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July 8, 2019

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, July 8, 2019, at 6:00 p.m.

The meeting was called to order by President Glaser.

Members present, Councilors: Woodruff, Redden, Rennwald, Swanson, Jussila, Glaser. 6.

Members absent, Councilor: Erikson. 1.

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

Motion by Swanson and Jussila approving the agenda. Carried.

Public Hearing:

Motion by Jussila and Woodruff adjourning regular meeting and calling to order a public hearing for the purpose of receiving an update on actions taken to-date by the City regarding the improvement of the following: 8th Avenue from 9th Street to its west end; 9th Avenue from 15th Street to its east end; the alley north of 2nd Avenue between 2nd Street and 3rd Street; the Alley north of 2nd Avenue between 3rd Street and 4th Street; the Alley north of 7th Avenue between 8th Street and 9th Street; and the Alley north of 8th Avenue between 8th Street and 9th Street in “Two Harbors, Minnesota (“2019 Street and Alley Improvement Project”). Carried.

Appearances:

Joe Rhein, Bolton & Menk, was present and addressed the hearing regarding the 2019 Street & Alley Improvement Project. Rhein provided a project overview, including proposed improvements and property impacts, he reviewed the schedule of the project, discussed construction details and forms of communication which will be used regarding service interruptions and street closures, reviewed project costs. He then offered to address questions and concerns regarding the project.

Ray Kortuem, 808 8th Avenue, was present and inquired about replacement of his existing paved driveway and who would pay for it. Rhein indicated that driveways removed with the project would be replaced to the material they were constructed of prior to the construction project and the cost would be included in the total cost of the project.

Korteum expressed his desire that the alley behind his home be made into a one-way alley, which allowed for traffic heading west. He also expressed concern for the speed of the traffic in the alley and inquired about dust control measures during construction. Rhein indicated that the contractor was to be applying a form of dust control every Friday during the construction process.

James Samuel was present representing his mother, Betty Samuel, of 221 Second Avenue. He relayed her concerns that since she does not drive, she feels that she will not benefit from the improvement of the alley adjacent to her property.

Scott Stellmach, 803 Seventh Avenue, was present and expressed concern with recent increases in his property taxes. Mayor Swanson responded that there are many factors that could cause property tax increases and suggested that he contact Councilor Erickson, who is very knowledgeable about the structure of our property tax system and very good at explaining it.

President Glaser asked if there was anyone else who was present who wished to speak regarding the proposed project. There was no one else present wishing to address the proposed project.

President Glaser asked if there were communications regarding the proposed project and public hearing. Clerk Nordean reported that there were no communications received regarding the proposed project and public hearing.

Motion by Swanson and Jussila that **RESOLUTION NO. 7-230-19 RE-AFFIRMING THE ORDERING OF THE 2019 STREET AND ALLEY IMPROVEMENT PROJECT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Jussila and Swanson adjourning public hearing and reconvening the regular City Council meeting. Carried.

Todd Hagen, Ehlers & Associates, was present and addressed the Council presenting information on the bids received and awarding of the bonds for the issuance, sale and delivery of \$1,925,000 General Obligation Bonds, Series 2019B. He noted that the City was able to maintain an excellent bond rating.

Motion by Swanson and Rennwald that **RESOLUTION NO. 7-231-19 AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$1,925,000 GENERAL OBLIGATION BONDS, SERIES 2019B** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Andrew Grice, Kern Dewenter, Viere, Ltd., was present and provided the 2018 Audit Report.

Administrator Report:

Administrator Walker noted that he had submitted to each member of the Council, a written report indicating the status of various projects and activities that he is working on.

Public Arts Commission:

Mayor Swanson reported on a recent meeting of the Public Arts Commission where they discussed the upcoming Chalk-a-lot Festival and held a discussion with a group of master gardeners.

Planning Commission:

Mayor Swanson reported on a recent meeting of the Planning Commission where they conducted a public hearing on an easement and discussed trail infrastructure.

Utilities Committee:

Councilor Redden reported on the July 2 meeting of the Utilities Committee where they met with representatives from Bolton & Menk and discussed special funding available for critical infrastructure and proposed improvements to the lighthouse lift station.

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

1. Approving minutes from the June 24, 2019 City Council meeting.
2. **RESOLUTION NO. 7-232-19 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON JULY 9, 2019, IN THE AMOUNT OF \$527,947.94.**
3. Approving payroll for the second half of June, 2019, in the amount of \$218,057.06.
4. **RESOLUTION NO. 7-233-19 SUPPORTING THE LIBRARY'S REQUEST FOR A NEW ANNUAL MINIMUM OF FINANCIAL SUPPORT FOR THE PUBLIC LIBRARY FROM LAKE COUNTY.**
5. **RESOLUTION NO. 7-234-19 APPROVING THE RENEWAL OF MASSAGE THERAPY LICENSES FOR LYNN R. O'CONNOR AND SHERRY SHERROD IN ASSOCIATION WITH ENVY, A SALON AT 610 FOURTH STREET FOR JULY 9, 2019 THROUGH JUNE 30, 2020, PENDING THE APPROVAL OF THE CHIEF OF POLICE.**
6. **RESOLUTION NO. 7-235-19 APPROVING THE RENEWAL OF THE LEASE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND THE DEPARTMENT OF PUBLIC SAFETY, DRIVER AND VEHICLE SERVICES.**
7. **RESOLUTION NO. 7-236-19 ACCEPTING THE PROPOSAL OF BOLTON & MENK TO EVALUATE ALTERNATIVES FOR THE SANITARY SERVICE OF THE LIGHTHOUSE LIFT STATION FOR AN ESTIMATED ENGINEERING FEE OF \$7,800.**

8. **RESOLUTION NO. 7-237-19 APPOINTING GERALD LUOMA TO THE POSITION OF GAS, WATER & SEWER MAINTENANCE.**
9. **RESOLUTION NO. 7-238-19 AUTHORIZING PAYMENT TO UTILITY SYSTEMS OF AMERICA, INC. FOR PAY APPLICATION NO. 1 FOR THE 2019 STREET IMPROVEMENT PROJECT IN THE AMOUNT OF \$127,239.01.**
10. **RESOLUTION NO. 7-239-19 AUTHORIZING THE SALE OF A FORFEITED 1995 JEEP GRAND CHEROKEE.**
11. **RESOLUTION NO. 7-240-19 AUTHORIZING THE PURCHASE OF A 2020 FORD POLICE INTERCEPTOR UTILITY VEHICLE FOR THE TWO HARBORS POLICE DEPARTMENT.**

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

New Business:

Motion by Woodruff and Swanson that **RESOLUTION NO. 7-241-19 AUTHORIZING THE VACATION OF A UTILITY EASEMENT IN HIDDEN SPRINGS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Swanson and Jussila that **RESOLUTION NO. 7-242-19 APPROVING THE 2018 AUDITED FINANCIAL STATEMENTS FOR THE CITY OF TWO HARBORS, MINNESOTA** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Jussila and Woodruff that **RESOLUTION NO. 7-243-19 AUTHORIZING AMENDMENT NO. 1 TO THE CONSULTING SERVICES AGREEMENT BETWEEN ARROWHEAD REGIONAL DEVELOPMENT COMMISSION AND THE CITY OF TWO HARBORS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson expressed appreciation to all members of the City staff who were involved in making the fireworks display happen.

He also expressed his appreciation for the Community Partners Pulled Pork and Pie event, the Firemen's races and the City Band Concert events which took place on Independence Day.

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

Robin M. Glaser, President, City Council

Patricia D. Nordean, City Clerk