeting room use policy. Discussion regarding alcohol use, consensus get clarification and to table until January 6, 2025 council meeting. MOTION TABLED.

2024 Year in Review- Council reviewed the 2024 Year-end review that highlighted various projects and activities performed by the City during the year, providing thanks to the citizens, businesses, volunteers and those volunteers that serve on Elections, Boards and Commissions, City Attorney, City Engineer, City Economic Developer, Zoning Administrator, and city staff. The review identified key highlights such as the completion of the East Lakeview Drive and Library addition projects, starting of Boathouse Bay and Outdoor Rink projects, and continued work on Water Treatment Facility upgrade, the Multi-Modal Trailhead Center, Golf Course renovations, city-wide street improvement plan, housing, and many other programs and improvements. Mayor LeBlanc expressed his thanks to the public for attending meetings and their interest in the city.

Claims – Motion by Goutermont, second DeRosier to approve payment of \$1,140,168.50 in paid claims. MOTION CARRIED

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

Member Goutermont – Aye
Member DeRosier – Aye

Motion by Goutermont, second DeRosier to adjourn at 7:55 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

Wade LeBlanc, Mayor

Lana Fralich, City Administrator