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October 25, 2021

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, October 25, 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: Interim Administrator/Finance Director, Pietila
City Clerk, Nordean
Community Development/Planner, Sterbenz
City Attorney, Costley.

Clerk Nordean requested the following changes to the agenda: Remove Consent Agenda No. 12, Authorizing payment to Bolton & Menk in the amount of \$40,704 for professional services for the 2021 and 2022 Street & Alley Improvement Project; Table New Business No. 2 [R] Consider the recommendation of THEDA that the City Council adopt a moratorium on all future City land sales and development for up to one year for the purpose of completing a strategic plan. Vice President Glaser recommended the addition of New Business No. 3 [R] Authorizing a request for proposals for a strategic plan for economic development for the City of Two Harbors.

Motion by Woodruff and Rennwald approving the agenda, with the changes as recommended. Carried.

Appearances:

Meg Maloney, World-Kinect, was present and addressed the Council regarding natural gas pricing. She provided a review of what led up to the dramatic rate increase last winter and reviewed the City's current practices for purchasing gas as well as the outlook for the current heating season.

Administrator Report:

Pietila reported that she is working on the preliminary draft of the CIP for 2022. Staff has also been working on the assessment process for the sidewalk projects and there will be a public hearing scheduled on that matter. She noted that the Council will consider adopting the 2022 Budget at the December 6 meeting.

HRA:

Council Vice President Glaser reported that the City HRA approved their 2022 Budget and received an update from the Building Manager on the concrete project. She noted that as apartments are vacated, they are being updated between tenants.

THEDA:

Councilor Rennwald reported that Attorney Costley was introduced to the group at their last regular meeting. They also discussed strategic planning, by-laws, a housing study and received staff reports.

Public Works Committee:

Councilor Rennwald reported that Jenna Udenberg was present at the last meeting of the Public Works Committee and provided a thorough report on accessibility throughout the City. The group also discussed the issues concerning the basement at the Tourist Information Center, the winter schedule for the Public Works department and lighting at public skating rinks.

Edna G. Commission:

Councilor Woodruff reported on the October 20 meeting of the Edna G. Commission. He expressed appreciation to the Public Works Department for their work on the fencing by the Edna G. He noted that there is work to be done at the Pilothouse and Captains Quarters as well as the rub rails and gunnels. He indicated that they believe there to be asbestos in the boiler room which may need to be encapsulated and that the committee has placed some items for disposal at the end of the dock and requested the assistance of the Public Works in picking it up.

Utilities Committee:

President Redden reported that at their October 20th meeting the Utilities Committee reviewed aesthetic designs for the chlorine tank at the Water Treatment Plant and discussed letters to be sent to customers with known water leaks.

Trees & Trails Commission:

Councilor Passe reported on the October 21 meeting of the Trees & Trails Commission where they discussed the Odegard Park Trail and the RFP, the work plan, path connecting the other side of Skunk Creek to the Bus Garage, and ATVs using the snowmobile trail behind Cedar Coffee.

Finance Committee:

Councilor Erickson reported that the Finance Committee met on October 21 and Miranda provided an overview of governmental funds. They will be meeting again in the next few weeks to go over the enterprise funds to make sure we have an understanding of those accounts each year. They also received an update from the Finance Director on cloud storage needs for new and existing software.

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

1. Approving minutes from the October 11, 2021 Regular City Council meeting.

2. **RESOLUTION NO. 10-286-21 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$1,536,583.03.**
3. Approving payroll for the first half of October, 2021, in the amount of \$98,955.92.
4. A memorandum from Joe Rhein, Bolton & Menk, providing a status update on the 2021 – 2022 Street Improvement Project.
5. **RESOLUTION NO. 10-287-21 ACCEPTING A PROPOSAL FROM NATIONAL INSURANCE SERVICES FOR RENEWAL OF EMPLOYEE LIFE AND LONG-TERM DISABILITY INSURANCE POLICIES EFFECTIVE JANUARY 1, 2022 WITH NO RATE INCREASE.**
6. **RESOLUTION NO. 10-288-21 ACCEPTING A PROPOSAL FROM MEDICA FOR RENEWAL OF EMPLOYEE HEALTH INSURANCE EFFECTIVE JANUARY 1, 2022 WITH AN INCREASE OF 12%.**
7. **RESOLUTION NO. 10-289-21 ACCEPTING A PROPOSAL FROM DELTA DENTAL OF MN FOR RENEWAL OF EMPLOYEE DENTAL INSURANCE POLICIES EFFECTIVE JANUARY 1, 2022.**
8. **RESOLUTION NO. 10-290-21 ACCEPTING A PROPOSAL FROM SAND CREEK TO PROVIDE EMPLOYEE ASSISTANCE PROGRAM SERVICES FOR CITY EMPLOYEES AND ELIGIBLE DEPENDENTS.**
9. Accepting, with regret, a letter of resignation from Tyler Anderson, from his position as Patrol Officer with the Police Department effective October 31, 2021.
10. Accepting a letter of termination of the Agreement for Professional Services between Overom Law and the City of Two Harbors effective September 20, 2021, with regret, and authorizing a letter of appreciation for his years of service to the City.
11. **RESOLUTION NO. 10-291-21 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$30,407.85 FOR ENGINEERING SERVICES FOR THE WASTEWATER TREATMENT PLANT PROJECT THROUGH SEPTEMBER 17, 2021.**
13. **RESOLUTION NO. 10-292-21 AUTHORIZING PAYMENT TO LAKE COUNTY IN THE AMOUNT OF \$25,877.79 FOR PAY APPLICATION NO. 11 FOR THE 2021 – 2022 STREET IMPROVEMENT PROJECT.**
14. Authorizing a letter of support from the City Council for the potential hosting of the Tall Ships Festival in Two Harbors in 2022.
15. **RESOLUTION NO. 10-293-21 DESIGNATING THE COMMUNITY BUILDING, 417 SOUTH AVENUE, AS THE POLLING PLACE FOR THE CITY OF TWO HARBORS FOR 2022.**
16. **RESOLUTION NO. 10-294-21 CANCELING THE ON-SALE INTOXICATING AND SUNDAY ON-SALE LIQUOR LICENSE FOR THE TWO HARBORS GOLF**

ASSOCIATION EFFECTIVE OCTOBER 25, 2021 AND APPROVING THE ON-SALE INTOXICATING LIQUOR AND SUNDAY ON-SALE LIQUOR LICENSE FOR THE TWO HARBORS CURLING CLUB, EFFECTIVE NOVEMBER 1, 2021 – APRIL 14, 2022.

17. Approving the request of the American Legion to be open on Sunday, November 11, as allowed with their Annual On-Sale Club License.
18. **RESOLUTION NO. 10-295-21 SCHEDULING A PUBLIC HEARING FOR 6 PM, ON MONDAY, NOVEMBER 22, 2021, REGARDING ASSESSMENTS FOR SIDEWALK IMPROVEMENTS.**

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

New Business:

Motion by Erickson and Woodruff that **RESOLUTION NO. 10-296-21 APPROVING THE LABOR AGREEMENT BETWEEN THE CITY OF TWO HARBORS, MINNESOTA AND AFSCME LOCAL 1123 1-1-21 TO 12-31-23** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Glaser and Woodruff that **RESOLUTION NO. 10-297-21 AUTHORIZING A REQUEST FOR PROPOSALS FROM POTENTIAL CONSULTANTS FOR THE DEVELOPMENT OF AN ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR THE CITY OF TWO HARBORS** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson expressed appreciation to Meg Maloney of World-Kinect, for her presentation on natural gas pricing. He also expressed thanks to Gas Superintendent, Paul Johnson, and his crew for their work with the natural gas system. Swanson also expressed his gratitude to those who worked on the labor agreement between the City and AFSCME Local 1123.

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

Ben Redden, President, City Council

Patricia D. Nordean, City Clerk