

## CITY COUNCIL

6:00 P.M.

Monday, March 16, 2026

**Present:**

Mayor Wade LeBlanc  
Richard DeRosier  
James FitzGerald

**Excused:** Ben Bautch  
Shane Hoff

Lana Fralich, City Administrator  
Tim Costley, City Attorney  
Josh Stier, City Engineer, Bolton & Menk via ZOOM  
Kitty Mayo, Lake County Press via ZOOM  
Rick Evans, Lake County Press via ZOOM  
Phil Anderson, via ZOOM  
Debbie Russell  
John Anderson, Sawtooth 16, LLC

Ray Parker  
Kelsie Johnson

Mayor LeBlanc called the meeting to order at 6:00 p.m.

**Public Comment Period –**

Mayor LeBlanc stated he will be attending the Lake County Ambulance Service meeting, along with Councilor FitzGerlad next week.

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

**Consent Agenda –**

**March 2, 2026 Regular Meeting Minutes**

**March 9, 2026 Public Hearing Minutes**

**Summer Employment Advertising-** Only changes from previous year is the Special Event Bartenders added as temporary/seasonal position.

**Campground Host Advertisement-** The Park & Recreation board is recommending advertising for 2026 Campground Host.

**Board Opening Advertisement-** The Park & Recreation Board and Mary MacDonald Committee each have a vacancy on their boards so Council will advertise for these openings.

**Mary MacDonald Business Center Conditional Use Permit for Salveson Floor Care-** The Planning & Zoning Commission recommended approval for a conditional use permit to Juel Salveson, Salveson Floor Care, to rent space in the Mary Mac building for the use of his Floor Care business.

**Mary MacDonald Business Lease Agreement-** Salveson Floor Care lease effective April 1<sup>st</sup>, 2026-December 31, 2026. Monthly rate of \$388.29 under the terms and conditions as attached in the lease.

**Acceptance of Resignation of Eli Yachts as Marina Management-** Accepted resignation from Kathleen Koch, Eli Yachts as manager of Marina effective April 30, 2026. Council thanked Kathleen for her years of dedication to the Marina.

**Storybook Theatre- Hansel & Gretel Production-** Production will be held June 21, 2026-June 27, 2026 at a cost of \$2750 plus lodging. A grant application was been submitted to Lloyd K. Johnson foundation to help with cost, pending approval.

**Boathouse Bay TIF Withdrawal #10-** TIF Draw #10 in the amount of \$164,013.01 plus IRRRB grant of \$163,994.29, and prior approved city contribution of \$10,302.92 totals \$338,310.22. The amount will cover Northland's pay app #9 in the amount of \$249,996.82 and reimburse the City of Silver Bay for expenses incurred in the amount of \$88,313.40.

**Day at the Capitol Amendment-** Due to scheduling of meetings at the Capitol on Tuesday, an additional night of motel is needed for Monday night along with additional breakfast and lunch for Tuesday. It was also noted that Councilor Bautch was unable to attend and Councilor DeRosier will be attending with Mayor LeBlanc and City Administrator Fralich.

Motion by FitzGerald, second DeRosier to approve the Consent Agenda items. MOTION CARRIED.

**City Administrator –**

**Resolution 2026-#23 North Shore Boat Works, LLC Independent Contractor Agreement for Marina Management effective May 1, 2026-**

Marina Management contract with North Shore Boat Works, LLC., which is owned by Mike Ettel was reviewed. There are no changes to the agreement or operational plans that was in the Eli Yachts contract. Mike Ettel has been part of the operations of the marina for many years. The Parks and Recreation Board recommend approval. Motion by DeRosier, second FitzGerald to adopt Resolution 2026-#23 North Shore Boat Works, LLC Independent Contractor Agreement for Marina Management, effective May 1, 2026. MOTION CARRIED.

Mayor LeBlanc – Aye

Member FitzGerald – Aye

Member Bautch – Absent

Member DeRosier – Aye

Member Hoff – Absent

RESOLUTION 2026 - 23 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#24 Bolton & Menk Proposal for Engineering Services including Construction Services-**

Council approved to move forward with the GMP for Magney Construction and the Indirect Costs, per Resolution 2025-#65; however, the Resolution did not specifically separate the approval of Bolton & Menk's indirect costs. For auditing purposes, a separate Resolution is requested for the engineering portion of the project. Motion by FitzGerald, second DeRosier to adopt Resolution 2026-#24 Bolton & Menk Proposal for Engineering Services relating to the indirect costs, including Construction Administrative services, in the amount of \$1,225,000. MOTION CARRIED.

Mayor LeBlanc – Aye

Member FitzGerald – Aye

Member Bautch – Absent

Member DeRosier – Aye

Member Hoff – Absent

RESOLUTION 2026 - 24 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#14A Approval to Accept Bid Tabulation Package from Magney Construction for the Water Treatment Facility Upgrade & Booster Station-**

Council previously approved the bid tabulation package for all bids, except #10 Electrical (Resolution 2026-#14). Electrical bid package #10 was rebid. The city currently uses Automatic Systems Co. for the wastewater treatment facility and would like to keep the control systems the same. Wescom was the low bidder in the amount of \$1,953,587. There was discussion on the qualifications of Wescom. Motion by DeRosier, second FitzGerald to adopt Resolution 2026-#14A Approval to Accept Bid Tabulation Package from Magney Construction for the Water Treatment Facility Upgrade & Booster Station, awarding the bid to Wescom at a cost of \$1,953,587. MOTION CARRIED.

Mayor LeBlanc – Aye

Member FitzGerald – Aye

Member Bautch – Absent

Member DeRosier – Aye

Member Hoff – Absent

RESOLUTION 2026 – 14A WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#25 Amendment of Bolton & Menk’s Engineer Services for the City-wide Street & Utility Improvements-**

Josh Stier, City Engineer sought additional PFA funding to add the water line portion of the project to the water treatment facility project to access additional grant/loan funds, which PFA has confirmed. This will provide a slight increase in the loan amount but will add additional grant dollars resulting in a large savings for the Citywide Street & Utility project. It appears the city will see a loan amount of approximately \$10.5M, but the WIF grant would increase from under \$5M to \$8.5M-\$10M. Due to the additional scope of work being added to the project, Bolton & Menk has submitted an amendment to their proposal. Discussion regarding additional engineering relating to replacement of Pressure Reducing Valves and replacement of transmission line from Highway 61 to Banks/Bell. Motion by DeRosier, second FitzGerald to adopt Resolution 2026-#25 Amendment of Bolton & Menk’s Engineer Services for the City-wide Street & Utility Improvements at a cost of \$37,500 for the additional scope of work needed for the PRV’s and transmission line. MOTION CARRIED.

Mayor LeBlanc – Aye

Member FitzGerald – Aye

Member Bautch – Absent

Member DeRosier – Aye

Member Hoff – Absent

RESOLUTION 2026 – 25 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#26 Authorization for Application to the MN Public Facilities Authority Drinking Water Revolving Fund for the Watermain Replacement-**

As part of the additional items eligible for WIF funds, a Resolution must be submitted to the PFA. Motion by FitzGerald, second DeRosier to adopt Resolution 2026-#26 Authorization for Application to the MN Public Facilities Authority Drinking Water Revolving Fund for the Watermain Replacement. MOTION CARRIED.

Mayor LeBlanc – Aye

Member FitzGerald – Aye

Member Bautch – Absent

Member DeRosier – Aye

Member Hoff – Absent

RESOLUTION 2026 – 26 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#27 Authorizing the Ordering of the Improvement, Approving Plans & Specifications, and Ordering Advertisement for Bids for Improvement No. 2026-01A of the 2026 Citywide Street & Utility Improvement Project-**

Motion by FitzGerald, second DeRosier to set Special Meeting of City Council, on Tuesday, March 31<sup>st</sup> at 10:00 a.m. to adopt Resolution 2026-#27 Authorizing the Ordering of the Improvement, Approving Plans & Specifications, and Ordering Advertisement for Bids for Improvement No. 2026-01A of the 2026 Citywide Street & Utility Improvement Project. A special meeting was required due to the lack of Council members present as this vote requires a 4/5 majority vote, MOTION CARRIED. Discussion followed regarding March 9<sup>th</sup> Public Hearing and the best way to handle public engagement during project.

**Resolution 2026-#28 Award Contract to Truax Enterprises LLC, dba Full Sun Services for Tree Clearing Services for the Phase 1 Citywide Street & Utility Improvement Project-**

Bids were solicited for removal of boulevard trees for the Citywide Street & Utility Improvement project that will be taking place in 2026, including trees on Adams, Arthur, and a portion of Banks. Truax Enterprises, LLC dba Full Sun Services was the low bid at \$42,500. Trees will need to be down prior to March 31<sup>st</sup>. Motion by DeRosier, second FitzGerald to adopt Resolution 2026-#28 Award Contract to Truax Enterprises LLC, dba Full Sun Services, for tree clearing services for the Phase 1 Citywide Street & Utility Improvement Project at a cost of \$42,500. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member FitzGerald – Aye

Member DeRosier – Aye

RESOLUTION 2026 - 28 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Resolution 2026-#29 MN Power Interconnection for Solar Photovoltaic System Contract-**

The application for the solar photovoltaic system at Trailhead center has been approved by MN Power with a modification to include a production ammeter and disconnect. Electrical engineer has reviewed and it is consistent with the B3 and Solar grant requirements. Motion by DeRosier, second FitzGerald to adopt Resolution 2026-#29 MN Power Interconnection for Solar Photovoltaic System Contract. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member FitzGerald – Aye

Member DeRosier – Aye

RESOLUTION 2026 - 29 WAS ADOPTED: 3 aye, 0 nay, 2 excused

**Congressional Direct Spending Application Submittals-**

Administrator Fralich has submitted application for congressional direct spending funds to Congressman Pete Staubers office to meet the due date of March 7<sup>th</sup>. The three submitted requests are Perimeter Ditching (\$2.5 million), Water Emergency PRV Replacement (\$2.9 million), and Mary MacDonald Business Center (\$7.9 million). Consensus of Council was supportive of application submittal.

City Attorney – Nothing at this time.

OLD BUSINESS – None at this time.

**NEW BUSINESS –**

**League of MN Cities “Mayor for a Day” Essay Contest Winner- Everlie Ernest-**

Silver Bay 6<sup>th</sup> Grader, Everlie Ernest was chosen a winner in the annual statewide “If I were Mayor for the Day” essay competition sponsored by the League of MN Cities. Hundreds of essays are received statewide. The Mayor plans to Congratulate Everlie at the school. Congratulations Everlie!

**Claims –**

Motion by DeRosier, second FitzGerald to approve payment of \$191,933.02 in unpaid claims and \$287,358.94 in paid claims. MOTION CARRIED.

Mayor LeBlanc – Aye

Member Bautch – Absent

Member Hoff – Absent

Member FitzGerald - Aye

Member DeRosier – Aye

Motion by DeRosier, second FitzGerald to adjourn at 6:30 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

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Wade Leblanc, Mayor

\_\_\_\_\_  
Lana Fralich, City Administrator