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January 24, 2022

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, January 24, 2022, at 6:00 p.m.

The meeting was called to order by President Redden.

Members present, Councilors: Woodruff, Rennwald, Swanson, Passe, Redden. 5.

Members absent, Councilors: Glaser, Erickson. 2.

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

Clerk Nordean requested the addition of Consent Agenda Item 21. Accepting the proposal of Van Iwarden Associates for GASB 75 actuarial valuation for 2022 and 2023 for an amount of \$3,330; removal of Consent Agenda Item 11. Accepting the proposal of Bobcat of Duluth for the purchase of a Bobcat Skid Steer Loader for an amount of \$57,966 less trade-in; and the removal of Consent Agenda Item 17. Approving a Memorandum of Agreement for Rustic Creek Gully Stabilization and Erosion Control Plan Funding between Lake County Soil & Water Conservation District, the City of Two Harbors and Rustic Creek Townhomes.

Motion by Woodruff and Swanson approving the agenda with the changes recommended by Clerk Nordean. Carried.

Administrator Report:

Interim Administrator/Finance Director, Pietila reported that the audit will be conducted February 28 – March 4 and that staff has been working on the 2022 Sidewalk Project and the Council will be asked to consider a feasibility report for the project at the February 24 meeting. She also reported that the Library was closed for the day due to sewer issues however repairs are ongoing and they anticipate being open tomorrow.

THEDA:

Mayor Swanson reported that at the last meeting of THEDA, the group talked with an interesting gentleman and reviewed the commission's bylaws.

Public Works Committee:

Councilor Rennwald reported that at their last meeting, the Public Works Committee discussed tree replacement, the proposed Rustic Creek Gully Stabilization and Erosion Control Project, ice skating rinks and over-salting of sidewalks at the Library.

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Public Affairs Committee:

Mayor Swanson reported that the Public Affairs Committee at their last meeting, discussed the proposed Lease Agreement for Community Partners, the Code of Conduct and Ethics and the City's Communications Policy.

Planning Commission:

Mayor Swanson reported that at their last meeting, the Planning Commission discussed short term rentals and discussed with Lake County Representatives, short term rentals and housing.

Utilities Committee:

President Redden reported that at the most recent Utilities Committee meeting, the group reviewed samples of siding proposed for the Water Treatment Plant and discussed the timeline for funding for the project.

Finance Committee:

Councilor Woodruff reported on the most recent meeting of the Finance Committee where the group discussed a proposal to revise the City's Special Events Policy, they discussed the Police Department's estimate of costs associated with the Tall Ships Festival, American Rescue Plan funding, the Golf Course and the upcoming audit.

North Shore Management Board:

Councilor Passe reported that the North Shore Management Board met on January 19 and discussed the DNR Flood Plain and Shoreline Planner, the Shoreland Overlay District and its potential impact on the entire downtown of the City of Two Harbors being severely limited by building height requirements, however he noted that there are provisions which allow for flexibility.

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

1. Approving minutes from the January 10, Regular; January 19 and 20, 2022 Special City Council meetings.
2. **RESOLUTION NO. 1-25-22 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$2,169,002.03.**
3. Approving payroll for the first half of January, 2022, in the amount of \$262,765.36.
4. A notice of Public Information Meeting from Lake County Highway Engineer, Jason DiPiazza, scheduled for 6 PM on Tuesday, January 25, 2022.
5. **RESOLUTION NO. 1-26-22 APPROVING THE REQUEST OF THE HERITAGE DAYS COMMITTEE FOR AUTHORIZATION TO SUBMIT A GRANT APPLICATION TO THE TWO HARBORS AREA FUND FOR THE 2022 HERITAGE DAYS FESTIVAL.**

6. **RESOLUTION NO. 1-27-22 APPROVING THE REQUEST OF THE LIBRARY DIRECTOR FOR AUTHORIZATION TO SUBMIT A GRANT APPLICATION TO THE TWO HARBORS AREA FUND FOR \$1,000 FOR ENHANCEMENT OF THE CHILDREN'S COLLECTION WITH BOOKS FEATURING REPRESENTATION OF DISABILITY IN LITERATURE.**
7. **RESOLUTION NO. 1-28-22 APPROVING THE REQUEST OF THE LIBRARY DIRECTOR FOR AUTHORIZATION TO SUBMIT AN APPLICATION FOR VISTA PARTNERSHIP FOR TWO TEMPORARY FULL-TIME SUMMER VISTA CONTRACT EMPLOYEES FOR SUMMER OF 2022.**
8. **RESOLUTION NO. 1-29-22 DESIGNATING DEPOSITORIES FOR CITY FUNDS.**
9. Referring the Code of Conduct and Ethics to the City Attorney for consistency between the City Code and the City Charter.
10. **RESOLUTION NO. 1-30-22 AUTHORIZING THE PURCHASE OF A MILLER 28 DX TIG/STICK WELDER FROM LINDE GAS & EQUIPMENT INCORPORATED FOR AN AMOUNT OF \$10,290 WITH COST TO BE SPLIT BETWEEN THE PUBLIC WORKS, GAS, ELECTRIC AND WATER & SEWER DEPARTMENTS.**
12. **RESOLUTION NO. 1-31-22 ACCEPTING THE PROPOSAL OF MESABI GLASS, WINDOW AND DOOR FOR REPLACEMENT OF ALL WINDOWS AT CITY HALL FOR AN AMOUNT OF \$56,857.**
13. **RESOLUTION NO. 1-32-22 ACCEPTING THE PROPOSAL OF A.W. KUETTEL & SONS FOR REPLACEMENT OF THE THREE ROOFS AT CITY HALL FOR AN AMOUNT OF \$63,199.**
14. **RESOLUTION NO. 1-33-22 ACCEPTING THE PROPOSAL OF ST. GERMAIN'S FOR REPLACEMENT OF THE FRONT DOOR AT CITY HALL FOR AN AMOUNT OF \$6,590.**
15. **RESOLUTION NO. 1-34-22 ACCEPTING THE PROPOSAL OF JIM PERRAULT CONSTRUCTION FOR LIBRARY ROOF REPAIRS FOR AN AMOUNT OF \$56,650.**
16. **RESOLUTION NO. 1-35-22 AUTHORIZING THE CITY TO PARTNER WITH SMALL BUSINESS DEVELOPMENT CENTER FOR AN AMOUNT OF \$3,000.**
18. **RESOLUTION NO. 1-36-22 ACCEPTING THE REDISTRIBUTION OF UNREQUESTED CORONAVIRUS LOCAL FISCAL RECOVERY FUND ESTABLISHED UNDER THE AMERICAN RESCUE PLAN ACT.**
19. **RESOLUTION NO. 1-37-22 APPOINTING DOUG FRERICKS AS A MEMBER OF THE TREES & TRAILS COMMISSION.**
20. Accepting the letter of resignation from Liz Redden, from THEDA, with regret, and authorizing a letter of appreciation for her service.

21. **RESOLUTION NO. 1-38-22 ACCEPTING THE PROPOSAL OF VAN IWARDEN ASSOCIATES FOR GASB 75 ACTUARIAL VALUATION FOR 2022 AND 2023 FOR AN AMOUNT OF \$3,330.**

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

New Business:

Motion by Swanson and Woodruff that **RESOLUTION NO. 1-39-22 APPROVING THE 2022 – 2023 LEASE AGREEMENT BETWEEN THE CITY OF TWO HARBORS AND COMMUNITY PARTNERS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Swanson and Rennwald that **RESOLUTION NO 1-40-22 APPROVING THE CONTRACT BETWEEN THE CITY OF TWO HARBORS AND CASEY KOMAREK TO PROVIDE AIRPORT MANAGEMENT SERVICES FOR 2022 – 2024, SUBJECT TO NEGOTIATIONS ON ARTICLE 4.2** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Motion by Swanson and Woodruff declaring second reading of an ordinance declaring a moratorium on Short Term Rental Licenses. Carried by a unanimous yea vote of all members present on roll call.

Councilor Rennwald reminded the Council that Winter Frolic activities will once again include a curling match between the Lake County Board of Commissioners and the City Council. She is still looking for one more person on the City team.

Swanson reported that he has visited with Senator Bakk recently who has reported that he is working on a bill to secure property for the City of Two Harbors from the DNR. He also reported that he is looking for more applicants to fill vacancies on various City committees and commissions. He also reported that the Beargrease Cub Run was held on the Golf Course property over the weekend and was a great success.

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

Ben Redden, City Council President

Patricia D. Nordean, City Clerk