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January 10, 2022

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, January 10, 2022, at 6:00 p.m.

The meeting was called to order by Acting Chair, Deputy Administrator/City Clerk, Nordean.

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

Others present: Interim Administrator/Finance Director, Pietila  
City Clerk, Nordean  
Community Development/Planner, Sterbenz  
City Attorney, Costley.

Nordean asked for nominations for City Council President for the next year. Motion by Swanson and Glaser that Ben Redden be elected as City Council President for the next year. Carried.

The meeting was turned over to the newly appointed City Council President, Ben Redden.

President Redden asked for nominations for City Council Vice President for the next year. Swanson and Passe nominated Councilor Rennwald as City Council Vice President for the next year. Councilors Erickson and Woodruff nominated Councilor Glaser as City Council Vice President for the next year. Councilor Glaser was elected as City Council Vice President for the next year with Woodruff, Glaser, Erickson and Redden voting in favor of Councilor Glaser and Rennwald, Swanson and Passe voting in favor of Councilor Rennwald.

Clerk Nordean requested the following changes to the agenda: table Consent Agenda Item 26, Authorizing the Mayor and City Clerk to execute and deliver an agreement for Airport Management Services with Casey Komarek; adding New Business 5, a resolution authorizing extension of the existing Agreement for Airport Management Services with Casey Komarek at existing rates of pay until a new agreement is executed; and adding New Business 6, a resolution approving the request of DJH Capital LLC/Donna Heil, dba Harbor Rail Pub & Events for permission to use a portion of City sidewalk for the sale of liquor during the 2022 Winter Frolic, pending the approval of the Chief of Police and the City Clerk.

Motion by Swanson and Glaser approving the agenda with the changes recommended by the City Clerk. Carried.

**Administrator Report:**

Interim Deputy Administrator, Nordean reported that staff has been working with the attorney to get several contract documents drafted, the interview panel for the Patrol Officer position has recommended a candidate to extend an offer to, administration has been working with the Public Works Director on a proposed amendment to the position description for the Public Works Specialist III position, and reported that there has been an increase in COVID 19-related absences across City departments, so they have determined that for the next few weeks, staff will be encouraged to wear masks while working unless they are able to maintain appropriate social distance in an effort to decrease the spread among employees.

**Library Board:**

Library Director, Madeline Jarvis, was present and addressed the Council reporting that the Library Board held a strategic planning session and she is anxious to get to work implementing the new plan.

**Planning Commission:**

Vice President Glaser reported that the Commission discussed and heard from community members on short term rentals at their most recent meeting. The group voted to recommend that the Council adopt a moratorium on short term rentals so that they can review existing code language and determine whether or not they would like to recommend any changes.

**Edna G. Commission:**

Woodruff provided a review of the Edna G. Commission's last meeting noting that Paul Lemar is nearly complete with his report, he has used a submarine to inspect the tug below water level. The group discussed the tall ships festival and noted that the Christmas Tea promotion was successful.

**Public Safety Committee:**

Woodruff reported that the Safety Committee meeting focused on the Tall Ships Festival and the roles and responsibilities of the City. They discussed the potential costs associated with additional resources which may be required to maintain a safe and secure environment with the number of people which may be anticipated for an event of this nature.

**Utilities Committee:**

President Redden reported that the Utilities Committee, at their last meeting, discussed the Significant Industrial User Agreement with Castle Danger Brewing, addressed and declined a request for relief of charges for a residential water bill, discussed delinquent utility charges for local businesses and reviewed options for exterior siding at the Water Treatment Plant.

**Personnel Committee:**

Vice President Glaser reported that at their meeting held earlier that day, the group discussed and recommended an amendment to the position description for the Public Works Specialist III position, a proposal to encourage, but not require employees to wear masks while working for the next few weeks and denying a request by a former employee regarding vacation.

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

1. Approving minutes from the December 13, 2021 City Council meeting.
2. **RESOLUTION NO. 1-1-22 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$5,347,649.50.**
3. Approving payroll for the second half of December, 2021, in the amount of \$267,484.76.
4. **RESOLUTION NO. 1-2-22 CONFORMING TO THE DICTATES OF THE TWO HARBORS HOME CHARTER AND AMENDMENTS THERETO.**
5. **RESOLUTION NO. 1-3-22 AFFIRMING THE CODE OF CONDUCT AND ETHICS FOR THE CITY OF TWO HARBORS FOR 2022.**
6. **RESOLUTION NO. 1-4-22 APPOINTING THE LAKE COUNTY ATTORNEY'S OFFICE TO PROVIDE LEGAL SERVICES FOR CRIMINAL MATTERS FOR THE CITY.**
7. **RESOLUTION NO. 1-5-22 APPOINTING COSTLEY & MORRIS, P.C. TO PROVIDE LEGAL SERVICES FOR CIVIL MATTERS FOR THE CITY OF TWO HARBORS.**
8. **RESOLUTION NO. 1-6-22 APPOINTING JIM RICH TO PROVIDE BUILDING OFFICIAL CONSULTING SERVICES FOR THE CITY OF TWO HARBORS.**
9. **RESOLUTION NO. 1-7-22 DESIGNATING THE NORTHSORE JOURNAL AS THE NEWSPAPER FOR OFFICIAL PUBLICATIONS FOR THE CITY OF TWO HARBORS.**
10. **RESOLUTION NO. 1-8-22 ADOPTING ROBERT'S REVISED RULES OF ORDER AS AUTHORITY FOR MEETINGS OF THE CITY COUNCIL.**
11. A memorandum from Joe Rhein, Bolton & Menk, providing an update of City Engineering Projects.
12. A memorandum from Brian Guldan, Bolton & Menk, providing an update of the Wastewater Treatment Facility Improvement Project.
13. Accepting, with regret, the resignation of Seth McDonnald, from the Airport Commission and authorizing a letter of appreciation for his service.
14. **RESOLUTION NO. 1-9-22 APPROVING THE APPLICATION OF DJH CAPITAL LLC/ DONNA HEIL, DBA HARBOR RAIL PUB & EVENTS FOR AN ON-SALE AND SUNDAY ON-SALE LIQUOR LICENSE APPLICATION FOR 601 FIRST AVENUE, PENDING RECEIPT OF THE APPROPRIATE INSURANCE CERTIFICATES, THE APPROVAL OF THE CHIEF OF POLICE, THE LAKE COUNTY HEALTH DEPARTMENT AND THE MN DEPARTMENT OF PUBLIC SAFETY.**

15. **RESOLUTION NO. 1-10-22 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER AN ACCEPTANCE OF PROPOSAL FROM UHL FOR THE BI-ANNUAL HVAC & CONTROLS PREVENTATIVE MAINTENANCE AGREEMENT RENEWAL FOR THE 2022 CALENDAR YEAR.**
16. **RESOLUTION NO. 1-11-22 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$3,480 FOR PROFESSIONAL SERVICES FOR THE 2021 & 2022 STREET & ALLEY IMPROVEMENT PROJECT FROM OCTOBER 30 THROUGH NOVEMBER 26, 2021.**
17. **RESOLUTION NO. 1-12-22 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$2,287.50 TO PROVIDE GENERAL ENGINEERING SERVICES FOR THE CITY FROM OCTOBER 30 THROUGH NOVEMBER 26, 2021.**
18. **RESOLUTION NO. 1-13-22 AUTHORIZING PAYMENT TO LAKEHEAD CONSTRUCTORS IN THE AMOUNT OF \$133,000 FOR PAY APPLICATION NO. 2 FOR THE WASTEWATER TREATMENT PLANT PROJECT.**
19. **RESOLUTION NO. 1-14-22 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A 5-YEAR LEASE AGREEMENT WITH MTI FOR THE FOLLOWING GOLF COURSE MAINTENANCE EQUIPMENT: A NEW TORO GREENSMaster 3150 TRIPLEX MOWER, A NEW TORO REELMASTER 5410-D 2WD, A NEW TORO WORKMAN MDX AND A NEW PROFORCE BLOWER FOR AN AMOUNT OF \$148,431.99 (5-YEAR CSC (\$1 BUYOUT) FINANCING WITH 60 MONTHLY PAYMENTS OF \$2,598.37).**
20. **RESOLUTION NO. 1-15-22 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A LEASE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND MIDWEST GOLF CARS FOR THE LEASE OF 54 GAS POWERED GOLF CARTS FOR AN AMOUNT OF \$36,500 FOR THE 2022 GOLF SEASON.**
21. **RESOLUTION NO. 1-16-22 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A LEASE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND CLUB CAR LLC, FOR LEASE OF 55 GAS POWERED GOLF CARTS FOR THE 2023 – 2027 GOLF SEASONS FOR AN AMOUNT OF \$38,204.10 ANNUALLY, PLUS AN ADDITIONAL \$3,300 ANNUAL MAINTENANCE FEE.**
22. **RESOLUTION NO. 1-17-22 AUTHORIZING THE PURCHASE OF A 2021 HITACHI ZAXIS 85USB-5 EXCAVATOR WITH 115 HOURS AND AN 84 MONTH/3000 HOUR EXTENDED WARRANTY, INCLUDING CERTAIN ATTACHMENTS, FROM MCCOY CONSTRUCTION FORESTRY, THROUGH SOURCEWELL FOR AN AMOUNT OF \$ 128,951.00 LESS TRADE-IN ALLOWANCE IN THE AMOUNT OF \$31,500, FOR THE 2006 CASE CX80, FOR A TOTAL AMOUNT OF \$97,451.00.**

23. Referring to the Finance Committee, the Public Works Director's request to allocate remaining funds budgeted for the excavator purchase towards replacement of a twenty-two-year-old rubber tire bobcat and the purchase of a UTV for parks, cemetery and hauling trash for special events.
24. Approving the request of the American Legion to be open on the following Sundays in 2022: July 3, 10, 17, 24 and 31; August 7, 14, 21 and 28; and September 4.
25. **RESOLUTION NO. 1-18-22 AUTHORIZING A CONDITIONAL OFFER OF EMPLOYMENT TO COLIN STEIN, FOR THE FULL-TIME POSITION OF PATROL OFFICER WITHIN THE TWO HARBORS POLICE DEPARTMENT.**
27. **RESOLUTION NO. 1-19-22 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER AN AGREEMENT FOR CAMPGROUND MANAGEMENT SERVICES WITH KATY GROENEVELD.**
28. Approving the request of the Gas, Water and Sewer Superintendent for he and Dave Klinker to attend NACE International Twin Cities Section, 10,000 Lakes Corrosion Control Seminar in Minneapolis.
29. **RESOLUTION NO. 1-20-22 AUTHORIZING AN APPLICATION TO THE DULUTH SUPERIOR COMMUNITY AREA FOUNDATION FOR THE TWO HARBORS TRAILS PROJECT.**
30. **RESOLUTION NO. 1-21-22 AMENDING THE POSITION DESCRIPTION FOR THE PUBLIC WORKS SPECIALIST III POSITION TO INCLUDE A REQUIREMENT FOR A CLASS A COMMERCIAL DRIVER'S LICENSE FOR CANDIDATES TRANSFERRING INTERNALLY.**

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

**New Business:**

Motion by Woodruff and Passe referring to the Finance Committee, a request by Councilor Rennwald to financially contribute to the overtime for the Police Department for the Tall Ships Festival. Carried.

Motion by Swanson and Rennwald that **RESOLUTION NO. 1-22-22 APPOINTING CHERYL PASSE AS A MEMBER OF THE LIBRARY BOARD** be adopted as read. Carried by the following vote: Yeas: Woodruff, Glaser, Rennwald, Swanson, Erickson, Redden. 6. Abstain: Passe. 1.

Motion by Swanson and Rennwald tabling the recommendation of Mayor Swanson to appoint Tim Oliver as a member of the Planning Commission. Carried.

Motion by Glaser and Passe declaring first reading of an ordinance adopting a moratorium on short term rentals received after 4:30 PM on January 14, 2022 until no later than May 15, 2022. Carried.

Motion by Erickson and Woodruff that **RESOLUTION NO 1-23-22 AUTHORIZING EXTENSION OF THE EXISTING AGREEMENT FOR AIRPORT MANAGEMENT**

**SERVICES WITH CASEY KOMAREK AT EXISTING RATES OF PAY UNTIL A NEW AGREEMENT IS EXECUTED** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Glaser and Rennwald that **RESOLUTION NO. 1-24-22 APPROVING THE REQUEST OF DJH CAPITAL LLC/DONNA HEIL, DBA HARBOR RAIL PUB & EVENTS FOR PERMISSION TO USE A PORTION OF CITY SIDEWALK FOR THE SALE OF LIQUOR DURING THE 2022 WINTER FROLIC, PENDING THE APPROVAL OF THE CHIEF OF POLICE AND THE CITY CLERK** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

**Announcements:**

President Redden announced that there will be a special meeting of the Council scheduled for the purpose of discussing social media issues.

Mayor Swanson requested a special meeting of the City Council for the purpose of discussing the hiring of a City Administrator. He expressed his desire that the meeting be open to the public, but only the Council be present. Clerk Nordean asked the City Attorney if there was a requirement for the City Clerk to be present at all City Council meetings. Attorney Costley indicated that the Council could not meet without a clerk present.

**Adjourn:**

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

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Ben Redden, President, City Council

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Patricia D. Nordean, City Clerk