

## CITY COUNCIL

7:00 P.M.

Monday, May 19, 2025

Present: Mayor Wade LeBlanc via ZOOM  
 Richard DeRosier  
 Shane Hoff  
 Ben Bautch  
 Jim FitzGerald

Lana Fralich, City Administrator	
Tim Costley, City Attorney	
Josh Stier, City Engineer	
Kitty Mayo, Lake County Press via ZOOM	
Rick Evans, Northshore Journal	
John Anderson	
Curt Anderson	Annette Lewis
Dean Floen	Muffy Hoffman
Nancy Hylden	Nelson French
Teresa Schultz	Eric Judkins
Carolyn Hudyma	Karen Rautio
Marilyn French	John Ramos
Ray Parker	David Drown
Lisa Berg	Vickie Thompson
Donny Thompson	Anne Marie Moseman
Zachary Blood	Alex Burcum
Angie Johnson	

Acting Mayor DeRosier called the City Council meeting to order at 7:06 p.m.

**Agenda** – Motion by Hoff, second FitzGerald to approve agenda with addition of Bay Days Parade and Outdoor Rink to New Business. **MOTION CARRIED.**

**Consent Agenda** –

**May 5, 2025 Regular Hearing Minutes**

**May 13, 2025 Special Joint Meeting Minutes**

**Treasurer's Report- January 2025**

**Summer Hiring** – Council reviewed the summer hires positions and wages. Start dates will be determined by Department Heads.

**EDA Board Appointment- Donald Thompson-** EDA is recommending Donald Thompson appointment to the EDA board. Thompson will serve out the remaining term recently vacated through 12/31/2026.

**BS&A Training- Donna McCurdy-Wolke-** Donna McCurdy-Wolke attended BS&A training for learning operations of financial system on May 15, 2025 at a cost of \$200 for online course.

**Personnel Policy 24.2.1 Safety Footwear Clarification-** Safety Committee is recommending safety boots with “composite toe” should be allowed as an equivalent to steel toes as long as they meet the OSHA ASTM F2413-18 standard for impact and compression.

**Seasonal & PT Employee Handbook 2025-** Updated handbook was reviewed.

**Firefighter Reimbursement-** Fire Chief Rowlee and Personnel Committee are recommending to reimburse firefighters up to \$20/hour for work performed at the large fires referred to as “Camp House Fire” and “Jenkins Creek Fire”, pending reimbursement from the State and/or Federal agencies to cover the expense. Payment will be in addition to their normal \$8/hour semi-annual fire pay and would be paid out on the following semi-annual payroll once funding is received.

**TIF Draw #6 for Boathouse Bay-** TIF Draw #6 for payment of Northland Constructors pay app #5 in the amount of \$206,559.29. TIF draw will in the amount of \$148,115.70 with remaining amount expected to come from IRRR grants.

Motion by Bautch, second Hoff to approve the consent agenda items. MOTION CARRIED.

#### **Petitions, Requests, and Communications** –

##### **Public Comments-**

Carolyn Hudyma stated she has concerns regarding perimeter ditching and the proposed City Center Park bonding request. She feels the perimeter ditching should be a priority because it is needed more than City Center Park. She also stated that the Parks & Rec department have other facilities that should be repaired before adding a city park.

Dean Floen asked the council table the vote on the proposed city park, he stated the residents are not up to date on the proposed project, the ten members of the board do not represent all areas of the city, the survey was one sided and misleading, projects in the city are not being done for the locals, and nobody is in favor of the proposed project. He asked that a town hall meeting be held to allow residents to vote on projects. He stated there are better locations for an amphitheater, the noise level is a concern by older people who live nearby. Floen offered the idea of a housing development in the city park area with both residential and businesses, which he feels would save the bank/employees, solve the SilverPointe II project. He feels the city is being irresponsible, raising taxes and not hearing what the residents want. Floen asked the Council to do its homework and ask the residents what they want and allow them to vote on it. If the proposed project moves forward, he encourages the Council to keep the existing snowmobile/ATV path as is, keep the tourist information building where it currently is, and build the amphitheater last in an effort make sure all of the project is complete.

Erick Judkins expressed his concerns regarding housing, the raising of taxes and nothing being done for the residents with all the projects focusing on tourists. He is concerned about residents not having a say in what is developed and people moving out of the city because they cannot afford to live here.

Vickie Thompson questioned the TIF draw #6 on the consent agenda, she asked the county if the TIF money has come thru and was told it wasn't done yet. City Administrator Fralich advised the bond was issued to pay for the project, but property taxes from the development have not started and would so

once final utilities are in place. Thompson expressed concern regarding the proposed city park and lack of citizen input. Thompson offered “kudos” to completed projects such as library, campground and beach area but felt there are other priorities that should be completed such as streets and blight. She questioned the accuracy of the design team surveys. Thompson would like the citizens be allowed to put more input on the project, vote on the proposed city park, or put project on a referendum.

Donny Thompson questioned the maintenance needs, insurance and liabilities, what will be allowed in the park, who makes those decisions, will the stage area be available to use or rent, fees for food trucks or craft vendors. He also stated the city has many projects happening now and why another one, especially with state and federal funding being cut. Thompson expressed concern regarding burden put on staff and the ability to fill open positions.

Curt Anderson asked if the trees shown in the concept plan for the park took into consideration snow removal and snowbanks.

Annette Lewis expressed she would like to see a housing project in the city center with a physical therapy area. She feels the council should be there to help the residents of the city.

Ray Parker asked if any progress has been made regarding the leash law. Chief of police has the information, City Attorney is currently reviewing all the city codes and will be addressing the leash law. Mayor LeBlanc advised Mr. Parker to call the police department if he is charged by a dog in the future.

Eric Judkins questioned why the flag was not flying at City Hall.

Acting Mayor DeRosier stated he appreciates the public comments. He expressed that housing is a huge issue and there is a lot more to developing than people realize. He also stated that tourism is what is bringing money into the community to help offset the costs of projects.

Teresa Schulz expressed concern regarding the number of empty homes in the city.

Alex Burcum asked if there was an estimated change in the quarterly utility billing from the water treatment facility investment. Member Bautch explained the city has the lowest fee in the area and costs will go up once the feasibility study is complete. Other option is for metering of homes but residents do not want that.

Mayor LeBlanc asked that if residents have questions, to contact himself and/or other council members as they are willing to meet to help answer questions, that people should not believe or spread rumors on the street, and that attendance at the monthly “Meet with the Mayor” meetings has been poor and encourages attendance.

**Mayor/Council Communication-** None at this time.

### **Public Presentation-**

**Rocky Wall Entertainment – City Center Park & Amphitheater Project and Memorandum of Understanding-** Former resident, Nancy Hylden, is part of the planning committee for this project, and presented information regarding the proposed City Center Park & Amphitheater project. Hylden outlined the vision and plan of the park to include items such as a play forest, terraced lawn, stage/band shell, picnic area, story of taconite via an interpretive walk, and parking area. Information was presented regarding using a 5-phased approach to developing the park at an estimated cost of \$6.751 million.

The project proposed that the City would provide the land, act as fiscal agent and grant manager for funding agencies such as State Bonding, IRRRB, and other agencies that would require the City to be the applicant, and parking lot reconstruction. It was noted that the City already is planning to reconstruct the City Hall parking area and this project would ask to expand the scope of parking. Rocky Wall productions, along with a grant from the Lloyd K. Johnson fund, paid for the concept plan that was developed by Damon Farber Consultants. The non-profit is expecting to work on private fundraising and donations to cover costs. Hylden stressed that the proposal is a concept of what could be developed in the unused area. Discussion regarding rumors about moving the visitor information center, funding requirements, estimated costs of maintenance, insurance requirements, public drinking, license agreement from the city for holding events in the park, and rental fees. Further discussion regarding allowing residents to have a referendum or vote on projects, eligibility of referendums, timing of State Bonding Application submission, reviewing past city concept plans, surveys, & comprehensive plan which included a city center park/amphitheater being supported. The Parks & Recreation board has reviewed the concept plan, added it to their 5-year Parks and Recreation Plan, which they recommended approval to City Council.

**City Administrator –**

**Resolution 2025-#34 Adopt City Code Chapter 5, Nuisances & Offenses, Section 590, Regulation of Recreational Vehicles-**The Public Hearing has been held and public comments taken. Motion by Bautch, second FitzGerald to adopt Resolution 2025-#34 Adopting City Code Chapter 5, Nuisance & Offenses, Section 590, Regulation of Recreational Vehicles which will be effective upon publication. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 34 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#35 Approval of the Golf Courses Housing Project's Preliminary Plat.** The Planning & Zoning Commission has held a public hearing and is recommending approval of the Preliminary Plat for the proposed Gold Course Housing project. The City Engineer has worked with MSA and has no objections to the current preliminary plat. Motion by FitzGerald, second Bautch to adopt Resolution 2025-#35 Approval of the Golf Courses Housing Project's Preliminary Plat. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 35 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#36 Lot Split of Parcel #22-7401-29040- Zachary Blood-** Planning & Zoning Commission has reviewed the application and Certificate of Survey and is recommending approval of the split. It was noted the residual parcels meet the requirements of the Forest Reserve (FR) zoning district. Motion by Hoff, second Bautch to adopt Resolution 2025-#36 Lot Split of Parcel #22-7401-29040 for Zachary Blood. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 36 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#37 Acceptance of a Grant from Duluth Superior Foundation- Silver Bay Charitable Fund for the Storybook Theater Production of Goldilocks.** Motion by Bautch, second Hoff to adopt Resolution 2025-#37 Acceptance of a Grant of \$2,750.00 from Duluth Superior Foundation- Silver Bay Charitable Fund for the Storybook Theater Production of Goldilocks to be held in June 2025. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 37 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#38 Approval to Submit Capital Bonding Applications to the State of Minnesota & Identifying Project Priorities.** Applications to be considered for the 2026 Legislative Bonding Bill are being accepted by MN Management and Budget. Each application requires the City to rank applications based on priority. City Administrator Fralich and City Engineer have identified two top priority emergency projects: the rehabilitation of our Pressure Reducer Valves, which would include 14 valves and structures, and the slip lining of transmission line and distribution lines that have been seeing multiple breaks. Priority #3 would be to submit for Phase 2 of the Citywide Street and Utility Project, Priority #4 is rehabilitation of the Mary MacDonald Business Center, and Priority #5 being the City Center Park and Amphitheater. Motion by LeBlanc, second Hoff to adopt Resolution 2025-#38 Approval to Submit Capital Bonding Applications to the State of MN and Identifying Project Priorities. DeRosier questioned if this is one application or individual applications. Fralich confirmed they would be individual. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 38 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Park & Recreation 5 Year Plan-** The Parks & Recreation Board is recommending approval of the 5-year plan. The plan is a comprehensive assessment of the community recreation needs, recommendations on meeting the needs, develop a long-range cost analysis to assist council in making financial decisions, and provide a maintenance schedule of Parks and Recreation facility improvements and equipment replacement. Motion by Bautch, second FitzGerald to adopt the Parks and Recreation 5-year Plan. MOTION CARRIED.

**City Attorney** – Nothing at this time.

## **OLD BUSINESS –**

**Golf Course Housing Project-** Planning & Zoning Commission has held a public hearing and recommended zoning changes to Section 1210.14 Golf Course Residential to change the maximum lot coverage, including accessory buildings, from 20% to 25%. EDA has also reviewed and is

recommended that change. Motion by Hoff, second Bautch to approve Section 1210.14 Golf Course Residential zoning change of maximum lot coverage, including accessory buildings, to be 25%. MOTION CARRIED.

Motion by LeBlanc, second Bautch to allow Economic Development Authority to act as developer for the Golf Course Housing project. MOTION CARRIED.

Planning and Zoning Commission held a public hearing relating to Section 1239 Short Term Rentals, Subd. 5, and made original recommendation of that all lots be included for short term rentals. The EDA reviewed and held discussions and made the recommendation to Council that only the lots on the West side of the river (Outlot A) be the area restricted to short term rentals. The Planning and Zoning Commission revisited its original recommendation, after the EDA discussion, and recommends the same as the EDA Board recommendation. Discussion followed regarding keeping all remaining residential but reconsider opening more lots for short term rentals if sales are slow. The Golf Course Board has submitted a letter stating they would like all lots to be considered for short term rentals. Motion by LeBlanc to accept the recommendation from the Planning and Zoning Commission and EDA to allow for Short-Term Rentals on the West side of the Beaver River noted at Outlot A plus include six (6) Short-Term rental permits within the remaining residential area. Motion failed due to lack of second. There was discussion on allowing a PUD in the Outlot A area. Motion by Bautch, second Hoff to pass Section 1239 Short Term Rentals, Subd. 5 allowing Short-term Rentals in Outlot A, as recommended by the Planning and Zoning Commission and EDA Board, and allow for a PUD in that area. MOTION CARRIED WITH LEBLANC VOTING NAY. Discussion followed regarding reserving the ability to add short term rentals in the future. Member DeRosier expressed that he was against short term rentals but has a change of opinion regarding the matter, and would like to offer lots to residents first but is concerned for low interest and or ability to construct and wants to be able to expand short-term rentals to get lots sold. Consensus would be to start with what has been approved and revisit prior to lots being sold. The City Attorney will draft the amendments and resolutions to be presented at a future City Council meeting.

**Perimeter Ditching Update-** The city is waiting on responses from seven property owners with reminder letters recently sent out. Discussion followed regarding legal remedies and/or recourse, eminent domain, which the city is not prepared to do at this time, and concerns for one or a few people not agreeing and the impact it can have on other residents. Member Bautch will continue to meet with property owners who have not responded and attempt to get their responses.

## **NEW BUSINESS –**

**Bay Days Parade-** Discussion regarding city float in the Bay Days parade, theme is “Under Construction.” Bautch and FitzGerald will organize city float and would like any ideas sent to them.

**Outdoor Rink-** Member Hoff provided an update on the Outdoor Rink project. Many volunteer hours have been donated to build the rink. He stated that the asphalt has been poured, but fencing was needed when glass was damaged and was unexpected expense. In addition, pricing on Pickleball court nets have increased significantly which has resulted in a shortfall for the project of \$3,000. Hoff is asking that Park and Rec reserve funds be used to help cover the \$3,000. Motion by LeBlanc, second Bautch to approve \$3000. Councilors expressed thanks for the first-class outdoor rink and year around facility that has been provided to the citizens of Silver Bay. MOTION CARRIED.

**Claims** – Motion by LeBlanc, second Bautch to approve payment of \$436,324.40 in unpaid claims and \$215,799.41 in paid claims. MOTION CARRIED.

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

Member FitzGerald - Aye  
Member DeRosier – Aye

Motion by Bautch, second Hoff to adjourn at 9:46 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

---

Richard DeRosier, Acting Mayor

---

Lana Fralich, City Administrator