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August 12, 2019

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, August 12, 2019, at 6:00 p.m.

The meeting was called to order by President Glaser.

Members present, Councilors: Redden, Rennwald, Swanson, Erickson, Glaser. 5.

Members absent, Councilors: Woodruff, Jussila. 2.

Others present: Administrator Walker
City Clerk, Nordean
City Attorney, Overom.

Clerk Nordean proposed the following additions to the agenda: 1. New Business No. 5. [R] Consider authorizing the Mayor, City Clerk, Administrator and City Attorney to execute, certify and deliver a grant agreement between the City of Two Harbors and the United States of America acting through the Federal Aviation Administration to provide financial assistance for the construction of a 7 unit t-hangar with 1 end unit ranch hangar and associated general aviation apron pavement at the Richard B. Helgeson Airport and 2. Consent Agenda No. 21. Approving the request of the Electrical Superintendent to allow Chad Schultz to attend the MMUA First Line Supervision Program in Brainerd.

Motion by Rennwald and Swanson approving the agenda with the amendments proposed by Clerk Nordean. Carried.

Planning Commission:

President Glaser reported on a recent meeting of the Planning Commission where the group considered the variance application of Mark Kovacovich and discussed the proposed project to update the City's zoning code.

Public Arts & Beautification Commission:

Mayor Swanson reported on the most recent meeting of the Public Arts & Beautification Commission where representatives of the Master Gardeners and Lake County Soil and Water were present and they discussed the functions and roles around the community for those organizations.

Public Works Committee:

President Glaser reported that at their recent meeting, the Public Works Committee discussed the East Bath house at the Campground and determined that it needs to be replaced before the 2020

camping season. She pointed out that funding for this bath house would come directly from campground revenues. The group also discussed a request for a loading zone in the 600 block of First Avenue and determined that the request should be denied due to an already limited number of parking spots available for businesses in that area. They received an update on City projects provided by Public Works Director, Jones.

Finance Committee:

Vice President Erickson reported on the recent meeting of the Finance Committee where the committee discussed and recommended the internal postings for the Community Development Planner position and discussed upcoming employee contract negotiations, the 2020 budget and levy, the Water Fund and Water System improvements.

Motion by Erickson and Swanson closing the meeting pursuant to Minn. Statute.13D.05, Subd. 2(4) and Subd. 4(b) to hold a closed session with the City's legal counsel to consider confidential information under the attorney-client privilege in regard to the City of Two Harbors settlement negotiations of a worker's compensation claim. Carried.

See attachment for confidential minutes from closed session.

Motion by Redden and Swanson that the meeting be opened. Carried.

Motion by Swanson and Redden that the following consent agenda items:

1. Approving minutes from the July 22, 2019 City Council meeting.
2. **RESOLUTION NO. 8-263-19 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON AUGUST 13, 2019, IN THE AMOUNT OF \$3,598,683.67.**
3. Approving payroll for the second half of July, 2019, in the amount of \$230,853.36.
4. Referring to the Public Works Committee, a communication from Craig Guzzo, Duplisco Investments Co., requesting that the City purchase land from him at the site of the former VFW to connect Eighth Avenue to Highway 61.
5. Designating the 1970's International Farmall 856 Tractor from the Wastewater Treatment Plant as discarded equipment and authorizing its sale.
6. Approving the MN Lawful Gambling Application for exempt Permit from Voyageur Snowmobile Club of Two Harbors to conduct a raffle.
7. Changing the dates for City Council and Committee of the Whole meetings in December of 2019 to December 2 and December 16.

8. **RESOLUTION NO 8-264-19 APPROVING THE AGREEMENT BETWEEN THE CITY, ARROWHEAD ECONOMIC OPPORTUNITY AGENCY AND THE MN DEPARTMENT OF COMMERCE TO DELIVER THE MN ENERGY ASSISTANCE PROGRAM FOR FEDERAL FISCAL YEAR 2020.**
9. **RESOLUTION NO. 8-265-19 AUTHORIZING THE PURCHASE OF 1,000 YARDS OF CLASS 5 GRAVEL FROM MIKE OSTMAN FOR AN AMOUNT OF \$8.00 PER YARD.**
10. **RESOLUTION NO. 8-266-19 ACCEPTING THE PROPOSAL OF CHAPMAN METERING TO PROVIDE PROFESSIONAL METER TESTING SERVICES FOR THE CITY'S ELECTRICAL DEPARTMENT FOR AN AMOUNT UP TO \$6,000.**
11. **RESOLUTION NO. 8-267-19 ACCEPTING THE PROPOSAL OF STACK BROS. TO PROVIDE WATER LEAK SURVEY SERVICES FOR AN AMOUNT OF \$2,850.**
12. **RESOLUTION NO. 8-268-19 ACCEPTING THE PROPOSAL OF TECH SALES CO. FOR THE RENTAL OF A FLOW METER AND SAMPLER FOR A PERIOD OF FOUR WEEKS AT A COST OF \$4,900 FOR THE WASTEWATER TREATMENT PLANT.**
13. **RESOLUTION NO. 8-269-19 AUTHORIZING PAYMENT TO UTILITY SYSTEMS OF AMERICA, INC. IN THE AMOUNT OF \$217,483.12 FOR PAY REQUEST NO. 2 FOR THE 2019 STREET AND ALLEY IMPROVEMENT PROJECT.**
14. **RESOLUTION NO. 8-270-19 APPROVING THE CITY OF TWO HARBORS CITY HALL MN GOVERNMENT DATA PRACTICES ACT PROCEDURES.**
15. **RESOLUTION NO. 8-271-19 APPROVING THE CITY OF TWO HARBORS POLICE DEPARTMENT MN GOVERNMENT DATA PRACTICES ACT PROCEDURES.**
16. **RESOLUTION NO. 8-272-19 HIRING JOHN BARTHEL-WAGNER AS A TEMPORARY EMPLOYEE AT THE LIQUOR STORE.**
17. **RESOLUTION NO. 8-273-19 APPROVING THE INTERNAL TRANSFER OF GERALD LUOMA FROM THE POSITION OF WATER & GAS DISTRIBUTION MAINTENANCE TO THE POSITION OF HEAVY EQUIPMENT OPERATOR IN THE PUBLIC WORKS DEPARTMENT.**
18. Authorizing the posting of internal and external bulletins for the position of Water & Gas Distribution Maintenance.
19. **RESOLUTION NO. 8-274-19 AUTHORIZING A GRANT AGREEMENT WITH THE LAKE SUPERIOR COASTAL PROGRAM FOR THE TWO HARBORS ZONING CODE UPDATE PROJECT.**

20. **RESOLUTION NO. 8-275-19 CONSIDER ACCEPTING THE QUOTE FROM LBC, INC. FOR THE PURCHASE AND INSTALLATION OF DOOR OPENERS AT THE FIRE HALL FOR AN AMOUNT OF \$6,810.**
21. Approving the request of the Electrical Superintendent to allow Chad Schultz to attend the MMUA First Line Supervision Program in Brainerd.

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

New Business:

Motion by Redden and Rennwald that **RESOLUTION NO. 8-276-19 ADOPTING FINDINGS OF FACT AND GRANTING THE APPLICATION OF MARK KOVACOVICH FOR A VARIANCE FROM THE CITY CODE, SECTION 11.71, SUBD. 10 IN ORDER TO CONSTRUCT AN ACCESSORY BUILDING WHICH IS FIVE FEET HIGHER THAN THE PRINCIPAL STRUCTURE ON THE PROPERTY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Rennwald and Redden that **RESOLUTION NO. 8-277-19 ADOPTING FINDINGS OF FACT AND GRANTING THE APPLICATION OF MARK KOVACOVICH FOR A VARIANCE FROM THE CITY CODE, SECTION 11.71, SUBD. 10 IN ORDER TO CONSTRUCT AN ACCESSORY BUILDING WITH TWO SIDEWALLS IN EXCESS OF THE STANDARD LIMIT OF 10 FEET** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Swanson that **RESOLUTION NO. 8-278-19 APPROVING THE LOCAL SALES TAX AGREEMENT BETWEEN THE MN DEPARTMENT OF REVENUE AND THE CITY OF TWO HARBORS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Swanson and Redden adopting the position description for a newly created Community Development Planner position and authorizing internal and external postings for the vacant position. Carried.

Motion by Redden and Swanson that **RESOLUTION NO. 8-279-19 AUTHORIZING THE MAYOR, CITY CLERK, ADMINISTRATOR AND CITY ATTORNEY TO EXECUTE, CERTIFY AND DELIVER A GRANT AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND THE UNITED STATES OF AMERICA ACTING THROUGH THE FEDERAL AVIATION ADMINISTRATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE CONSTRUCTION OF A 7 UNIT T-HANGAR WITH ONE END RANCH HANGAR AND ASSOCIATED GENERAL AVIATION APRON PAVEMENT AT THE RICHARD B. HELGESON AIRPORT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson expressed appreciation to the Council, staff and community members who worked on and supported the local sales tax increase. He congratulated API on their new location, noting that they have 35 employees and are currently looking to hire more.

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

Robin M. Glaser, President, City Council

Patricia D. Nordean, City Clerk