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April 26, 2021

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, April 26, 2021, at 6:00 p.m.

The meeting was called to order by President Redden.

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

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

Clerk Nordean requested the following additions to the Agenda: Consent Agenda No. 16. Authorizing the purchase of a meter tester from Tesco for an amount of \$19,850 for the Electrical Department; No. 17. Authorizing the purchase of 7500' of wire from Wesco for an amount of \$19,912.50 for the Electrical Department for the 2021 – 2022 Street Improvement Project; adding North Shore Management Board to Committee Reports and New Business No. 8. Declaring first reading of An Ordinance of the City of Two Harbors, Minnesota, Determining to hold Section 2.77, Project Labor Agreements, in Abeyance until this ordinance is amended by the City Council of the City of Two Harbors. Community Development/Planner, Sterbenz requested that a mayoral proclamation be added to Administrative Reports.

Motion by Woodruff and Rennwald approving the agenda with the recommended additions. Carried.

Appearances:

Justin Otsea and Josh Bergstad, ARDC, were present and addressed the Council providing a detailed overview of the proposed Zoning Code Update. They reported that the Planning Commission has conducted a public hearing and now recommends adoption of an ordinance amending the City Code, Chapter 11 – Land Use Regulation.

Administrative Report:

Administrator Walker addressed the Council expressing appreciation to the Planning Commission and all those who have worked on the proposed Zoning Code Update.

Mayor Swanson read aloud a proclamation in recognition of Arbor Day.

Attorney Overom addressed the Council updating them on the status of the Zito Franchise Ordinance, reporting that the third and final reading is on the agenda and noting that a resolution to authorize publication of a summary of said ordinance is also on the agenda. He reported that there is a non-disclosure agreement proposed with Minnesota Power dealing with negotiations for the purchase of electrical power.

Brian Guldan, Bolton & Menk, was present and addressed the Council providing an update on the Wastewater Treatment Facility Project, reporting that he has been working with the Public Utilities Commission on the final details and anticipates a request for authorization to advertise for bids at the May 10 City Council meeting, with a June 15 bid date. He discussed a bid alternate for the fence wall system. He also noted that he has been made aware of significant increases in steel pricing and that the market is volatile right now. He also reported that the City has made application for additional funding through the Federal Government, however, the funding will not be awarded until fall of this year, so we won't know if we will receive any funds until that time.

Joe Rhein, Bolton & Menk, was present and addressed the Council providing an update on the 2021 – 2022 Street Improvement Project noting that there are two items on the agenda regarding that project. The first is supporting award of the contract by Lake County to Ulland Brothers. He reported that the bids came in 20-30% below estimates. Rhein also discussed the recommendation to award the bid for construction materials testing for the project.

Recreation Board:

Councilor Erickson reported that at their meeting of April 14, the group determined that as long as there are no additional COVID restrictions in place, summer recreation programs would proceed in 2021. She noted that the Adult Activity nights are ongoing and there is still time for folks to sign up and participate. She also indicated that there will be opportunity to sign up and pay for these programs online.

Finance and Budget Committee:

Councilor Erickson reported on the April 15 meeting where they discussed the budget and additional CARES funding processes.

Public Affairs Committee:

Mayor Swanson reported on the April 20 meeting of the Public Affairs Committee where they discussed a request to use the Community Building for a movie production crew, dates to open the building, the Neighborhood Revitalization Program and the relocation of certain planter boxes.

Utilities Committee:

President Redden reviewed items discussed at the April 21 meeting of the Utilities Committee including the February natural gas billing and meter reading dates.

Edna G. Commission:

Councilor Woodruff provided a review of the April 21 meeting of the Edna G. Commission where Paul Lamere was present and provided a presentation on restoration of the tug. The group also discussed the new bubblers, whistle compressors and reported that City Electrical Superintendent Prince would oversee the projects.

Public Works Committee:

Councilor Rennwald reported on the April 22 meeting, where they discussed the 2021-2022 Street Improvement Project in relation to the Minnehaha school and the Chalk -a- Lot festival requests.

Public Arts & Beautification Commission:

Community Development/Planner Sterbenz reported on the April 22 meeting of the Public Arts & Beautification Commission where the group heard a presentation by Clerk Nordean regarding policies and procedures for City Committees and Commissions. In addition, they elected officers and discussed the artist workshop and the Rethos Grant Project.

North Shore Management Board:

Councilor Passe reported that at the April 21 meeting of the NSMB, the group discussed the reestablishment of a tech advisory committee for the Board, grant funding secured for shoreline reversion rates and short-term rentals and their effect on housing on the north shore.

HRA:

Vice President Glaser reported on the April 13 meeting of the HRA where they talked about the design for their proposed housing project and the Neighborhood Revitalization Program.

Personnel Committee:

Vice President Glaser reported that at their last meeting, the Personnel Committee discussed the hiring process for the Public Works Director, duties of the Cable TV Coordinator position and recommended that summer office hours be authorized for City Hall.

Planning Commission:

Vice President Glaser reported that the Planning Commission held a public hearing on the proposed zoning code update.

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

1. Approving minutes from the April 12, 2021 City Council meeting.
2. **RESOLUTION NO. 4-108-21 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS IN THE AMOUNT OF \$1,400,918.44.**
3. Approving payroll for the first half of April, 2021, in the amount of \$214,113.76.
4. **RESOLUTION NO. 4-109-21 ACCEPTING THE PROPOSAL OF GARY CARLSON EQUIPMENT FOR THE PURCHASE, INSTALLATION AND CERTIFICATION OF A 4-FOOT TRENCH BOX EXTENSION FOR UTILITY WORK FOR AN AMOUNT OF \$4,536.35.**

5. **RESOLUTION NO. 4-110-21 ACCEPTING A PROPOSAL FROM ANDERSON'S GREENHOUSE & FLORIST TO PROVIDE HANGING BASKETS AND FLOWERS FOR 2021 FOR AN AMOUNT OF \$7,547.25.**
6. **RESOLUTION NO. 4-111-21 AUTHORIZING THE PURCHASE AND DELIVERY OF TWO 40' CUBE CONTAINERS FOR THE FIRE DEPARTMENT FROM TOM KRAEMER, INC. FOR AN AMOUNT OF \$13,239.60.**
7. **RESOLUTION NO. 4-112-21 CERTIFYING ASSESSMENTS TO THE LAKE COUNTY AUDITOR FOR CERTAIN UNPAID UTILITY CHARGES.**
8. **RESOLUTION NO. 4-113-21 APPROVING THE 2020 AUDITED FINANCIAL STATEMENTS FOR THE CITY OF TWO HARBORS.**
9. **RESOLUTION NO. 4-114-21 AMENDING RESOLUTION NO. 4-100-21, CALLING A PUBLIC HEARING FOR 6 PM ON MONDAY, APRIL 26, 2021, TO CONSIDER A BUSINESS SUBSIDY FOR LS DENTAL BUILDING PROJECT LLC TO PROVIDE FOR A CHANGE IN DATE FOR THE HEARING.**
10. **RESOLUTION NO. 4-115-21 AMENDING RESOLUTION NO. 4-106-21, APPROVING LAKE SUPERIOR DENTAL BUILDING LLC'S PLANS AND SPECIFICATIONS AND AUTHORIZING AN ADVERTISEMENT FOR BIDS ON THE PROJECT CONTINGENT UPON APPROVAL OF STAKING BY LAKE COUNTY TO ADJUST THE AMOUNT THAT THE CITY WILL EXPEND FOR THE PROJECT AND THE AMOUNT OF THE GRANT THAT THE CITY IS ANTICIPATED TO RECEIVE FROM IRRR FOR THE PROJECT.**
11. **RESOLUTION NO. 4-116-21 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER THE AMENDED 2021 – 2023 CONTRACT BETWEEN THE CITY OF TWO HARBORS AND THE TWO HARBORS CURLING CLUB.**
12. **RESOLUTION NO. 4-117-21 DECLARING THIRD AND FINAL READING OF ORDINANCE NO. 121, SECOND SERIES, AN ORDINANCE RENEWING A FRANCHISE TO PINPOINT MINNESOTA, LLC TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF TWO HARBORS; SETTING FORTH CONDITIONS ACCOMPANYING THE RENEWAL OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS**
13. **RESOLUTION NO. 4-118-21 AUTHORIZING A SUMMARY OF ORDINANCE NO. 121, SECOND SERIES, AN ORDINANCE RENEWING A FRANCHISE TO PINPOINT MINNESOTA, LLC TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF TWO HARBORS; SETTING FORTH CONDITIONS ACCOMPANYING THE RENEWAL OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.**

14. Declaring first reading of an ordinance amending the City Code, Chapter 11 – Land Use Regulation.
15. **RESOLUTION NO. 4-119-21 AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER THE NON-DISCLOSURE AGREEMENT WITH MINNESOTA POWER.**
16. **RESOLUTION NO. 4-120-21 AUTHORIZING THE PURCHASE OF A METER TESTER FROM TESCO FOR AN AMOUNT OF \$19,850 FOR THE ELECTRICAL DEPARTMENT.**
17. **RESOLUTION NO. 4-121-21 AUTHORIZING THE PURCHASE OF 7500’ OF WIRE FROM WESCO FOR AN AMOUNT OF \$19,912.50 FOR THE ELECTRICAL DEPARTMENT FOR THE 2021 – 2022 STREET IMPROVEMENT PROJECT.**

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

New Business:

Motion by Woodruff and Passe that **RESOLUTION NO. 4-122-21 RECEIVING BIDS AND APPROVING THE RECOMMENDATION OF THE AWARD OF CONTRACT BY LAKE COUNTY IN THE AMOUNT OF \$3,216,620.04 FOR THE 2021–2022 STREET IMPROVEMENT PROJECT** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Motion by Swanson and Rennwald that **RESOLUTION NO. 4-123-21 RECOMMENDING THE AWARD BY LAKE COUNTY OF A PROFESSIONAL SERVICES CONTRACT IN THE AMOUNT OF \$29,480.00 FOR CONSTRUCTION MATERIALS TESTING ON THE 2021 – 2022 STREET IMPROVEMENTS PROJECT** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Motion by Woodruff and Passe that **RESOLUTION NO. 4-124-21 APPROVING A REQUEST BY THE TWO HARBORS HRA TO PROVIDE \$10,000 IN FUNDING ASSISTANCE FOR THE 2021 NEIGHBORHOOD REVITALIZATION PROGRAM** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Motion by Erickson and Woodruff that **RESOLUTION NO. 4-125-21 PROVIDING FOR THE SALE OF \$2,970,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2021A** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call .

Motion by Woodruff and Swanson that **RESOLUTION NO. 4-126-21 AUTHORIZING THE CITY TO ENTER INTO A CREDIT ENHANCEMENT PROGRAM AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Motion by Glaser and Swanson that **RESOLUTION NO. 4-127-21 PROVIDING FOR THE SALE OF \$740,000 GENERAL OBLIGATION EQUIPMENT CERTIFICATES, SERIES 2021B** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Motion by Woodruff and Swanson that **RESOLUTION NO. 4-128-21 DETERMINING THE NECESSITY TO ISSUE NOT TO EXCEED \$750,000 GENERAL OBLIGATION EQUIPMENT CERTIFICATES OF 2021** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Woodruff and Glaser Declaring first reading of An Ordinance of the City of Two Harbors, Minnesota, Determining to hold Section 2.77, Project Labor Agreements, in Abeyance until this ordinance is amended by the City Council of the City of Two Harbors. Carried.

Announcements:

Councilor Woodruff expressed appreciation to the administrative staff, the Mayor and Council on moving forward in a positive direction.

Mayor Swanson thanked the Planning Commission, administration and ARDC for their work in updating the zoning code. He also expressed thanks to the Public Works Department for their work in sweeping streets. He reported that there were more than 100 people who participated in the Earth Day clean-up in our City who picked up eight and one-half pick-up trucks full of trash. He expressed gratitude to those who participated and to the North Shore Rotary Club, Granite Gear, Lake County Soil & Water, Louise's Place, 11th Essential and Two Harbors Super One for sponsoring the event.

Swanson also expressed appreciation to the Council and staff for their work on the three items that the Council determined early in the year that they would be focusing on, which are the 2021 – 2022 Street Improvement Project, the Wastewater Treatment Facility Project and the housing shortage.

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

Benjamin Redden, Council President

Patricia D. Nordean, City Clerk