

CITY COUNCIL

6:00 P.M.

Monday, April 20, 2026

Present:

Mayor Wade LeBlanc via ZOOM
Richard DeRosier
Shane Hoff
Ben Bautch
James FitzGerald

Lana Fralich, City Administrator
Josh Stier, City Engineer, Bolton & Menk
Matthew Johnson, Lake County HRA
Aaron Dahl, Bergan KDV via ZOOM
Kitty Mayo, Lake County Press via ZOOM
Sandra Dowd, Northshore Journal via ZOOM
Lacey Shoen
Kristi Thompson
John Anderson
Muffy Hoffman
Nelson French

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

Public Comment Period – None at this time.

Agenda – Motion by Hoff, second Bautch to approve the Agenda as presented. **MOTION CARRIED.**

Public Presentation: 2025 City Audit- Aaron Dahl of Bergan-KDV presented the 2025 year-end audit of financial statement and communications letter prepared by Bergan-KDV. The City received a clear and unqualified opinion from an independent auditor, which is the highest rating it can achieve. There was discussion on the Financial Health of the City, Net Income, Expenses, and Cash Investment. The Council reviewed the audit and thanked the administrative staff and department heads for their work on the audit and budget. Motion by LeBlanc, second Bautch to accept 2025 City Audit. **MOTION CARRIED.**

Communications-

RAMS Impacts of Iron Mining Trends Forums- RAMS will be hosting forums relating to budget impacts of Iron Mining Trends. City Administrator Fralich and Finance Manager, Donna McCurdy-Wolke, will be attending the event in Virginia, MN on May 11th and Council is encouraged to attend.

Lake County Survive This Event Invitation- Kitty Mayo, Lake County Press provided an invitation for the Survive This event on Sunday, April 26th from 1:00 to 3:00 p.m. at the Two Harbors High School. Discussion regarding emergency preparedness and response in an effort to collaborate and improve response to emergencies.

City Code 910.02 Reminder- As Spring cleanup begins, residents are reminded the City Code has been amended to read “No grass, leaves, dirt, branches, debris, or rubbish shall be deposited onto a public street, alley, or sidewalk, and shall be deemed a public nuisance.” The city recently had to repair the street sweeper and this type of debris causes damage to the sweeper and storm system.

Consent Agenda –

April 6, 2026 Regular Meeting Minutes

Treasurer’s Report-December 2025-

Silver Bay Veterans Home Memorial Day Program- Silver Bay Veterans Home Memorial Day requesting authorization to use the city logo on advertisements for the Memorial Day program at 2:00 p.m. on May 25, 2026.

Amendment to the Vehicle Fleet Safety Program Policy- Amendments relating to regulatory changes or language clarification.

Approval of the 2026 Summer Employee Handbook- Minor adjustments relating to regulatory and language changes that in line with the Personnel Policies.

Full Sun Services Community Brush Clean-up May 26- One day community wide brush clean up on May 26th beginning at 7:00 a.m. Residents are reminded to only leave branches, logs, or shrubs, no stumps. No roots with dirt attached, logs may not exceed 12” in diameter and all debris must be on the boulevard side of sidewalks.

Rocky Wall Entertainment License Agreement for Music in the Park- No changes other than dates on the 2026 license agreement with Rocky Wall Entertainment for Music in the Park.

Letters of Support for Rocky Wall Entertainment’s Music in the Park & Capital Planning- Rocky Wall Entertainment is requesting letters of support from the City while they seek funding to assist with Music in the Park Concert Series from both the Lloyd K. Johnson foundation and the MN Arts Board. They are also requesting a letter of support, if they are allowed to submit a grant to the Blandin Foundation, to aid in their fundraising efforts for the City Center Park and Amphitheater project.

Lake County Aggregate Stockpile Production- Lake County opened bids for the Aggregate Stockpile Production contract. Hover Construction is the low bidder. Beaver Bay has approved participation but Crystal Bay is still pending. Silver Bay’s portion is currently \$12,526 based on 1500 cy of gravel at \$8.03 unit cost. If Crystal Bay joins in Silver Bay’s portion will be \$11,444.18 based upon 1500 cy of gravel at \$7.34 unit cost. The budgeted amount for gravel was \$15,000.

Motion by LeBlanc, second Hoff to approve the Consent Agenda items. MOTION CARRIED.

City Administrator –

Resolution 2026-#22 Mary MacDonald Conceptual Planning for New Facility- Resolution was previously tabled to allow time to obtain possible proposals and bonding monies. There has not been a proposal submitted and limited interest in the legislature. Mary Mac committee has recommended approval to move forward. Discussion regarding ability to get funding for new building versus repairs to current building, costs to build versus repairs, completing due diligence to provide best option for the

city, Bolton & Menk meeting with current tenants and obtaining the needed information to complete a conceptual design for a new building, and current versus future rent payments. Motion by LeBlanc, second by DeRosier to move forward with Resolution 2026-#22 Mary MacDonald Conceptual Planning for New Facility. MOTION CARRIED.

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

Member FitzGerald – Aye
Member DeRosier – Aye

RESOLUTION 2026 - 22 WAS ADOPTED: 3 aye, 2 nay, 0 excused

Easement Negotiations for Phase 1 Utility Improvements- Council reviewed draft easements and map for the 2026 Phase 1A project. Currently these easements are considered prescriptive for utilities, but it is recommended formalizing the easements. The work on those utilities would not start until 2027, allowing time to negotiate with property owners. It is recommended that permanently securing the easements would be in the best interest of the city. Motion by FitzGerald, second Bautch to authorize City Engineer, City Attorney, and City staff to being negotiations with property owners to permanently secure the easements. MOTION CARRIED.

City Attorney – Nothing at this time.

OLD BUSINESS –

Lake County HRA- Silverpointe II- Matthew Johnson, Lake County HRA, has been working with Vision Inc, a developer who has expressed interest in building Silver Pointe II in Silver Bay. They are also building workforce housing in Two Harbors and Grand Marais. Funding will be provided by 2/3 private equity and the remaining funds coming from a combination of sources including IRRR, MN Workforce Housing, Lake County, and the City. Discussion regarding the possibility of needing TIF or tax abatement, number of units, and estimated rents of \$1100-\$1700/month.

NEW BUSINESS –

Garden Club- Lacey Shoen, Kristi Thompson, and Mary Hoffman presented the Garden Club history which began in 1950s and has been discontinued for approximately ten years. They would like to restart the Garden Club in in an effort to beautify city public properties. Friends of the Library has offered to be the financial arm for any donations or monies for the club. Discussion regarding public interest, locations, and donations. Consensus of Council is full support of reorganization of the Garden Club. Motion by Hoff, second Bautch support of the city covering flowers and other costs to beautify the city. MOTION CARRIED. Mayor LeBlanc stated he was willing to donate black dirt as needed by the Garden Club.

Park & Rec Board Vacancy- Three applications were reviewed. Motion by FitzGerald, second Hoff to appoint Albertjan Planten Von Afton to Park & Rec Board. His term will expire December 31, 2028. MOTION CARRIED.

Mary MacDonald Board Vacancy- Three applications were reviewed. Motion by Hoff, second Bautch to appoint Carole Bradbury Pridgen to the Mary MacDonald Committee. Her term will expire December 21, 2027. MOTION CARRIED.

Claims –

Motion by FitzGerald, second LeBlanc to approve payment of \$181,686.00 in unpaid claims and \$461,868.28 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 7:10 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson

Attest:

Richard DeRosier, Acting Mayor

Lana Fralich, City Administrator