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August 31, 2020

Special meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, August 31, 2020, at 6:00 p.m. via Zoom video conference.

The meeting was called to order by President Glaser.

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

Members absent, Councilor: Erickson. 1.

Others present: Administrator Walker  
Finance Director, Pietila  
City Clerk, Nordean  
Economic Development Planner, Sterbenz  
City Attorney, Overom.

President Glaser announced that the purpose of the special meeting was to conduct a public hearing and consider the ordering of an improvement of the following: Fourth Avenue from Seventh Street to its west end; Fifth Avenue from Seventh Street to its west end; Sixth Avenue from Seventh Street to its west end; and Eighth Street from Fourth Avenue to Seventh Avenue, Two Harbors, Minnesota, pursuant to Minn. Stat. 429.011 to 429.111.

Motion by Woodruff and Rennwald adjourning the special meeting and calling to order the public hearing. Carried.

**Appearances:**

Joe Rhein, Bolton & Menk, was present and addressed the hearing providing a presentation which included a background of the project, an overview of the proposed improvements, estimated costs, a review of the assessments proposed, property owner rights and a proposed schedule for the project.

At 6:23 PM, Councilor Erickson joined the meeting.

At 6:55 PM, Mayor Swanson left the meeting.

At 7:15 PM, Councilor Woodruff left the meeting.

Mickey McGilligan, 814 Fifth Avenue, was present and addressed the hearing inquiring about boulevards on Fifth Avenue west of Eighth Street. She expressed her intention to move several perennial plants currently located in the boulevard prior to construction in that area and requested

a timeframe when she could get them moved. Mr. Rhein offered to notify her when the work would be scheduled for that area noting that his information will not be available until the contract is awarded.

Tom Koehler, 804 Fifth Avenue, was present and addressed the hearing inquiring about assurances that there will be quality work on the project. Mr. Rhein reported that there will be geotechnical testing in addition to the two-year warranty on the work. He also noted that there is an option to wait to apply the last layer of blacktop until after winter. Koehler also inquired about volatility of costs for the project, and Rhein responded that volatility has been built into the cost estimates provided. He also noted that current predictions are showing construction prices may be lower for the upcoming construction season.

Tom Whittaker, 817 Fourth Avenue, was present and addressed the hearing inquiring about the cost to replace his concrete driveway. Rhein responded that all existing driveways will be restored to the same material that they were constructed of prior to the project and the costs for that work would be divided up equally as part of the project expenses. Whittaker also asked about when the assessment would be payable. Rhein explained that in November of 2022, the assessments would be divided up over the number of years of the assessment and certified against the property each year with interest until the entire assessment has been paid. There will also be an option to pay the entire assessment prior to certification against the property.

Darbie Eischenbacher, 823 Fifth Avenue, was present and addressed the Council noting that she had no idea of the estimated cost of her proposed assessment. She expressed concern over having been assessed for a street overlay within the past 15 years. She asked that the Council consider removing her block from the proposed project due to the current pandemic and the number of low income residents in the neighborhood.

Mr. Rhein responded that Eischenbacher's comments would be taken into consideration and noted that bids may come in lower than projected and that assessments will not be certified until the end of 2022. He also reminded the group of the availability of assessment deferrals for those who qualify.

Clerk Nordean asked if there was anyone else who wished to speak in favor of or against the proposed project. There was no one else present who wished to speak regarding the proposed project.

**Communications:**

Clerk Nordean reported that the following communications have been received regarding the proposed project. Administrator Walker noted that written responses would be provided to the communications following the meeting:

1. A letter from M. Eugene Gangestad, Two Harbors Lumber, 822 Fourth Avenue, inquiring about existing utility infringements on his property; a water shut-off; repair of his private roadway; the location of his private sewer line; access during construction; water service during construction, roadway elevations; requesting an itemized cost estimate; whether or not the project would be open to independent contractors; water and sewer connection fees; and a reasonable estimate of the impact of the assessment.

2. An email from Eric Edlund, 721 6<sup>th</sup> Avenue, inquiring whether or not his new sidewalk would be sacrificed as a part of the project.
3. An email from Thomas Koehler 814 5<sup>th</sup> Avenue, inquiring about access to his property during construction; whether or not water service line replacement to the shut-off will be assessed to property owners; whether or not he will be assessed for sewer lines; and requesting that an abandoned service line be disconnected from the mains; and where he can find appendix C to the Feasibility Report to access a more specific estimate; and whether the assessments can be paid over multiple payments or a lump sum.
4. An email from Darbie Eischenbacher, 823 Fifth Avenue, expressing her opinion that property owners should not be assessed since they were assessed approximately 15 years ago for a pavement overlay project that did not involve utility infrastructure.
5. An email from Tim Hedin, 835 Sixth Avenue, inquiring if the proposed plan will extend the street in front of his house since it currently does not; expressing his opinion that he should not be assessed when the road does not extend in front of his property – or the assessment should be reduced; and requesting an explanation of how far the project will go down 6<sup>th</sup> Avenue near his property.

Nordean reported that there were no other communications received regarding the proposed project.

Motion by Jussila and Rennwald that the public hearing adjourn and reconvening the special City Council meeting. Carried.

Motion by Redden and Jussila that a resolution be adopted ordering an improvement on the following: Fourth Avenue from Seventh Street to its west end; Fifth Avenue from Seventh Street to its west end; Sixth Avenue from Seventh Street to its west end; and Eighth Street from Fourth Avenue to Seventh Avenue, Two Harbors, Minnesota, pursuant to Minn. Stat. 429.011 o 429.111, with the options recommended by the Public Works Committee.

Attorney Overom explained that a super majority vote was required to pass the proposed resolution and with the absence of two City Councilors, there was not a super majority present at the meeting.

The motion was amended to table the proposed resolution until the next regular City Council meeting. Carried.

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

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Robin M. Glaser, City Council President

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Patricia D. Nordean, City Clerk