January 14, 2019

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, January 14, 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
Finance Director Pietila
City Clerk Nordean
City Attorney Overom

President Glaser recommended the following addition and change to the agenda: 1. Add Consent Agenda Item 13.B. Accepting the resignation of Christopher Ruberg from the Police Department, with regret, and authorizing a letter of thanks for his service. 2. Add authorization for travel expenses for councilors to Consent Agenda Item 35.

Motion by Erickson and Swanson approving the agenda with changes as recommended by President Glaser. Carried.

Motion by Swanson and Redden Adjourning the regular meeting and convening a public hearing for the purpose of considering the ordering of an improvement of the following: 8th Avenue between 4th Street and 5th Street; 8th Avenue between 6th Street and 7th Street; 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 the City of Two Harbors, Minnesota. Carried.

**Appearances:**
Joe Rhein, Bolton & Menk, was present and addressed the public hearing providing a review of the proposed project, the estimated cost of the project, the assessment process, property owner rights and the proposed schedule for the project. He noted that due to a dead-ended water line in the 400 block of Eighth Avenue, it was his recommendation that the project to improve the 400 and 600 blocks of Eight Avenue be deferred to a future year, until such time that a loop could be constructed for that water line.

At 6:30 p.m., Councilor Woodruff arrived at the meeting.
Ray Korteum, 808 Eighth Avenue, was present and addressed the hearing inquiring whether or not his alley could be made a one-way and if some directional things could be put in place.

Angela and Todd Bata, 601 Eighth Avenue, were present and addressed the hearing noting that their yard consists mostly of a steep hill and asking how that would be addressed in the proposed project. They noted that there was a large tree in their yard and they are concerned about the possibility of losing the tree. They inquired about the potential of the loss of their existing concrete steps and asked for reassurance that there wouldn’t be sewer back-ups, similar to what had happened to their neighbor during last year’s project on Ninth Avenue. The couple also expressed concern with the cost of the project.

Mr. Rhein addressed their questions noting that the contractor, engineering firm and Public Works Director work together to determine what trees can be saved based upon how much damage would occur to the root system, considering public safety and the potential for damage to the new utility lines, sidewalks and road to be installed. He also noted that the removal of stairs along the north side of Eighth Avenue would be done on an as-needed basis but that the cost for replacement of all stairs on the north side of Eighth Avenue has been included in the project estimates. He provided information on the sewer back-up incident that occurred on Ninth Avenue which was due to a temporary connection coming lose during a significant rainstorm. He indicated that the City’s insurance carrier was working with the contractor’s insurance company to settle that claim.

Robert Best, 1430 Ninth Avenue, was present and addressed the hearing requesting that the significant amount of traffic on Ninth Avenue associated with Rustic Creek Townhome be considered when calculating the proposed assessments.

Herb Naegle, 815 Fourteenth Avenue, was present and addressed the hearing noting that he had been told that the avenue in front of his residence would be included in this year’s project. He requested that the council consider including a pavement overlay for his avenue in the near future and that a drainage issue on the west end of his block be investigated prior to the pavement overlay.

Mayor Swanson urged the Council to continue the 15-year financing and payment deferral options, which are outlined in the City’s Assessment Policy, for this project.

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

**Communications:**
President Glaser asked there were any communications received regarding the proposed project. Clerk Nordean responded that there had been no communications received regarding the proposed project.
Motion by Woodruff and Redden adjourning the public hearing and reconvening the regular City Council meeting. Carried.

Motion by Swanson and Woodruff that RESOLUTION NO. 1-2-19 ORDERING THE IMPROVEMENT OF 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 THE CITY OF TWO HARBORS, MINNESOTA be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

**Planning Commission:**
President Glaser reported on the recent Planning Commission meeting where MNDOT’s Transportation Plan, the Brownfields Assessment Coalition grant application, short-term rental permits and pedestrian wayfinding signs were discussed.

**Recreation Board:**
Vice President Erickson reported on the recent Recreation Board meeting where the group reviewed the 2019 Budget. She noted that the Spring Adult Activity Nights would be starting soon.

**Edna G. Commission:**
Councilor Woodruff reviewed items discussed at the recent Edna G. Commission including bubbler installation, holiday lights, mooring lines and AMI’s recent tour of the boat. He extended appreciation to Tom Koehler for his recent work on holiday lights and mooring lines.

**Public Arts & Beautification Commission:**
Mayor Swanson reported that new banners and mounting hardware have recently been acquired thanks to the assistance of Electrical Superintendent, Prince. He noted that the new banners look great and that City crews will soon be installing some for testing purposes with the remaining banners to be installed in the spring.

**North Shore Management Board:**
Councilor Woodruff reported that at their recent meeting, the North Shore Management Board members were presented with information on “Starry Skies”, on the effects of light pollution on humans and animals. He also noted that Grand Portage has now joined the group.

**Consent Agenda:**
President Glaser announced that items listed on the consent agenda are routine in nature and typically do not require discussion. If there is an item on the consent agenda that a council member, staff member or member of the public feels warrants discussion, they
may request that it be removed from the consent agenda and dealt with individually under New Business. Motion by Woodruff and Redden that the following consent agenda items:

1. Approving minutes from December 11, 2018 regular and January 7, 2019 special City Council meetings.

2. **RESOLUTION NO. 1-3-19 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON JANUARY 15, 2019.**

3. Approving payroll for the second half of December, 2018, in the amount of $239,778.07.


5. **RESOLUTION NO. 1-4-19 CONFORMING TO THE DICTATES OF THE TWO HARBORS HOME CHARTER AND AMENDMENTS THERETO.**

6. **RESOLUTION NO. 1-5-19 AFFIRMING THE CODE OF CONDUCT AND ETHICS FOR THE CITY OF TWO HARBORS FOR 2019.**

7. **RESOLUTION NO. 1-6-19 APPOINTING THE LAKE COUNTY ATTORNEY’S OFFICE TO PROVIDE LEGAL SERVICES FOR CRIMINAL MATTERS FOR THE CITY.**

8. **RESOLUTION NO. 1-7-19 APPOINTING THE LAW OFFICES OF MAKI & OVEROM, LTD, D/B/A DRYER & OVEROM TO PROVIDE LEGAL SERVICES FOR CIVIL MATTERS FOR THE CITY.**

9. **RESOLUTION NO. 1-8-19 APPOINTING JIM RICH TO PROVIDE BUILDING OFFICIAL CONSULTING SERVICES FOR THE CITY.**

10. A memo from Derrick Passe, Lake County Soil & Water Conservation District regarding State Cost-Share Assistance Contract.

11. Approving a request from the American Legion for permission to be open on Sundays, March 10, July 7, 14, 21, and 28, August 4, 11, 18 and 25, 2019 in accordance with their club on-sale license.

12. **RESOLUTION NO. 1-9-19 ACCEPTING THE RESIGNATION OF RICK E. HOGENSON FROM THE CITY HOUSING &**
REDEVELOPMENT AUTHORITY AND AUTHORIZING A LETTER OF APPRECIATION FOR HIS SERVICE.

13. RESOLUTION NO. 1-10-19 ACCEPTING THE RESIGNATION OF TRACY GILSVIK FROM THE LIBRARY BOARD AND AUTHORIZING A LETTER OF APPRECIATION FOR HER SERVICE.

13 B. RESOLUTION NO. 1-11-19 ACCEPTING THE RESIGNATION OF CHRISTOPHER RUBERG FROM THE POLICE DEPARTMENT AND AUTHORIZING A LETTER OF THANKS FOR HIS SERVICE.

14. Authorizing concurrent internal and external postings for one full-time and one part-time Patrol Officer position in the Police Department.

15. RESOLUTION NO. 1-12-19 APPOINTING GAIL HANSON AS A TEMPORARY EMPLOYEE AT CITY HALL FOR THE PURPOSE OF ACCEPTING CAMPGROUND RESERVATIONS.

16. RESOLUTION NO. 1-13-19 APPOINTING TREY FLECK AS A TEMPORARY EMPLOYEE IN THE PUBLIC WORKS DEPARTMENT AS A SKATING RINK ATTENDANT.

17. RESOLUTION NO. 1-14-19 AUTHORIZING THE PURCHASE OF FOUR PAGERS FROM THE FIRE DEPARTMENT FROM DULUTH SUPERIOR COMMUNICATIONS FOR AN AMOUNT OF $2,043.50.

18. RESOLUTION NO. 1-15-19 AUTHORIZING THE PURCHASE OF THREE SETS OF TURNOUT GEAR AND PERSONAL PROTECTIVE EQUIPMENT FOR THE FIRE DEPARTMENT FROM ALEX AIR APPARATUS FOR AN AMOUNT OF $11,213.

19. RESOLUTION NO. 1-16-19 AUTHORIZING PAYMENT TO KGM CONTRACTORS, INC. IN THE AMOUNT OF $218,269.72 FOR PAY APPLICATION NO. 1 FOR THE 2018 T-HANGAR PAVEMENT REHABILITATION PROJECT AT THE AIRPORT.

20. RESOLUTION NO. 1-17-19 AUTHORIZING PAYMENT TO ZAHL PETROLEUM MAINTENANCE IN THE AMOUNT OF $35,674.92, FOR PAY APPLICATION NO. 1 FOR THE 2018 JET-A FUEL SYSTEM PROJECT AT THE AIRPORT.

21. RESOLUTION NO. 1-18-19 AUTHORIZING PAYMENT TO SEH IN THE AMOUNT OF $8,120 FOR PROFESSIONAL
ENGINEERING SERVICES FOR THE CONSTRUCTION PHASE OF THE 2018 FUEL SYSTEM AND BUILDING AREA PAVEMENT REHABILITATION PROJECTS AT THE AIRPORT.

22. RESOLUTION NO. 1-19-19 AUTHORIZING PAYMENT TO SHANK CONSTRUCTORS, INC. IN THE AMOUNT OF $121,140 FOR PAY APPLICATION NO. 8 FOR THE TWO HARBORS MAIN LIFT STATION PROJECT.

23. RESOLUTION NO. 1-20-19 AUTHORIZING PAYMENT TO GREAT LAKES PIPE SERVICE, INC. IN THE AMOUNT OF $2,140 FOR PROFESSIONAL CLEANING SERVICES FOR THE MAIN LIFT STATION UPGRADE PROJECT.

24. RESOLUTION NO. 1-21-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $6,600 FOR ENGINEERING SERVICES FOR THE MAIN LIFT STATION UPGRADE PROJECT.

25. RESOLUTION NO. 1-22-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $25,666.50 FOR ENGINEERING SERVICES FOR THE WASTEWATER TREATMENT FACILITY UPGRADE PROJECT.

26. RESOLUTION NO. 1-23-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $3,077.50 FOR ENGINEERING SERVICES FOR WATER SYSTEM DESIGN WORK.

27. RESOLUTION NO. 1-24-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $2,147.50 FOR ENGINEERING SERVICES FOR THE SIGNIFICANT INDUSTRIAL USER AGREEMENT WITH CASTLE DANGER BREWING.

28. RESOLUTION NO. 1-25-19 AUTHORIZING PAYMENT TO CR-BPS IN THE AMOUNT OF $6,472.40 FOR PROFESSIONAL DESIGN SERVICES FOR THE EAST SHOWER HOUSE PROJECT AT THE CAMPGROUND.

29. RESOLUTION NO. 1-26-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $14,745.50 FOR ENGINEERING SERVICES FOR THE EAST SHOWER HOUSE PROJECT AT THE CAMPGROUND.
30. RESOLUTION NO. 1-27-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $12,693 FOR ENGINEERING SERVICES FOR THE 2018 STREET & ALLEY IMPROVEMENT PROJECT.

31. RESOLUTION NO. 1-28-19 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF $7,151.50 FOR ENGINEERING SERVICES FOR THE 2019 STREET & ALLEY IMPROVEMENT PROJECT.

32. RESOLUTION NO. 1-29-19 AUTHORIZING PAYMENT TO EHLERS IN THE AMOUNT OF $3,240 FOR PROFESSIONAL CONSULTING SERVICES FOR TAX INCREMENT FINANCING DISTRICTS NO. 4 AND 5.

33. RESOLUTION NO. 1-30-19 AUTHORIZING PAYMENT TO MIDWEST GOLF CARS, INC. IN THE AMOUNT OF $23,500 FOR LEASE OF GOLF CARTS FOR THE 2018 SEASON.

34. RESOLUTION NO. 1-31-19 AUTHORIZING PAYMENT TO UNITED TRUCK BODY CO. INC. IN THE AMOUNT OF $6,473 FOR THE PURCHASE AND INSTALLATION OF A BACKUP SANDER FOR THE PUBLIC WORKS DEPARTMENT.

35. RESOLUTION NO. 1-32-19 APPROVING THE REQUEST OF MAYOR SWANSON TO AUTHORIZE TRAVEL EXPENSES FOR HE OR ANY COUNCILORS FOR 2019 MN STATE CAPITOL EVENTS WHICH MAY BE NECESSARY.

36. RESOLUTION NO. 1-33-19 APPROVING THE REQUEST OF MAYOR SWANSON TO AUTHORIZE TRAVEL EXPENSES TO ATTEND THE LEGISLATIVE ACTION DAY IN ST. PAUL.

37. RESOLUTION NO. 1-34-19 AUTHORIZING TRAVEL EXPENSES FOR THE MAYOR AND CITY COUNCIL TO ATTEND THE LEAGUE OF MINNESOTA CITIES ELECTED OFFICIALS CONFERENCES.

38. RESOLUTION NO. 1-35-19 APPROVING THE REQUEST OF THE FINANCE DIRECTOR AND CITY CLERK TO ATTEND THE MUNICIPAL CLERKS & FINANCE OFFICERS ASSOCIATION ANNUAL CONFERENCE IN ST. CLOUD.

39. RESOLUTION NO. 1-36-19 AUTHORIZING A GRANT APPLICATION TO THE TWO HARBORS AREA FUND FOR THE
PURCHASE OF AN AED AND FIRST AID PACK FOR THE FIRE DEPARTMENT FOR AN AMOUNT OF $2,500.

40. RESOLUTION NO. 1-37-19 AUTHORIZING A GRANT APPLICATION TO THE TWO HARBORS AREA FUND IN THE AMOUNT OF $10,000 FOR CONSTRUCTION OF TRAIL SEGMENTS AS OUTLINED IN THE TWO HARBORS TRAILS PLAN.

41. RESOLUTION NO. 1-38-19 AUTHORIZING A LETTER OF SUPPORT FOR ARDC'S FY2019 APPLICATION FOR A U.S. EPA BROWNFIELDS ASSESSMENT GRANT FOR PETROLEUM AND HAZARDOUS SUBSTANCE BROWNFIELDS FOR THE PURPOSE OF CREATING A COALITION TO OVERSEE THE EXPENDITURE OF FUNDS FOR SITES THROUGHOUT THE ARROWHEAD REGION.

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

New Business:
Motion by Erickson and Redden that RESOLUTION NO. 1-39-19 AUTHORIZING COMPENSATION FOR COUNCILOR WOODRUFF TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP, AND WATERFRONT COMMITTEES, EDNA G. COMMISSION, NORTH SHORE MANAGEMENT BOARD AND THE WATERFRONT TASK FORCE be adopted as read. Carried by the following vote: Yeas: Redden, Rennwald, Swanson, Erickson, Glaser. 5. Abstain: Woodruff. 1.

Motion by Woodruff and Erickson that RESOLUTION NO 1-40-19 AUTHORIZING COMPENSATION FOR COUNCILOR REDDEN TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP, WATERFRONT AND THE PUBLIC SAFETY COMMITTEES be adopted as read. Carried by the following vote: Yeas: Woodruff, Rennwald, Swanson, Erickson, Glaser. 5. Abstain: Redden.

Motion by Redden and Erickson that RESOLUTION NO. 1-41-19 AUTHORIZING COMPENSATION FOR COUNCILOR RENNWALD TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP, WATERFRONT AND PUBLIC SAFETY COMMITTEES, LIBRARY AND NORTH SHORE MANAGEMENT BOARDS AND THE TREES & TRAILS COMMISSION be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Swanson, Erickson, Glaser. 5. Abstain: Rennwald. 1.

Motion by Woodruff and Rennwald that RESOLUTION NO. 1-42-19 AUTHORIZING COMPENSATION FOR MAYOR SWANSON TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP AND WATERFRONT COMMITTEES, PUBLIC ARTS AND BEAUTIFICATION COMMISSION AND
THE WATERFRONT TASK FORCE be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Erickson, Glaser. 5. Abstain: Swanson. 1.

Motion by Erickson and Woodruff that RESOLUTION NO. 1-43-19 AUTHORIZING COMPENSATION FOR COUNCILOR JUSSILA TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP, WATERFRONT, AND PUBLIC SAFETY COMMITTEES, AND THE AIRPORT COMMISSION be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Swanson, Erickson. Glaser. 6.

Motion by Rennwald and Swanson that RESOLUTION NO. 1-44-19 AUTHORIZING COMPENSATION FOR COUNCILOR ERICKSON TO ATTEND MEETINGS OF CABLE TV COMMISSION, CIP, AND WATERFRONT COMMITTEES, RECREATION BOARD, THEDA, TWO HARBORS AREA VISITOR'S BUREAU AND THE WATERFRONT TASK FORCE be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Swanson, Glaser. 5. Abstain: Erickson. 1.

Motion by Woodruff and Redden that RESOLUTION NO. 1-45-19 AUTHORIZING COMPENSATION FOR COUNCILOR GLASER TO ATTEND MEETINGS OF: CABLE TV COMMISSION, CIP, AND WATERFRONT, COMMITTEES, HOUSING & REDEVELOPMENT AUTHORITY AND THE PLANNING COMMISSION be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Swanson, Erickson. 5. Abstain: Glaser. 1.

Motion by Woodruff and Rennwald that RESOLUTION NO. 1-46-19 AUTHORIZING A GRANT AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND THE STATE OF MINNESOTA THROUGH THE IRON RANGE RESOURCES & REHABILITATION BOARD FOR $300,000 FOR THE PROPOSED TWO HARBORS BAND SHELL PERFORMING ARTS CENTER be adopted as read. Carried by the following vote: Yeas: Woodruff, Redden, Rennwald, Erickson. 4. Abstain: Swanson, Glaser. 2.

**Announcements:**
Mayor Swanson urged fellow Councilors and community members to get out and watch the 2019 Junior National Curling event which is being hosted at the Curling Club. He also noted that he is looking for council input on re-establishing a County Board position on the Airport Commission. He made a last call for anyone interested in serving on a City committee or commission to get in touch with him or leave their name at City Hall; gave a “hats off” to the local Rotary Club for raising $13,200 in this year’s Salvation Army Red Kettle Campaign and noted that they are looking for new members. He also expressed appreciation to Officer Chris Ruberg for his work with a local child who had expressed interest in meeting a police officer and encouraged everyone to participate in the THHS DECA Club’s Find the Kind challenge.

Motion by Woodruff and Redden that the meeting adjourn. Carried.
Robin M. Glaser, City Council President

Patricia D. Nordean, City Clerk