

## CITY COUNCIL

7:00 P.M.

Monday, November 3, 2025

Present: Mayor Wade LeBlanc  
Richard DeRosier  
Shane Hoff  
Jim FitzGerald

Excused: Ben Bautch

Lana Fralich, City Administrator  
Tim Costley, City Attorney  
Shannon Walz, Library Director  
Joshua Stier, City Engineer, Bolton & Menk via ZOOM  
Kitty Mayo, Lake County Press via ZOOM  
J. Blomberg via ZOOM  
Ray Parker  
Joe Rasmussen, z'Up North Realty  
Julie Jensen  
Debbie Russell  
Erica Jensen  
John Anderson-left at 7:15 p.m.

June Talus  
Andrea Zupancich, z'Up North Realty  
Donny Thompson  
Rick Evans, Northshore Journal  
Kelsie Johnson  
Sarah & Evan Wilkins

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

**Agenda** – Motion by FitzGerald, second DeRosier to approve the Agenda with removal of 67 Burk Blight Property and addition of Open Board Seats Advertising. **MOTION CARRIED.**

### **Consent Agenda** –

#### **October 6, 2025 Regular Minutes**

#### **Treasurer's Report- August 2025**

**Costin Group Renewal 2026-** Jeff Anderson, lobbyist for Silver Bay, contract renewal with noted change of \$100/month for a revised monthly amount of \$1350.

**2026 Health Insurance** – Four updated health plan options for 2026 were offered to eligible employees through the NESC.

**Sun Life Vision Insurance-Employee Paid** – A new group plan vision insurance is being offered to eligible employees but premiums are to be paid by the employee. There is no employer contribution.

**Lake County Mary Mac Lease Notice-** Lake County will be decreasing the number of rooms leased at Mary Mac and no longer covering the cost of the Food Shelf or Golden Agers.

**December 26, 2025 Office Closure-** City Hall and the Library offices are authorized to be closed on December 26<sup>th</sup> with employees taking personal leave.

**Police Training- Micaiah Schubert-** Officer Schubert will attend Team Arrest and Control Tactics training on November 24<sup>th</sup> in Eagan, MN. The cost of the training is \$299 plus \$125/one night hotel, meals and mileage.

**Closed Meeting for Labor Negotiations-**Set closed meeting for labor negotiations on Monday, November 17<sup>th</sup> at 6:00 p.m., prior to City Council meeting,

**Annual Rams Meeting/Dinner-** Annual RAMS dinner and meeting scheduled for December 9<sup>th</sup> at Iron Trail Motors Event Center in Virginia, MN beginning at 5:00 p.m.

**Marina Storage Reimbursement- Brian & Heather Sams-** Reimbursement amount of \$515.40 to Brian & Heather Sams for Winter Storage.

**Open Board Seats Advertisement-** Approve advertising for open Board seats that are set to expire on 12/31/2025 including one seat on Parks & Rec, EDA, Planning and Zoning, and Mary Mac Committee.

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

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

#### **Public Comments-**

**Library & Tettegouche State Park Collaboration Event-** Evening Showcase of Art in Silver Bay featuring two local artists, Wayne Pruse and Sandy Maxwell, will be held Friday, November 7, 2025, 5:30-7:00 p.m. at the Silver Bay Library and 7:00-8:30 p.m. at Tettegouche Visitor Center. Exhibits will be on display November 5- December 30, 2025.

**Sarah Wilkins-MN State Flag-** Sarah Wilkins expressed her concerns regarding the city not flying the newly adopted MN State Flag and asked what the timeline was to have the previous MN flag changed to new one. Discussion followed on timeline, comments received on keeping the old flag, and a petition in the capital to reinstate the old flag.

Donny Thompson asked for clarification regarding the statement in the city newsletter that grants were being sought for the Mary MacDonald building, commented that the Oct 6<sup>th</sup> meeting minutes reflected his question regarding Boathouse Bay but no answer noted, and commented on the proposal for the real estate services relating to the Golf Course Housing project. Discussion followed on timeline of bonding bill and facility assessment.

Julie Jensen asked for clarification regarding bonding bills versus grants for the Mary MacDonald building.

#### **Mayor/Council Communication-**

**Mayor for the Day-** The League of MN Cities has a Mayor for the Day essay contest for 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> graders. Information has been forwarded to the school.

Mayor LeBlanc noted the City Hall parking lot project is finished and he thanked everyone for their patience during the project season throughout the city.

Councilor Hoff stated he will be attending the RAMS meeting/dinner. Councilor FitzGerald expressed interest in going as well.

**City Administrator –**

**Resolution 2025-# 67 IntraFi-ICS & CDARS Deposit Placement Agreement Offered Through Park State Bank-** Council reviewed an agreement to deposit city funds into IntraFi- ICS and CDS programs available through the Park State Bank to generate higher interest on accounts, save costs and improve security. Motion by DeRosier, second Hoff to adopt Resolution 2025-# 67 IntraFi-ICS & CDARS Deposit Placement Agreement Offered Through Park State Bank. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Aye

Member FitzGerald – Aye

Member DeRosier – Aye

RESOLUTION 2025 – 67 WAS APPROVED: 4 aye, 0 nay, 1 excused

**Resolution 2025-#2B Official Depositories.** Motion by Hoff, second FitzGerald to adopt Resolution 2025-#2B Official Depositories amending the official depositories to include the new IntraFI-ICS and CDARS through Park State Bank and amends the signatory to Katelyn Bullock as the new Liquor Store Manager. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Aye

Member FitzGerald – Aye

Member DeRosier – Aye

RESOLUTION 2025 – 2B WAS APPROVED: 4 aye, 0 nay, 1 excused

**Resolution 2025-#68 Approve Change Order with Krause Anderson for the Photovoltaic Array at the Multi-Modal Trailhead Center.** Bolton & Menk, with help from CMTA submitted a grant application to the state to help fund a large portion of the solar array on the Trailhead Center. To comply with the grantor's request to separate Holden Electric's cost from Krause Anderson's Guaranteed Maximum Price, a change order is needed. Council reviewed the change order reducing the contract with Krause Anderson by \$129,600. Motion by DeRosier, second FitzGerald to adopt Resolution 2025-#68 Approving Change Order with Krause Anderson for the Photovoltaic Array at the Multi-Modal Trailhead Center retroactive to October 31, 2025 to meet grant eligibility requirements. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Aye

Member FitzGerald – Aye

Member DeRosier – Aye

RESOLUTION 2025 – 68 WAS APPROVED: 4 aye, 0 nay, 1 excused

**Resolution 2025-#69 Approve Contract with Holden Electric for the Installation of the Photovoltaic Array for the Multi-Modal Trailhead Center-** Motion by DeRosier, second Hoff to adopt Resolution 2025-#69 Approving Contract with Holden Electric for the Installation of the Photovoltaic Array for the Multi-Modal Trailhead Center in the amount of \$129,600 retroactive to October 31, 2025 to meet grant eligibility requirements. MOTION CARRIED.

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

Member FitzGerald – Aye  
 Member DeRosier – Aye

**RESOLUTION 2025 – 69 WAS APPROVED:** 4 aye, 0 nay, 1 excused

**Resolution 2025-#70 Approval of Deferring Special Assessments for Eligible Residents-**

Residents who have applied and are eligible to defer their special assessments were reviewed: 102 Edison Blvd, 61 Horn Blvd, 86 Banks Blvd, 140 Banks Blvd, 92 Banks Blvd, and 136 Banks Blvd. It was noted the amount of the deferment is up to \$8000 but interest will accumulate thought the entire life of the deferment. Motion by Hoff, second DeRosier to adopt Resolution 2025-#70 Approving Deferring Special Assessments for eligible residents who applied. MOTION CARRIED.

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

Member FitzGerald – Aye  
 Member DeRosier – Aye

**RESOLUTION 2025 – 70 WAS APPROVED:** 4 aye, 0 nay, 1 excused

**Resolution 2025-#71 Approval of \$50,000 Renovation Loan to the East Lake Clinic District-**

Motion by FitzGerald, second Hoff to adopt Resolution 2025-#71 Approving \$50,000 Renovation Loan to the East Lake Clinic District for 7 year term at 3% interest. No additional security required. MOTION CARRIED.

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

Member FitzGerald – Aye  
 Member DeRosier – Aye

**RESOLUTION 2025 – 71 WAS APPROVED:** 3 aye, 0 nay, 1 excused, 1 abstain

**Accept Proposal from z'Up North Realty for Professional Services for the Golf Course Housing**

**Project-** Andrea Zupancich of z'Up North Realty presented a proposal for professional services for the Golf Course Housing project to include planning, analysis to determine feasibility and marketing services, The proposal is \$150/hour for 40 hours (\$6000) plus reimbursables. In addition, there would be a 3.5% realtor rate for the sale of lots if project is determined to be feasible for the city to pursue. Discussion regarding changing market trends, similarities with Iron Range towns, increase of tax base, potential clients, market value, short-term rentals, and lot sales in other communities. EDA is recommending acceptance of proposal. Motion by DeRosier, second FitzGerald to accept proposal from z'Up North Realty. MOTION CARRIED.

**Accept Proposal from Revize for Updating the City of Silver Bay Website-** The city is required to move to a .gov website domain, emails, and to make our website ADA compliant. Shannon Walz, Library Director, provided information regarding ADA compliance, website administration from a staff perspective, differences in the proposal, and her recommendation to use Revize. There is a \$1250 set up fee to get the website updated and annual host fee of \$1100, or the option of equal installments over four years. Discussion regarding website security, timeline of 4-6 weeks, all city email address currently switching to .gov, and capability of additional future add-ons. Motion by Hoff, second DeRosier to accept Revize proposal. MOTION CARRIED.

**Park State Bank ACH Payments-** City Staff has been working with Park State Bank on securing payments through Positive Pay for checks being mailed and other ways to lower costs. Moving all payments to ACH is recommended. ACH is more secure, payments are immediate, staff efficiency is improved and cost is considerably less. Checks will continued to be used for some items as needed. Motion by FitzGerald, second Hoff to move forward with ACH and obtain information from vendors. MOTION CARRIED.

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

## **OLD BUSINESS –**

**Perimeter Ditching Update- DNR Flood Hazard Mitigation Grant Award-** The city submitted an application to the DNR Flood Hazard Mitigation Grant to obtain funding for Phase 1 of the perimeter ditch water diversion project. The city was notified the State wants to fund all three phases which would be approximately a \$1M investment, pending final engineering estimates. The grant is a matching grant, requiring the city to match the \$1M with non-State funds and would not be able to start the project until all funds are secured thus delaying the start of the project. Discussion regarding using stormwater fees once a stormwater fund was established, other eligible grant options, topography study needed, and obtaining permanent easements and access from property owners. City Engineer, Josh Stier will be submitting final numbers to the DNR to determine final grant award and match.

## **NEW BUSINESS –**

**Park & Rec Recommendation to create Black Beach Parking Committee-** The Park & Rec Board is recommending City Council create a team consisting of members of Council, Park & Rec Board, Park & Rec staff, and Northshore Mining to research and find solutions regarding parking and permitting at Black Beach Park area. Discussion regarding possible permitting process to generate revenue to cover cost of time and resources for maintenance and clean-up of beach area, funds to improve trails and parking, and obtaining approval from Northshore Mining and DNR. Member Hoff will represent EDA, Park & Rec, and Council on the committee. Member Bautch will be contacted to see if he is interested as well.

Sarah Wilkens expressed concern regarding the blight property at 43 Davis. She was advised the city does not own the property, the owner of property is deceased, and property had not yet started probate. Testing was completed and the local Building Official determined property does not meet requirements for an emergency abatement.

**Claims** – Motion by DeRosier, second Hoff to approve payment of \$219,061.19 in unpaid claims and \$2,706,049.55 in paid claims. MOTION CARRIED.

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

Member FitzGerald - Aye  
Member DeRosier – Aye

Motion by Hoff, second FitzGerald to adjourn at 7:55 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

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Wade LeBlanc, Mayor

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Lana Fralich, City Administrator