
September 24, 2018

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, September 24, 2018 at 6:00 p.m.

The meeting was called to order by President Woodruff.

Members present, Councilors: Glaser, Redden, Norberg, Swanson, Jussila,
Erickson, Woodruff.

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

President Woodruff recommended the following additions and changes to the agenda: remove Consent Agenda items No. 24 Approving the renewal of the Club-On-Sale Liquor License for the Moose Lodge and No. 25. Approving the request of the Moose Lodge to be open on Sundays, October 14 and 21, November 4 and 18, and December 23 and 30, 2018; and add New Business item No. 5. Consider authorizing a letter of support for a Small Cities Development Commission grant application for residential and commercial property improvements and committing up to \$50,000 as a match if the grant is awarded.

Motion by Norberg and Swanson approving the agenda with changes as recommended by President Woodruff. Carried.

Appearances:

Finance Director Pietila was present and addressed the Council providing a brief overview of the proposed 2019 Preliminary Levy and Budget.

Edna G. Commission:

President Woodruff reported on a recent meeting of the Edna G. Commission where discussions were held regarding ordering materials for winterizing the tug, ordering bubblers to prevent accumulation of ice around the tug, and the forming of a steering committee to work with the engineers hired for the proposed Edna G. Project.

Finance and Budget Committee:

Vice President Erickson reported on recent meetings of the Finance and Budget Committee where the group has been working on the 2019 Preliminary General Fund Budget and Levy.

Utilities Committee:

Councilor Norberg reported on a recent meeting of the Utilities Committee where the group held a hearing regarding unpaid utility charges on a rental property and considered an offer to operate a mini natural gas distribution system outside of the City limits. The group took action to recommend that the offer to operate the mini natural gas distribution system be denied.

Consent Agenda:

President Woodruff 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 Jussila and Swanson that the following consent agenda items:

1. Approving minutes from September 10, 2018 regular City Council meeting.
2. **RESOLUTION NO. 9-265-18 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS IN THE AMOUNT OF \$_____.**
3. Approving payroll for the first half of September, 2018 in the amount of \$231,219.77.
4. Accepting the notice of intention to retire from Scott Johnson, effective October 1, 2018, and authorizing a letter of appreciation for his service.
5. A notice of a "Meet your Candidates" event at the Library, to be held on Monday, October 29 from 6-8 p.m.
6. Rescheduling the first City Council and Committee of the Whole/Agenda Meeting in November for Tuesday, November 13 at the regular times of 5 and 6 p.m.
7. Rescheduling the December, 2018 City Council and Committee of the Whole meetings for Tuesdays, December 4 and 11, at the regular times of 5 and 6 p.m.
8. **RESOLUTION NO. 9-266-18 CERTIFYING CERTAIN UNPAID UTILITY CHARGES TO THE LAKE COUNTY AUDITOR AS ASSESSMENTS AGAINST CERTAIN PROPERTIES WITHIN THE CITY.**
9. **RESOLUTION NO. 9-267-18 AUTHORIZING AN APPLICATION FOR A RUDBERG GRANT THROUGH THE DULUTH SUPERIOR AREA COMMUNITY FOUNDATION IN THE AMOUNT OF \$2,000**

**FOR THE PURCHASE OF JUVENILE AND TEEN MATERIALS
FOR THE LIBRARY.**

10. **RESOLUTION NO. 9-268-18 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$9,719.65 FOR ENGINEERING SERVICES FOR THE MAIN LIFT STATION PROJECT.**
11. **RESOLUTION NO. 9-269-18 AUTHORIZING PAYMENT TO CR-BPS FOR PROFESSIONAL DESIGN SERVICES FOR THE EAST SHOWER HOUSE PROJECT AT BURLINGTON BAY CAMPGROUND IN THE AMOUNT OF \$2,812.10.**
12. **RESOLUTION NO. 9-270-18 AUTHORIZING PAYMENT TO AMERICAN ENGINEERING TESTING, INC. IN THE AMOUNT OF \$8,646 FOR PROFESSIONAL SOILS OBSERVATION AND COMPACTION TESTING SERVICES FOR THE 2018 STREET IMPROVEMENT PROJECT AND THE CIP UPDATES.**
13. **RESOLUTION NO. 9-271-18 AUTHORIZING PAYMENT TO SEH IN THE AMOUNT OF \$35,500 TO PROVIDE ENGINEERING SERVICES FOR THE DESIGN PHASE OF THE 2018 FUEL SYSTEM AND BUILDING AREA PAVEMENT REHABILITATION PROJECT.**
14. **RESOLUTION NO. 9-272-18 AUTHORIZING PAYMENT TO BEST CONCRETE IN THE AMOUNT OF \$3,570 FOR THE CONCRETE SLAB FOR THE NEW CEMETERY BUILDING.**
15. A Project Update from Bolton & Menk on the 2018 Street & Alley Improvement Project.
- 15.1 **RESOLUTION NO. 9-273-18 APPROVING PAYMENT TO NORTHLAND CONSTRUCTORS OF DULUTH, INC., IN THE AMOUNT OF \$395,429.27 FOR PAY APPLICATION #3 FOR THE 2018 STREET & ALLEY IMPROVEMENT PROJECT.**
16. **RESOLUTION NO. 9-274-18 ACCEPTING THE QUOTE FROM THE POWERHOUSE, INC. FOR THE PURCHASE OF TWO 1HP ICE EATERS WITH 100' CORDS FOR THE EDNA G. FOR AN AMOUNT OF \$1,440.**
17. **RESOLUTION NO. 9-275-18 APPROVING A THREE-YEAR AGREEMENT WITH SHOR-TEL TO PROVIDE TELEPHONE SYSTEM SUPPORT SERVICES FOR AN AMOUNT OF \$2,843.**

18. **RESOLUTION NO. 9-276-18 APPROVING THE POLICY RENEWAL WITH MADISON NATIONAL LIFE INSURANCE COMPANY FOR LIFE AND AD&D INSURANCE COVERAGE WITH NO RATE ADJUSTMENTS.**
19. **RESOLUTION NO. 9-277-18 ACCEPTING THE MULTI-YEAR HEALTH PLAN AGREEMENT WITH HEALTH PARTNERS, INC.**
20. **RESOLUTION NO. 9-278-18 APPROVING AN INCREASE IN BENEFIT LEVELS FOR THE TWO HARBORS FIRE RELIEF ASSOCIATION FOR 2018 – 2019.**
21. **RESOLUTION NO. 9-279-18 APPROVING THE SALVATION ARMY HEATSHARE PROGRAM AGREEMENT EFFECTIVE OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019.**
22. Accepting the recommendation of the Utilities Committee to decline the offer by Minnesota Energy Resources to take over certain mini gas distribution systems located outside of the City utility service area.
23. Accepting the resignation of Dave Poplinek from the Edna G. Commission, with regret.

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

New Business:

Motion by Swanson and Jussila that **RESOLUTION NO. 9-280-18 ACCEPTING THE RECOMMENDATION OF THE PUBLIC WORKS COMMITTEE TO APPROVE THE DESIGN FOR THE EAST CAMPGROUND BATH HOUSE PROJECT AND AUTHORIZING CR-BPS TO MOVE FORWARD WITH FINAL DETAILED DRAWINGS AND SPECIFICATIONS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Norberg that **RESOLUTION NO. 9-281-18 ESTABLISHING THE PROPOSED PROPERTY TAX LEVY FOR TAXES PAYABLE IN THE YEAR 2019 FOR THE CITY OF TWO HARBORS AND SCHEDULING THE TRUTH IN TAXATION HEARING FOR DECEMBER 4, 2018 AT 6 P.M. IN THE COUNCIL CHAMBERS AT CITY HALL** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Norberg and Swanson that **RESOLUTION NO. 9-282-18 ESTABLISHING THE PROPOSED 2019 GENERAL FUND BUDGET FOR THE CITY OF TWO HARBORS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Redden and Glaser that **RESOLUTION NO. 9-283-18 APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE LAKE BANK AND THE CITY OF TWO HARBORS AND AUTHORIZING AND DIRECTING THE MAYOR, CITY CLERK AND ADMINISTRATOR TO EXECUTE AND DELIVER SAID AGREEMENT ON BEHALF OF THE CITY** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Swanson and Glaser that **RESOLUTION NO. 9-284-18 AUTHORIZING A LETTER OF SUPPORT FOR A SMALL CITIES DEVELOPMENT COMMISSION GRANT APPLICATION FOR RESIDENTIAL AND COMMERCIAL PROPERTY IMPROVEMENTS AND COMMITTING UP TO \$50,000 AS A MATCH IF THE GRANT IS AWARDED** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Announcements:

President Woodruff reminded everyone that the Lake County Sex Trafficking Task Force will sponsor a presentation at the Law Enforcement Center from 3 -5 p.m. on Tuesday, September 25.

Mayor Swanson noted that he will present a State of the City address on October 25th. Additional information will be communicated once it becomes available.

Motion by Jussila and Swanson that the meeting adjourn. Carried.

Miles Woodruff, City Council President

Patricia D. Nordean, City Clerk