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May 9, 2022

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, May 9, 2022, at 6:00 p.m.

The meeting was called to order by President Redden.

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

Members absent, Councilor: Woodruff. 1.

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

Pietila requested the addition of the following items under Consent Agenda: 17. Accepting the quote from Altec for the purchase of a bucket truck for the Electrical Department, for an amount of \$173,088; 18. Approving the application of Madeira, LLC, for On-Sale Wine; 3.2 Liquor and strong beer as the holder of a wine license who is also licensed to sell 3.2 liquor at 631 First Avenue, pending the approval of the Chief of Police, Lake County Health Department and the State of Minnesota; 19. Approving the minutes from the April 25, 2022 regular City Council meeting and changing New Business No. 1 from a resolution to a motion.

Motion by Glaser and Passe approving the agenda with the changes proposed by Pietila. Carried.

Appearances:

Paul Iverson, 809 Third Avenue, was present and addressed the Council, urging them to adopt the proposed Short-Term Rental Ordinance language.

He also asked the Council and administration to find a way to administer and contribute to a Neighborhood Revitalization Mini-Grant Program for the City. He expressed his opinion that the program provides positive results in improving the appearance of our City.

Tim Costley, City Attorney, was present and addressed the Council providing a review of the status of the recall petition and pending litigation regarding the matter.

Planning Commission:

Vice President Glaser reported on the most recent meeting of the Planning Commission where a lengthy discussion was held regarding the proposed short-term rental ordinance language. The

group has come to consensus and is ready for the Council to move forward with the adoption of this language.

Personnel:

Vice President Glaser reported that at their meeting of April 27, 2022, the committee discussed the hiring process and timeline for the City Administrator search. She expressed that the pending developments with the Resign and Recall petition may have them looking to extend the timeline.

Library Board:

Madeline Jarvis, Library Director, was present and reported that their archives room has been closed for some building repairs. She expressed appreciation to City staff for providing assistance with the repairs. She also reported that they have been busy with some indoor and in-person programming which has resumed for the first time since March of 2020. She encouraged folks to stop by on Fridays youth programs, during the month of May, some adult programs exploring how older Americans can age their way.

Trees & Trails Commission:

Councilor Passe was present and addressed the Council reporting that there was a lot of discussion at their April meeting, between representatives from the ATV, snowmobile and bicycle groups. The Commission recommended the installation of a 14 x 14' box culvert at the west end of the City to allow for snowmobile grooming equipment and a 12 x 12 box culvert for pedestrian traffic by the Golf Course. Dan Cruikshank was present at their meeting and presented a proposed route for a proposed bicycle trail; and discussion was held regarding the presence of Emerald Ash Borer within the City.

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

1. **RESOLUTION NO. 5-123-22 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS TO BE PAID ON MAY 10, 2022 IN THE AMOUNT OF \$2,281,241.80.**
2. Approving payroll for the second half of April 2022 in the amount of \$237,639.80.
3. A City Administrator report from Joel Dhein, Interim City Administrator
4. A Memorandum from Joe Rhein, PE and Brian Guldan, PE, Bolton & Menk, providing engineering project updates.
5. Accepting, with regret, an email from Steve Detlefsen, providing his resignation from the Planning and Zoning Commission, and authorizing a letter of appreciation for his service.
6. **RESOLUTION NO. 5-124-22 CERTIFYING ASSESSMENTS TO THE LAKE COUNTY AUDITOR AGAINST CERTAIN PROPERTIES WITHIN THE CITY OF TWO HARBORS FOR UNPAID UTILITY CHARGES.**
7. **RESOLUTION NO. 5-125-22 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$53,795.35 FOR PROFESSIONAL SERVICES FOR THE**

WASTEWATER TREATMENT PLANT PROJECT AND SERVICES RELATED TO THE ADJACENT PROPERTY DEVELOPMENT REGARDING THE LAND ACQUISITION, USAGE, AND IMPACTS ON CONSTRUCTION.

8. **RESOLUTION NO. 5-126-22 AUTHORIZING PAYMENT TO LAKEHEAD CONSTRUCTORS FOR THE \$708,245.04 FOR THE CONSTRUCTION OF THE WASTEWATER TREATMENT PLANT PROJECT.**
9. **RESOLUTION NO. 5-127-22 ACCEPTING THE QUOTE FROM NORTH COUNTRY GM FOR THE PURCHASE OF A 2023 GMC 2500HD FOR THE AMOUNT OF \$43,857 FOR THE ELECTRIC DEPARTMENT.**
10. **RESOLUTION NO. 5-128-22 ACCEPTING THE QUOTE FROM NORTH COUNTRY GM FOR THE PURCHASE OF A 2023 GMC 2500HD FOR THE AMOUNT OF \$44,618 FOR THE GAS DEPARTMENT.**
11. **RESOLUTION NO. 5-129-22 CREATING A HIRING POOL FOR FUTURE VOLUNTEER FIREFIGHTER POSITIONS AND AUTHORIZING CONDITIONAL OFFERS FOR FIVE INDIVIDUALS FOR THE POTENTIAL HIRE FOR EXISTING AND UPCOMING VACANCIES (CONTINGENT ON BACKGROUND CHECKS AND MEDICAL EVALUATIONS).**
12. **RESOLUTION NO. 5-130-22 AUTHORIZING BOLTON & MENK TO CONDUCT TOPOGRAPHIC SURVEY FOR THE ODEGARD TRAIL FOR \$6,500 FROM THE UNDERPASS TO THE PARKING LOT/9TH STREET AND ADDING AN ADDITIONAL \$900 TO INCLUDE 9TH STREET TO 8TH STREET.**
13. **RESOLUTION NO. 5-131-22 ACCEPTING THE QUOTE FROM AG O'BRIEN FOR HOUSETRAP REMOVAL/FLOOR REPAIR AND RESTROOM UPDATES FOR \$8,894 AT THE TWO HARBORS LIBRARY.**
14. **RESOLUTION NO. 5-132-22 ACCEPTING THE QUOTE FROM BASEMENT PROS FOR BUILDING REPAIRS AT THE TWO HARBORS LIBRARY FOR \$24,226.**
15. **RESOLUTION NO. 5-133-22 AUTHORIZING THE LIBRARY DIRECTOR TO SUBMIT A GRANT APPLICATION TO THE EMERGENCY CONNECTIVELY FUND.**
16. Reviewing the 2023-2024 Street Improvement Project Draft Design Agreement with Lake County and authorizing administration and Bolton & Menk to send a draft Joint Powers Agreement to Lake County for review.
17. **RESOLUTION NO. 5-134-22 ACCEPTING THE QUOTE FROM ALTEC FOR THE PURCHASE OF A BUCKET TRUCK FOR THE ELECTRICAL DEPARTMENT, FOR AN AMOUNT OF \$173,088.**
18. **RESOLUTION NO. 5-135-22 APPROVING THE APPLICATION OF MADEIRA, LLC, FOR ON-SALE WINE; 3.2 LIQUOR AND STRONG BEER AS THE**

HOLDER OF A WINE LICENSE WHO IS ALSO LICENSED TO SELL 3.2 LIQUOR AT 632 FIRST AVENUE, PENDING THE APPROVAL OF THE CHIEF OF POLICE, LAKE COUNTY HEALTH DEPARTMENT AND THE STATE OF MINNESOTA.

19. Approving the minutes from the April 25, 2022 regular City Council meeting.

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

New Business:

Motion by Glaser and Passe declaring second reading of the Ordinance of the City of Two Harbors, Minnesota Amending Section 4.42 of the Two Harbors City Code Concerning Short-term Rentals. Carried.

Motion by Swanson and Glaser that **RESOLUTION NO. 5-136-22 AMENDING THE CONTRACT WITH THE INTERIM CITY ADMINISTRATOR TO ALLOW FOR HOUSING AT A CITY OWNED BUILDING LOCATED AT 622 7TH AVENUE, TWO HARBORS, MN 55616** 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. 5-137-22 AUTHORIZING LAKEHEAD CONSTRUCTORS TO BUILD AN ACCESS ROAD ACROSS CITY OWNED PROPERTY BETWEEN THE WASTEWATER TREATMENT PLANT AND THE WATER TREATMENT PLANT ACROSS THE CITY OWNED ANKRUM PROPERTY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Announcements:

Mayor Swanson encouraged the Council to consider the proposal of Katjia Gordon to provide mediation services for the Council. He also recommended that the Council find a way to make the Revitalization Mini-Grant Program happen.

Jennifer Sterbenz, Community Development/Planner, reported that there is potential for the HRA to continue with this process if some changes were made regarding payment of grant funds by the City.

Councilor Erickson expressed concern with these items being discussed under the Announcements section of the meeting.

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

Ben Redden, President, City Council

Patricia D. Nordean, City Clerk