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July 22, 2019

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, July 22, 2019, at 6:00 p.m.

The meeting was called to order by Vice President Erickson.

Members present, Councilors: Woodruff, Redden, Rennwald, Swanson, Jussila, Erickson, Glaser. 7.

Others present: Administrator Walker  
Finance Director, Pietila  
City Attorney, Overom.

Motion by Jussila and Rennwald approving the agenda. Carried.

Council President Glaser left the meeting. Councilor Erickson announced that she was serving as chair of the meeting since President Glaser has elected to not participate in the discussions regarding Lakeview Memorial Hospital due to a potential conflict since she is employed by Lakeview Memorial Hospital.

**Appearances:**

Greg Ruberg, President/CEO, Lakeview Memorial Hospital, was present and addressed the Council requesting consideration for their request for tax exempt bond financing for the Lakeview Memorial Hospital project and a reduction in the City's conduit financing fee to .5% on an upfront basis. Mia Thibodeau, Fryberger, Buchanan, Smith & Frederick, PA, was also present and offered to address any questions or concerns that the Council has regarding the conduit financing process.

Attorney Overom explained that the existing policy requires that the conduit financing fee is 1% and that is paid over the course of the bonds. The request by the hospital is that they pay .5% on an upfront basis. Since this is not how the existing policy is written, he suggests that it would be appropriate for the Council to consider whether or not they wish to amend the policy. This decision could be made independently from the resolution to schedule the public hearing.

Motion by Swanson and Rennwald that **RESOLUTION NO. 7-244-19 SCHEDULING A PUBLIC HEARING ON FINANCING A PROJECT FOR LAKEVIEW MEMORIAL HOSPITAL** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Council President Glaser joined the meeting.

**City HRA:**

Council President Glaser reported on a recent meeting of the HRA, where discussions were held regarding a storm sewer issue, the elevator project.

**Utilities Committee:**

Councilor Redden reported on the July 10 meeting where they discussed proposals for the aesthetics of the exterior of the wastewater treatment plant.

**Two Harbors Area Visitor's Bureau:**

Finance Director Pietila reported on a recent meeting of the Visitor's Bureau where they discussed the new County lodging tax and its implementation. This becomes effective January 1.

**Trees & Trails Commission:**

Councilor Rennwald reported on a recent meeting of the Trees & Trails Commission where the group discussed the wayfinding signs, bike skills course and some vacancies on the commission which need to be filled.

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

1. Approving minutes from the July 8, 2019 City Council meeting.
2. **RESOLUTION NO. 7-245-19 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON JULY 23, 2019, IN THE AMOUNT OF \$4,844,817.01.**
3. Approving payroll for the first half of July, 2019, in the amount of \$220,743.48.
4. **RESOLUTION NO. 7-246-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$46,175 FOR PROFESSIONAL SERVICES FOR THE DESIGN OF THE WASTEWATER TREATMENT PLANT.**
5. **RESOLUTION NO. 7-247-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$6,496 FOR PROFESSIONAL SERVICES FOR THE 2018 STREET & ALLEY IMPROVEMENT PROJECT.**
6. **RESOLUTION NO. 7-248-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$8,627 FOR PROFESSIONAL SERVICES FOR THE 2019 STREET & ALLEY IMPROVEMENT PROJECT.**
7. **RESOLUTION NO. 7-249-19 AUTHORIZING PAYMENT TO SEH IN THE AMOUNT OF \$14,770 FOR PROFESSIONAL SERVICES FOR THE JET A FUEL AND PAVEMENT REHABILITATION PROJECTS AT THE AIRPORT.**

8. **RESOLUTION NO. 7-250-19 ACCEPTING THE PROPOSAL OF AW KUETTEL & SONS FOR ROOFING REPAIRS AT THE CITY HALL AND LIBRARY BUILDINGS FOR AN AMOUNT OF \$2,950.**
9. Moved to New Business.
10. **RESOLUTION NO. 7-251-19 AUTHORIZING THE PURCHASE OF WETLAND CREDITS FOR THE WASTEWATER TREATMENT FACILITY PROJECT FROM BRUCE HASBARGEN FOR AN AMOUNT OF \$8,645.79.**
11. Approving the request of Jessica Carlson, Moose Lodge #1463, to be open on the following Sundays in 2019, in accordance with their Club On-Sale Liquor License: September 8, 15 and 22; October 13 and 20; November 3 and 17; and December 29.
12. **RESOLUTION NO. 7-252-19 DELAYING THE PUBLIC HEARING FOR THE PROPOSED VACATION OF EASEMENT NEAR BURLINGTON BAY LAKEHOMES.**
13. **RESOLUTION NO. 7-253-19 CERTIFYING ASSESSMENTS TO THE LAKE COUNTY AUDITOR, FOR CERTAIN UNPAID UTILITY CHARGES.**
14. **RESOLUTION NO. 7-254-19 APPOINTING KYLE KRULL TO THE POSITION OF CEMETERY CARETAKER IN THE PUBLIC WORKS DEPARTMENT.**
15. **RESOLUTION NO. 7-255-19 AUTHORIZING AN INCREASE IN THE ANNUAL WATER SERVICES CONNECTION FEE COLLECTED FROM CITY WATER CUSTOMERS FROM \$6.36 TO \$9.72 PER YEAR TO REFLECT THE INCREASE BY THE MN DEPARTMENT OF HEALTH.**
16. Declaring second reading of an ordinance the City of Two Harbors, Amending the City Code, Section 6.50, Sales and Use Tax.
17. Approving the request of the City Finance Director, Administrator and Clerk to attend the 2019 Labor Law and Labor Arbitration Conference in Minneapolis, for Blake Prince to attend the MMUA Annual Summer Conference at Breezy Point Resort, and for the City Finance Director to attend the Government Finance Officers Association Training in Minneapolis.
18. **RESOLUTION NO. 7-256-19 AUTHORIZING THE PURCHASE OF A 2019 DODGE FROM MIKE MOTORS OFF THE STATE BID PRICING FOR \$23,920.79 FOR THE TWO HARBORS GAS DEPARTMENT.**
19. Moved to New Business.
20. **RESOLUTION NO. 7-257-19 ACCEPTING THE PROPOSAL FROM GULBRANSON EXCAVATING FOR LOOPING A 2 INCH GAS MAIN FROM RECYCLE CENTER DRIVE TO THE 3 INCH MAIN BEHIND SUPER ONE FOR AN AMOUNT OF \$4,202.**

21. **RESOLUTION NO. 7-258-19 ACCEPTING CHANGE ORDER #2 FROM CUSTOM FIRE FOR THE ADDITION OF DUPLEX OUTLETS IN THE CABINETS FOR AN AMOUNT OF \$1,241.52.**

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. 7-259-19 AUTHORIZING THE PURCHASE OF WETLAND CREDITS FOR THE WASTEWATER TREATMENT FACILITY PROJECT FROM DAN ZIEMET FOR AN AMOUNT OF \$10,050.01** be adopted as read. Carried by the following vote: Yeas: Woodruff, Rennwald, Swanson, Jussila, Erickson, Glaser. 6. Abstain: Redden. 1.

Motion by Woodruff and Redden that **RESOLUTION NO. 7-260-19 APPROVING THE REQUEST FOR COMMUNITY PARTNERS TO RENT COMMUNITY CENTER SPACE AT NO CHARGE FOUR TIMES PER MONTH FOR TWO YEARS, PER RECEIPT OF \$20,000 MARDAG GRANT** be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Swanson, Jussila, Erickson. 6. Abstain: Glaser. 1.

**Announcements:**

Mayor Swanson expressed appreciation to the staff and members of the Chalk-a-lot Festival committee on the fantastic job they did on this event.

He also expressed appreciation to Cheryl Sundstrom and everyone who helped with Heritage Days event, acknowledging that a lot of work goes into an event like this and everyone seemed to have a great time.

Vice President Erickson expressed thanks to the staff who worked on filling in blacktop around a culvert at the cemetery.

Walker welcomed the City's new Public Works Director, Mark Jones, and expressed that he is looking forward to working with him.

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

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Robin M. Glaser, President, City Council

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Patricia D. Nordean, City Clerk