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July 24, 2017

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, July 24, 2017 at 6:00 p.m.

The meeting was called to order by President Erickson.

Members present, Councilors: McQuade, Woodruff, Swanson, Jussila, Norberg, Erickson. 6.

Members absent, Councilor: Glaser. 1.

Others present: Administrator Walker
Finance Director Pietila
City Clerk Nordean
City Attorney Overom

Motion by Norberg and Woodruff that the meeting be recessed at 6:02 p.m. Carried.

Motion by Norberg and Swanson reconvening the meeting at 6:07 p.m. Carried.

Administrator Walker suggested the following additions or changes to the agenda:

Consent Agenda Item No. 8. Changing the amount to be paid to Ulland Brothers for the Castle Danger Watermain Relocation Project from \$243,266.53 to \$193,266.53.

New Business, add Item No. 6. Consider a resolution authorizing an amendment to the Commercial Real Estate Purchase Agreement for the proposed Liquor Store Project extending the contingency deadline from August 15, 2017 to November 14, 2017.

Motion by Norberg and McQuade approving the agenda. Carried.

Appearances:

Connie Beck Hamsmith was present and was awarded a certificate of appreciation by Mayor Swanson for her volunteer service in preparing flower beds and planting flowers in various municipal gardens throughout the City.

Bradley Peterson, Coalition of Greater Minnesota Cities, was present and addressed the Council providing a review of what CGMC does. He also went over a list of legislative highlights and provided an overview of the bonding request process. Council President Erickson expressed appreciation for his presentation and the work of the coalition on behalf of our city. Mayor Swanson also expressed appreciation and inquired about the future of the current transportation funding. Peterson indicated that there is an interest in trying to make it an ongoing program.

Administrative Reports:

Administrator Walker reported on a recent meeting with Joe Rhein of Bolton & Menk and certain administrative staff and department heads, where the discussions were held regarding the Capitol Improvement Plan. The group will meet again to review projects suggested for 2018 and beyond.

Housing and Redevelopment Authority:

Councilor Woodruff reported on a recent meeting of the City's Housing and Redevelopment Authority where it was noted that effective 1/1/19 there will be no smoking allowed in any publicly funded housing; an open house will be held on Wednesday, July 26 from 11-2 at the Bayview Terrace; and rate changes will be effective soon.

Edna G. Commission:

Councilor Woodruff reported on a recent meeting of the Edna G. Commission where the commission discussed the purchase of another sump pump for the tug and continued discussions regarding the process of removing the tug from the water.

Recreation Board:

Council President Erickson reported that there was no July meeting of the Rec Board due to the lack of a quorum.

Planning Commission:

Council Vice President Glaser/Councilor Woodruff reported on a recent meeting of the City's Planning Commission where a hearing was held regarding a request for a variance, which was withdrawn by the applicant; and vendor permit enforcement and waterfront visioning were discussed.

Finance & Budget Committee:

Council President Erickson reported on a recent meeting of the City Council's Finance & Budget Committee where the request for payment for the Castle Danger Watermain Project, telephone and internet service proposals, Capital Improvement Plan and a possible payoff for a Revolving Loan were discussed.

Consent Agenda:

President Erickson announced that items listed on the consent agenda are routine in nature and typically do not require discussion. If there is an item on the consent agenda that a council member, staff member or member of the public feels warrants discussion, they may request that it be removed from the consent agenda and dealt with individually under New Business. Motion by Norberg and Woodruff that the following consent agenda items:

1. Approving minutes from July 10, 2017 regular meeting.

2. **RESOLUTION NO. 7-199-17 ALLOWING CLAIMS AGAINST THE CITY FOR JULY 25, 2017 IN THE AMOUNT OF \$_____.**
3. Approving payroll for the first half of July, 2017 in the amount of \$_____.
4. Authorizing a letter to Lake County, on behalf of the mayor, city council, and Airport Commission, requesting an increase in funding for the municipal airport.
5. Airport Report for July, 2017.
6. A letter from the MPCA notifying the City of preliminary approval of the Facility Plan submitted on June 21, 2017.
7. **RESOLUTION NO. 7-200-17 ACCEPTING THE QUOTE FROM PERRAULT CONSTRUCTION IN THE AMOUNT OF \$7,850, FOR REPLACEMENT OF THE ROOF AT THE BANDSHELL.**
8. **RESOLUTION NO. 7-201-17 APPROVING PAYMENT TO ULLAND BROTHERS IN THE AMOUNT OF \$193,266.53, FOR THE CASTLE DANGER WATERMAIN RELOCATION PROJECT.**
9. **RESOLUTION NO. 7-202-17 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$25,103.50, FOR ENGINEERING SERVICES FOR THE CASTLE DANGER WATERMAIN RELOCATION PROJECT.**
10. **RESOLUTION NO. 7-203-17 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$29,611.50 FOR ENGINEERING SERVICES FOR THE STREET & ALLEY IMPROVEMENT PROJECT.**
11. **RESOLUTION NO. 7-204-17 APPROVING PAY APPLICATION NO. 7 FROM TL CONSTRUCTION IN THE AMOUNT OF \$23,033.90, FOR THE CAMPGROUND BATHHOUSE COMPLEX PROJECT.**
12. **RESOLUTION NO. 7-205-17 AUTHORIZING THE PURCHASE OF 15 STORZ ADAPTORS FROM FERGUSON WATERWORKS FOR AN AMOUNT OF \$8,871.89.**
13. **RESOLUTION NO. 7-206-17 ACCEPTING THE PROPOSAL OF LAKE CONNECTIONS TO PROVIDE TELEPHONE AND**

INTERNET SERVICES AND CW TECHNOLOGIES FOR THE PURCHASE OF AN UPDATED TELEPHONE SYSTEM.

14. **RESOLUTION NO. 7-207-17 ACCEPTING THE PROPOSAL OF ENVIRONMENTAL TROUBLESHOOTERS, INC. FOR SOIL BORINGS TESTING FOR PHASE II OF THE WILLAMETTE/CASTLE DANGER WATERMAIN RELOCATION PROJECT, FOR AN AMOUNT NOT TO EXCEED \$11,724.**
15. Approving the request of the Chief of Police to allow Nathan Gens to attend Forensic DNA for Law Enforcement training in St. Cloud.
16. **RESOLUTION NO 7-208-17 REMOVING LENNON HANSON AND TOMMY DOYLE FROM THE PUBLIC ARTS AND BEAUTIFICATION COMMISSION.**
17. **RESOLUTION NO. 7-209-17 ADOPTING A REVISED CELL PHONE POLICY.**
18. **RESOLUTION NO. 7-210-17 APPROVING A LEASE AGREEMENT BETWEEN THE CITY AND COMMUNITY PARTNERS FOR USE OF THE "PLACE" SIDE OF THE COMMUNITY CENTER.**
19. Proposed timeline for proposed Municipal Liquor Store Project.

Be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

New Business:

Motion by Woodruff and Norberg that **RESOLUTION NO. 7-211-17 GRANTING TEMPORARY AND PERMANENT EASEMENT TO MNDOT AT THE EXISTING LIQUOR STORE PROPERTY, FOR THE 2018 HIGHWAY 61 PROJECT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Swanson and Woodruff that **RESOLUTION NO. 7-212-17 APPOINTING CONNIE BECK HAMSMITH AND ETHAN CASSIDY AS MEMBERS OF THE PUBLIC ARTS AND BEAUTIFICATION COMMISSION** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Swanson and Norberg that **RESOLUTION NO. 7-213-17 AUTHORIZING THE DEDICATION OF THE NEW ADDITION AT BURLINGTON BAY CAMPGROUND AS THE "REPRESENTATIVE DAVID DILL ADDITION" AND CALLING FOR A SPECIAL MEETING FOR THE PURPOSE OF ALLOWING COUNCILORS TO ATTEND THE DEDICATION CEREMONY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call. Clerk

Nordean noted that there will be a dedication ceremony at 3 p.m. on Monday, August 14 at the campground and that the public is invited and encouraged to attend.

Motion by Swanson and Norberg that consideration of a development agreement between the City and SDR Properties for the proposed Municipal Liquor Store Project be tabled. Carried.

Motion by Norberg and Swanson that consideration of Authorizing the City Administrator to obtain soil borings and a wetland delineation for the proposed Liquor Store development be tabled. Carried.

Motion by Norberg and Woodruff that **RESOLUTION NO. 7-214-17 AUTHORIZING AN AMENDMENT TO THE COMMERCIAL REAL ESTATE PURCHASE AGREEMENT FOR THE PROPOSED LIQUOR STORE PROJECT EXTENDING THE CONTINGENCY DEADLINE FROM AUGUST 15, 2017 TO NOVEMBER 14, 2017** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson reported on a recent meeting with Representative Rick Nolan where they discussed infrastructure and the desire to improve the City's waterfront.

The mayor complimented property owners who have been maintaining their yards and encouraged those who have not to do so.

Motion by Norberg and Woodruff that the meeting adjourn. Carried.

Catherine A. Erickson, City Council President

Patricia D. Nordean, City Clerk