

## CITY COUNCIL

7:00 P.M.

Monday, December 15, 2025

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

Lana Fralich, City Administrator  
Tim Costley, City Attorney  
Josh Stier, City Engineer, Bolton & Menk  
Kitty Evans, Lake County Press via ZOOM  
Steve Evans, Northshore Journal via ZOOM  
Dustin Goutermont via ZOOM  
Ray Parker  
Gary Ollila  
Erica Jensen

Erik Ollila  
Donny Thompson  
Alex Burcum

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

**Truth In Taxation-** Mayor LeBlanc addressed the public that property valuations and allocation of taxes are completed by the County and that this meeting is related to the proposed budget and levy for 2026.

Eric Ollila expressed concern regarding the year after year increases and suggested cuts be made to departments and better budgeting by City.

Donny Thompson expressed that he feels the city should review the programs and participation levels.

City Administrator provided a summary of the proposed 2026 Budget and levy that was set at 9.6% or \$2,029,670 in September. Lake County provided an updated net tax capacity which was lower than preliminary estimates and results in a higher impact even though budget and levy decrease. The updated 2026 Budget and Levy will be 8.2% or \$2,003,845. There was discussion on the line-item budget process, review of the tax rate, the net tax capacity, and highlights of the General Fund and other department funds. Further discussion on past budgets and levies being primarily adjusted for street Improvements, which have been consistent comments received from residents to improve streets.

**Agenda** – Motion by DeRosier, second Bautch to approve the Agenda with removal of NS Area Partners Invite and addition of Resolution 2025-#79 Amend Krause Anderson Contract for Change Order No. 25. **MOTION CARRIED.**

**Consent Agenda** –

**December 5, 2025 Regular Minutes**

**Home Use Occupation Permit Renewals-** Julie Jensen- 20 Hays Circle, Jeremy Tedrick- 110 Edison Blvd, and Chuck Rathbone- 24 Law Drive.

**Set Special End of Year Meeting-** 4:00 p.m. December 29<sup>th</sup> for any final approvals needed prior to the end of the year.

**Personnel Policy Updates-** Updated Personnel Policies effective January 1, 2026.

**LELS Union Contract-** Updated Law Enforcement Labor Services union contract as agreed during labor negotiations relating to Police Department, effective January 1, 2026- June 30, 2028.

**LELS Memorandum of Understanding Relating to Paid Family Medical Leave-** MOU for Paid Family Leave as agreed during labor negotiations, effective January 1, 2026

**International Union of Operating Engineers-Local 49ers Union Contract-** Updated Local 49ers Union contract as agreed on during labor negotiations which includes employees of Street, Public Utility, Parks & Rec, and Liquor departments. Effective January 1, 2026-June 30, 2028.

**International Union of Operating Engineers-Local 49ers MOU Relating to Paid Family Medical Leave-** MOU for Paid Family Leave as agreed during labor negotiations, effective January 1, 2026

**City Administrator Contract Amendment-** Amended contract effective January 1, 2026- July 1, 2032. Amendments include yearly wage increase of \$1.00/hour, yearly paid administrative hours unable to be taken off by City Administrator above 40-hours to bring balance down to allowable carryover balance and non-provided Health and Dental insurance for employee cash benefit of 60% for years 2026-2028, 65% for years 2029-2032.

**Lana Fralich- Administrative Leave Payout-** Due to needs of the city, Administrator Fralich has accumulated administrative leave over the past couple of years and has been unable to take it. Request is for the balance of accrued hours through December 14, 2025, over the allowable 40 hours of carryover, to be paid out at the 2025 regular wage rate.

**January 1, 2026 Wage Rates –** Approval of the 2026 Base Wage Rates for all positions within the city.

**Gary Thompson Zoning Administrator Contract Renewal-** Renewal of contract to be effective January 1, 2026 with \$100/month increase from prior contract bringing monthly contract to \$400 per month.

**Mike Rowlee Fire Control Administrator Contract Renewal-** Renewal of contract to be effective January 1, 2026 with a \$5/hour increase from prior contract bringing hourly rate to \$30/hour.

**Tim Costley Legal Contract Renewal-** No changes noted.

**ABDO Contract Extension-** Date extension of ABDO contract to use, if needed, to 12/31/2026.

**Mary Mac Lease for Food Shelf-** Approval of Mary Mac Lease to AEOA for the food shelf since Lake County is no longer including them as part of their lease. The lease amount will be \$388.29 pending confirmation from AEOA.

**David Drown Consulting Contract for Boathouse Bay & Golf Course Housing Development Projects-** Drown is stepping down as EDA director December 31, 2025, but will provide consulting services on the Boathouse Bay and Golf Course Housing projects beginning 1/1/2026 with annual fee of \$3600.

**January 1, 2026 Water & Sewer Rates-** Fees will stay the same in 2026 Quarter 1 but will likely increase in future quarters pending results of utility feasibility study and notice to public.

**Set Special Joint Meeting with Mary Mac Board and EDA for Mary MacDonald Facility Assessment Review-** Special Joint meeting set for January 14, 2026, 4:00 p.m. at the Reunion Hall.

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

**Petitions, Requests, and Communications** – None at this time.

**Public Comments-** None at this time.

**Mayor/Council Communication-**

Member Bautch commended Shop with a Hero and stated it is good for the kids and would like to see it continue.

Member Hoff stated Member FitzGerald and himself attended the RAMS Dinner which had a record turnout. Member FitzGerald met with Senator Hauschild who stated he is actively looking at more funding for Silver Bay.

Mayor LeBlanc and Member FitzGerald attended the North Shore Area Partners Holiday open house, well attended event and an important service for the community.

**City Administrator –**

**Resolution 2025-#73 2026 Final Budget-** Council reviewed the final budget. Motion by DeRosier, second Hoff to adopt Resolution 2025-#73 2026 Final Budget. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 73 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#74 2026 Final Levy-** Council reviewed the final 2026 Tax Levy of 8.2%. Motion by Hoff, second Bautch to adopt Resolution 2025-#74 2026 Final Levy in the amount of \$2,003,845. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 74 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#75 Certify to Taxes Delinquent Utility Accounts-** Motion by FitzGerald, second DeRosier to adopt Resolution 2025-#75 Certify to Taxes Delinquent Utility Accounts with the following properties to be placed on 2026 property taxes payable list: 88 Banks Blvd (\$633.49), 43 Davis Dr (\$633.49), 139 Edison Blvd (\$541.12), 41 Horn Blvd (\$541.12), 39 Evans(\$541.12).. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 75 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#76 Certify to Taxes Special Assessments-** Motion by DeRosier, second Bautch to adopt Resolution 2025-#76 Certify to Taxes for unpaid Special Assessments for the following properties:

22-7450-08020 86 Banks Blvd \$8,000.00  
22-7450-08030 88 Banks Blvd \$8,000.00  
22-7450-08040 90 Banks Blvd \$8,000.00  
22-7450-08060 94 Banks Blvd \$8,000.00  
22-7450-08070 96 Banks Blvd \$8,000.00  
22-7470-10355 101 Banks Blvd \$100,000.00  
22-7460-11390 116 Banks Blvd \$8,000.00  
22-7460-11400 118 Banks Blvd \$8,000.00  
22-7460-11410 120 Banks Blvd \$8,000.00  
22-7460-11440 126 Banks Blvd \$8,000.00  
22-7460-11450 128 Banks Blvd \$8,000.00  
22-7460-11470 132 Banks Blvd \$8,000.00  
22-7470-00002 137 Banks Blvd \$218,815.82  
22-7460-11500 138 Banks Blvd \$8,000.00  
22-7460-11370 11 Edison Blvd \$8,000.00  
22-7500-21030 94 Edison Blvd \$8,000.00  
22-7500-21040 96 Edison Blvd \$8,000.00  
22-7500-21060 100 Edison Blvd \$8,000.00  
22-7500-21080 104 Edison Blvd \$8,000.00  
22-7500-21090 106 Edison Blvd \$8,000.00  
22-7500-21100 108 Edison Blvd \$8,000.00  
22-7500-21110 110 Edison Blvd \$8,000.00  
22-7500-21120 112 Edison Blvd \$8,000.00  
22-7470-10350 3 Shopping Center Rd \$40,000.00  
22-7403-36580 \$7,971.48.

And the following properties deferred:

22-7450-08050 92 Banks Blvd \$3,000.00  
22-7460-11490 136 Banks Blvd \$8,000.00  
22-7460-11510 140 Banks Blvd \$8,000.00  
22-7500-21070 102 Edison Blvd \$8,000.00

22-7500-21010 61 Horn Blvd \$8,000.00

MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 76 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#77 Rezoning of Shopping Center District & Zoning Map-** Motion by DeRosier, second FitzGerald to adopt Resolution 2025-#77 Rezoning of Shopping Center District & Zoning Map to fix an error and have map consistent with the Silver Bay City Code. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 77 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#78 ReLeaf Urban Forestry Management Contract-** Motion by Bautch, second Hoff to adopt Resolution 2025-#78 ReLeaf Urban Forestry Management Contract with Davey Resources Group at a cost of \$38,445. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 78 WAS APPROVED: 5 aye, 0 nay, 0 excused

**Resolution 2025-#79 Amend Krause Anderson Contract for Change Order No. 25-** Motion by DeRosier, second Bautch to adopt Resolution 2025-#79 Amend Krause Anderson Contract for Change Order No. 25 in the amount of \$441.34 for additional directional striping that was added for public safety. MOTION CARRIED.

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

Member FitzGerald – Aye  
Member DeRosier – Aye

RESOLUTION 2025 – 79 WAS APPROVED: 5 aye, 0 nay, 0 excused

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

### **OLD BUSINESS –**

Gary Ollila asked for an update regarding blight property at 43 Davis. City Attorney advised there will be a probate hearing soon allowing the children to become owners and one of the children have expressed interest in cleaning up the property.

**NEW BUSINESS –**

**2025 Year in Review-** Council reviewed the 2025 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 City Hall parking lot project, Special Assessment Policy, DNR ReLeaf Forestry program, City Code Adoption, Labor Negotiations and continued work on Water Treatment Facility upgrade, the Multi-Modal Trailhead Center, Golf Course House Project, Boathouse Bay, 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.

Reminder the City Council meetings will begin at 6:00 p.m. starting January 1, 2026.

**Claims** – Motion by Hoff, second Bautch to approve payment of \$ 866,403.29 in unpaid claims and \$244,899.39 in paid claims. **MOTION CARRIED.**

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

Member FitzGerald - Aye  
Member DeRosier – Aye

Motion by Bautch, second FitzGerald to adjourn at 7:40 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