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May 24, 2021

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, May 24, 2021, at 6:00 p.m.

The meeting was called to order by President Redden.

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

Members absent, Councilors: Woodruff, Glaser. 2.

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

Clerk Nordean requested the addition of New Business No. 2 A resolution approving plans and specifications and authorizing an advertisement for bids for the Wastewater Treatment Facility Improvement Project.

Motion by Erickson and Passe approving the agenda with the addition requested by Clerk Nordean. Carried.

Administrator Report:

Administrator Walker reported that the Executive Committee met and determined that some operational changes will be made due to recent mandates being lifted by state and federal government officials and reduced occurrences of the COVID-19 virus. He also discussed the Street Improvement Project and reminded the Council that project weekly status reports are provided on Fridays. Walker noted that work on the Sidewalk Project will begin on June 1, the Wastewater Treatment project is moving forward to the bidding stage and the City was notified that they will be receiving \$600,000 in Small Cities grant for water distribution projects anticipated to begin in 2022.

THEDA:

Councilor Rennwald reported that at the last meeting of THEDA, they worked on fine-tuning the mission and watched a presentation by Community Development Planner, Sterbenz.

Personnel Committee:

Council President Redden reported that at their most recent meeting, the Personnel Committee discussed the retirement of the Public Works Director and the process to assign those duties, the resignation of the Patrol Officer in the Police Department discussing the likely internal transfer of the part-time employee to the Full-time position and the request of the Police Chief to consider

hiring a full-time patrol officer in place of the part-time patrol officer. The committee recommended that the internal posting of the full-time patrol officer be authorized, and if necessary, an external bulletin for the full-time officer. They referred to the Finance Committee, the determination of whether the current part-time position should be increased to a full-time officer position.

Public Works Committee:

Councilor Rennwald reported that at their meeting of May 13, the Public Works Committee discussed mowing, digging on various projects, manhole repair work on First Avenue and looking into milling of roads.

Public Affairs Committee:

Mayor Swanson reported that at the May 20 meeting of the Public Affairs Committee, the committee discussed the Neighborhood Revitalization Mini-Grant Program and future administration of that program, the Community Center, a request to lease the Campground West Bathhouse Office Space, a proposal to improve communication with our constituents and consumption of alcohol on City property, noting that the matter had been referred to the City Clerk for additional information.

Utilities Committee:

Mayor Swanson reported on the Utilities Committee meeting held on May 19, where they discussed the bid process for the Wastewater Treatment Plant Improvement Project, they discussed the possible increase in bid amounts for the project due to recent price increases for material such as steel and plastic. The group also discussed and recommended a proposal to improve the electrical services at the campground.

Trees & Trails Commission:

Councilor Passe reported on the Trees & Trails Commission of May 20, where they talked about wetlands delineation, vandalism in the tunnel under the railroad tracks, a proposal to work with a local girl scout group to replant certain trees at the campground, wayfinding signs and tree removal due to the Street Improvement Project.

Public Safety Committee:

Councilors Passe and Rennwald reported that at their last meeting, the group discussed and recommended authorization for a request for a parade permit for THHS graduates to be held after the graduation ceremony on June 4; Grandma's Marathon traffic control by the Police Department; a request for an additional stop sign on First Avenue, and recommended approval of a request to close the 600 block of First Avenue from 6 – 9 PM and staffing for the Police Department.

Finance & Budget Committee:

Councilor Erickson reported on the May 20 meeting of the Finance Committee where they heard from representatives of ICS, regarding a proposed collaboration and potential options with the School District. The group recommended that a special meeting be held to provide an opportunity for the whole Council to review and discuss specifics of the proposal. She also reported a request by the Edna G. Commission for a contribution for their Anniversary Celebration for the tug. They also discussed the American Rescue Act Funds, bond sales, First Quarter Financials and

recommended that the internal and external bulletins be posted for the position of part-time patrol officer, not increasing that position to full-time.

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

1. Approving minutes from the May 10, 2021 City Council meeting.
2. **RESOLUTION NO. 5-141-21 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON MAY 25, 2021, IN THE AMOUNT OF \$428,938.64.**
3. Approving payroll for the first half of May, 2021, in the amount of \$211,046.40.
4. Street Improvement Project Status Update from Joe Rhein, Bolton & Menk.
5. Refer to the Public Affairs Committee, a request from Monica Hendrickson, John Beargrease Sled Dog Marathon, for permission to use the ski trail for their Beargrease Fur-K 5K Fun Run fundraiser event from 8 am – 8 pm on Saturday, October 2, 2021.
6. Accepting the resignation of Carrie Coan from the Public Arts & Beautification Commission, with regret and authorizing a letter of appreciation for her service.
7. Accepting the resignation of Terrance Gavic from his position as Patrol Officer in the Police Department and authorizing a letter of appreciation for his service.
8. Accepting the recommendation of the Personnel Committee to authorize internal and if necessary, an external bulletin for the position of Full-Time Patrol Officer in the Police Department.
9. Accepting the recommendation of the Finance Committee to authorize internal and external bulletins, if necessary, for the position of Part-Time Patrol Officer in the Police Department.
10. Accepting the recommendation of the Safety Committee to authorize a parade permit for the THHS Graduation Parade at 8:45 PM, on June 4, following the graduation ceremony.
11. Accepting the recommendation of the Safety Committee to authorize a street closure in the 600 block of First Avenue from 6 – 9 PM, on Friday, June 11 for their new event, Friday Night Music & Market.
12. **RESOLUTION NO. 5-142-21 AUTHORIZING PAYMENT TO ULLAND BROTHERS, INC. FOR PAYMENT REQUEST NO. 1 FOR THE 2021 STREET IMPROVEMENTS PROJECT IN THE AMOUNT OF \$16,409.35.**
13. **RESOLUTION NO. 5-143-21 ACCEPTING THE PROPOSAL OF TYLER TECHNOLOGIES TO PROVIDE SOFTWARE UPGRADE FOR ELECTRONIC TRANSMITTAL OF BILLS FOR CITY UTILITY CUSTOMERS FOR AN AMOUNT OF \$6,684.**

14. **RESOLUTION NO. 5-144-21 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A RETAINER AGREEMENT WITH ECKBERG, LAMMERS, ATTORNEYS AT LAW FOR INTEREST-BASED DIALOGUE TRAINING SERVICES FOR THE CITY COUNCIL AND ADMINISTRATIVE STAFF.**
15. **RESOLUTION NO. 5-145-21 AUTHORIZING THE PURCHASE OF PARTS FOR THE STREET SWEEPER FROM MACQUEEN EQUIPMENT IN THE AMOUNT OF \$3,615.75.**
16. **RESOLUTION NO. 5-146-21 AUTHORIZING THE PURCHASE OF TWO NEW 400 AMP SERVICES FOR THE CAMPGROUND ELECTRICAL UPGRADE PROJECT FROM GRAYBAR ELECTRIC FOR AN AMOUNT OF \$9,241.34.**
17. **RESOLUTION NO. 5-147-21 AUTHORIZING THE PURCHASE OF TWO C.T. CABINETS FROM BORDER STATES ELECTRIC FOR AN AMOUNT OF \$1,250 FOR THE CAMPGROUND ELECTRICAL UPGRADE PROJECT.**
18. **RESOLUTION NO. 5-148-21 AUTHORIZING THE PURCHASE OF WIRE FOR THE CAMPGROUND ELECTRICAL UPGRADE PROJECT FROM BORDER STATES ELECTRIC FOR AN AMOUNT OF \$13,125.**
19. **RESOLUTION NO. 5-149-21 AUTHORIZING THE PURCHASE OF 36 NEW ELECTRICAL PEDESTALS FOR CAMPGROUND SITES 67 – 102 FROM BORDER STATES ELECTRIC, FOR AN AMOUNT OF \$5,653.08.**
20. **RESOLUTION NO. 5-150-21 APPROVING THE 2021 FIRST QUARTER FINANCIAL STATEMENTS FOR THE CITY OF TWO HARBORS.**
21. **RESOLUTION NO. 5-151-21 ACKNOWLEDGING THE MERGER OF LAKE BANK AND PARK STATE BANK AND OFFICIALLY DESIGNATING PARK STATE BANK AS DEPOSITORY FOR CITY FUNDS IN 2021.**
22. Authorizing a contingent offer of employment for the position of Parks, Grounds and Building Maintenance in the Public Works Department.
23. **RESOLUTION NO. 5-152-21 HIRING TEMPORARY EMPLOYEES IN THE PUBLIC WORKS DEPARTMENT.**

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

Unfinished Business:

Motion by Passe and Erickson that **RESOLUTION NO. 5-153-21 DECLARING THIRD AND FINAL READING OF AN ORDINANCE NO. 122, SECOND SERIES, 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** 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. 5-154-21 DECLARING THIRD AND FINAL READING OF ORDINANCE NO. 123, SECOND SERIES, AN ORDINANCE OF THE CITY OF TWO HARBORS, MINNESOTA AMENDING THE CITY CODE, CHAPTER 11 – LAND USE REGULATION** be adopted as read. Carried by the following vote: Yeas: Rennwald, Swanson, Erickson, Redden. 4. Nays: Passe. 1.

New Business:

Motion by Swanson and Rennwald that **RESOLUTION NO. 5-155-21 AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH LS DENTAL BUILDING, LLC.** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Swanson that **RESOLUTION NO. 5-156-21 APPROVING PLANS AND SPECIFICATIONS AND AUTHORIZING AN ADVERTISEMENT FOR BIDS FOR THE WASTEWATER TREATMENT FACILITY IMPROVEMENT PROJECT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson expressed appreciation to those who were involved in the application for the \$600,000 Small Cities Development Grant for water distribution improvements.

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

Ben Redden, City Council President

Patricia D. Nordean, City Clerk