

COUNCIL MEETING MINUTES
August 27th, 2018

The Council meeting was called to order at 6:00 p.m. by Mayor Werner. The Pledge of Allegiance was recited by those in attendance. Present for the meeting: Mayor John Werner; City Councilors John Goman, Greg Andrews, Suzanne Herstad and Bob Quade; Deputy Clerk Carley Hungerford; and attached list of public.

PUBLIC DISCUSSION: None

CORRESPONDENCE:

- Thank you card from Joan
- Bike and Ped count volunteer request from ARDC. Bob Quade stated that he may try to make it.
- Thank you from Duluth Airport Authority

CONSENT AGENDA:

Minutes: August 13, 2018 Council minutes, July 25, 2018 Budget minutes, August 2, 2018 Budget minutes, and August 15, 2018 Budget minutes

Updated Utility Fee Schedule

Executed Claim:

General fund checks – 12709 thru 12801 465E
Fair Housing Authority – none

John G made a motion to approve the consent agenda with a second by Suzanne. All vote in favor. Motion passed.

NEW BUSINESS:

MRWA Asset Management Training for Toni and Carley on September 27th in Grand Rapids: Carley pointed out that it's a free training. Suzanne asked if a vote was needed. John W stated no. Council has no objections.

Tax Forfeit Land: John W stated that sometimes the County gets people to buy these properties. Suzanne stated that she heard this was brought up at the Duluth Area Townships meeting, and some communities have issues of people buying these properties and bringing in a trailer or camper. Carley explained that at the DAT meeting, someone from Midway township expressed concerns about this, and Pete Stauber advised them to contact his office to have any properties they do not want sold removed from the list. Suzanne asked if this needs to be discussed at council level or if Teresa can look them over and make the request. Carley stated that we have looked over each of the properties. John W stated the property on Lismore is buildable but has a permanent easement for the Superior Hiking trail. John stated the Birchwood Road property is long and very narrow. Greg stated it is not buildable. John stated the County's thought is maybe the adjacent property owners will purchase it. John stated the last property on Willard road is probably the only one that is buildable. Carley stated that one is primarily lowland. John stated it's up to the council to decide to ask the County to pull a piece. Suzanne asked if they decide to pull something now, then find it should be available, can they add it back. John W stated when it comes back up next year they can choose to leave it listed. John stated the only one he would like to see pulled is Lismore Rd because it's all high land but has a permanent easement. Suzanne asked if we decide to pull it, who takes ownership. John stated it remains tax forfeit and we do not incur any taxes on it. Greg stated someone could buy the Lismore property and put up a house on it, but they would have to live with the trail on their property. John W stated every Tom, Dick, and Harry strolling through the front yard. Suzanne asked for clarification as to why we wouldn't want these properties sold. John W explained that people have purchased properties in Midway Township and are

living in campers or tents. They relieve themselves outside, and one person goes to their City Hall every week and bathes in the commode.

St. Louis County Aggregate Crushing, Striping, Crack Sealing, Chip Sealing, and Scrub Sealing:

John W explained this is when the County asks communities what their desires are for the following year. John stated this will come out of the road budget. John stated he would like two things: One is to purchase 5000 yards of class V to put up at the Arnold pit; the other is crack sealing Rice Lake Dam Road and 1st Avenue South. John G asked about sealcoating. John W stated they will be doing East Calvary and depending on the timeframe, he would like to piggyback and have them do Chicago at the same time. Bob asked about the reflective stickers they use instead of lines on the road. John explained those are used only on highways and are put on before they stripe and are supposed to be temporary. Suzanne asked about the cost of the class V. John W stated it will be between \$27,000 to \$30,000. Suzanne asked what happens with the gravel at the pit and how long it will last. John stated it is stockpiled and used as we need it. John stated we still have 3000 yards at the Vermillion pit which we haven't been able to use because we don't have the money to do any projects. John stated the last time we gaveled was 4 years ago and it cost \$53,000 over 3 days, and prices have gone up so it will cost more now. John states it will be just under \$100,000 to gravel for 5 days. Suzanne asked about the crack sealing. John W explained that this is when they fill the cracks to prevent water from getting under the asphalt. Suzanne made a motion to go ahead with crack sealing the Dam Road and 1st Ave S, and to purchase 5000 yards of class V with a second by Bob. All vote in favor. Motion carried.

Storm Bond Payoff: John W stated payoff balance of \$112,906.73. Per memo from Toni, Council agreed to use \$120,000 in LGA to pay off debt which included this bond. We received the first half of LGA (\$60,000 for debt payoff) in July which was deposited in general checking, leaving \$52,906.73 balance on the payoff amount. The City has \$203,113.56 available in our General Project Investment Fund to pay the balance. The City would save \$410.94 in interest if we pay the bond off in full now, rather than wait until the December 1st payment. Toni is requesting Council approve a transfer from General Project Investment Fund of \$52,906.73 to general checking to pay the bond off in full on August 28, 2018. Once we receive the second half of apportionment, the General Project Investment Fund will be reimbursed the above amount. Suzanne stated it's a good amount of money to save by paying off now. Greg stated it's always good to pay off bond debt if you can. John W stated he believes that our bond debt is currently at 69%-71% of our maximum bond load and we want to be below 50% so this will get us closer. Suzanne made a motion to pay off the 2016 Storm Bond balance of \$112,906.73 with a second by Greg. All vote in favor. Motion carried.

Engineering Proposal from SEH for PUD: John W read from the contract: SEH will provide services for the review of a new development on the West Side of Rice Lake Road approximately ¼ mile north of Martin Road. Generally, SEH will attend meetings, provide reviews of design documentation relative to City ordinance language, and provide suggestions on submittal form and checklists, as requested. Due to the unknown nature of this work, we will perform these services on an hourly basis not to exceed \$5,000 without prior approval. John W stated a developer and his partner have been in several times and would like to move forward with a development. John stated it cannot be housing, because it's in the flightpath for the crosswind runway, but could be storage, warehousing, shops, etc. Carley stated this is in the early planning stages and we don't yet know what type of development they will settle on. John W stated he met with them last year and they had good ideas, but he doesn't know if they have the same ideas now. Bob asked if the property is wetlands. John W stated it is not. Suzanne asked if we have used SEH for any previous projects. John G stated yes, we have used them for the Rice Lake Dam Road project, for our MS4. John G stated we choose to hire an engineer for these types of projects, rather than try to handle it all ourselves; the engineer works with Teresa on zoning issues and understands our utilities and such. Greg made a motion to hire SEH with a second by Suzanne. Further discussion, John W stated sometimes the developer incurs some of these costs, rather than the City, but he is not familiar enough with this project to know. All vote in favor. Motion carried.

UNFINISHED BUSINESS:

STAR Grant documents: John W summarized grant documents and stated it is for \$6100, coming primarily from federal funds. Carley stated this is something Joe from MSA has worked to get for us. It is money to have a map of our sewer system created. Carley stated that as part of this project there is some televising of a few lateral required. Carley stated that as she understands it, this is a precursor to the GIS interactive system we are trying to get. John W stated it will result in a technical I&I report. John W stated there is a match of \$2300, so the total for the project is \$8400. John W asked where the \$2300 is supposed to come from and if the City is responsible for that. Carley said that her boss didn't tell her anything about that, so she couldn't answer. Suzanne stated that Joe has done a good job of keeping an eye on us and going after these grants, but she wished he was here to clarify. John G made a motion to go forward with the STAR grant with the possibility that the City may need to pay the \$2300 with a second from Bob. All vote in favor. Motion carried.

September calendar: Copy of the September calendar presented.

COUNCIL REPORTS:

- John G. stated the new irrigation pump is installed at the park; the cost was around \$2500, but to have a well driller do it would have been \$5000 - \$6000, so it was a good savings. John stated the electrician will be coming to wire it. Greg stated the pump will need to be run periodically to exercise it.
- Suzanne stated she attended the August 21st Planning & Zoning meeting at which they continued discussion on Ordinance # 22 and cleaning up definitions. Suzanne stated she attended the August 22nd Safety Committee meeting where they scheduled lock out/tag out training for all employees and discussed adopting the Employee Right-to-Know policy. Suzanne stated the Safety Committee will now be meeting quarterly.
- Bob stated he has attended a couple roof construction meetings and Area Townships meeting. Bob stated he attended the MIC meeting, and there will not be a roundabout.
- Greg stated he was at the FOG picnic Wednesday at the park and the power wasn't working. Greg stated the 100 amp breaker kept tripping, but it worked the next day when Justin S. went to check it out.
- John W. stated the roof is coming along nicely. Bob stated he has received multiple comments from the public about how nice it looks. John stated, regarding the 3000 yards of gravel we have at Vermillion pit, SLC has said they want to mine under it and we will lose it if not moved. John spent time reaching out to other communities and was able to work out a deal with Pike Lake, where they will use the 3000 yards now, and they will put up 3000 yards at Arnold pit when we get the 5000 we are purchasing, so we will have a total of 8000 yards.

Having nothing further to discuss, Suzanne made a motion to adjourn the meeting with a second by Bob. Mayor Werner adjourned the meeting.

Respectfully submitted,


John Werner, Mayor


Carley Hungerford, Deputy Clerk

9-10-18
Date

9/10/18
Date

City Council Meeting
 Date: August 27, 2018

	Name:	Address:	phone and/or email address:	X-speak
1	<i>James Keim</i>	<i>Kingston Rd</i>		
2	<i>Donal Johnson</i>	<i>5716 Rue Lake Rd</i>	<i>390-9555</i>	
3	<i>Robert Spindler</i>	<i>Co Gray Rd</i>		
4	<i>Nellie Scheffer</i>	<i>H.S. Rd</i>		
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