May 2, 2016

Special meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, May 2, 2016 at 5:00 p.m.

The meeting was called to order by President Norberg.

Members present, Councilors: Norberg, Erickson, Woodruff, Bolen, Borud, Glaser. 6.

Members absent, Councilor: Simonson. 1.

Others present: Administrator Walker
City Clerk Nordeen
Public Works Director Fabini

President Norberg announced the purpose of the special meeting was to identify projects for years one and two for the proposed Capital Improvement Plan and discuss the Campground Complex Project.

Steve Heth, Bolton and Menk, was present and addressed the Council regarding the proposed Capital Improvement Plan and the need to identify projects for years one and two of the Plan.

Motion by Bolen and Borud that the following projects be identified for years one and two for the proposed Capital Improvement Plan:

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Year</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recon 9th Avenue between Sixth and Seventh Street</td>
<td>One</td>
<td>$112,000</td>
</tr>
<tr>
<td>Recon Thirteenth Street between Seventh and Eighth Avenues</td>
<td>One</td>
<td>101,000</td>
</tr>
<tr>
<td>Pave Eleventh Avenue between Ninth and Tenth Streets*</td>
<td>One</td>
<td>61,000</td>
</tr>
<tr>
<td>*This project is proposed with no assessment to adjoining property owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recon Alley North of Second Avenue between Fourth and Fifth Streets</td>
<td>One</td>
<td>32,000</td>
</tr>
<tr>
<td>Recon Alley North of Fourth Avenue between Fifth and Sixth Streets</td>
<td>One</td>
<td>32,000</td>
</tr>
<tr>
<td>Recon Sidewalks along Eleventh Avenue between Fourth and Seventh Streets</td>
<td>One</td>
<td>24,000</td>
</tr>
<tr>
<td>Repair intersection of Third Street and South Avenue</td>
<td>One</td>
<td>10,000</td>
</tr>
<tr>
<td>Repair Ninth Street between Ninth and Tenth Avenues</td>
<td>One</td>
<td>54,000</td>
</tr>
<tr>
<td>Construct 80 x 150’ heated storage building</td>
<td>One</td>
<td>400,000</td>
</tr>
<tr>
<td>Recon Third Avenue between Seventh and Eighth Streets</td>
<td>Two</td>
<td>154,000</td>
</tr>
<tr>
<td>Recon Sixth Avenue between Eighth and Ninth Streets</td>
<td>Two</td>
<td>216,000</td>
</tr>
<tr>
<td>Recon alley North of Third Avenue between Second and Fourth Streets</td>
<td>Two</td>
<td>74,000</td>
</tr>
</tbody>
</table>
Recon Alley North of Seventh Avenue between Seventh and Ninth Streets  
Two 68,000

Recon Alley North of Eighth Avenue between Seventh and Ninth Streets  
Two 68,000

Construct mylar salt storage building  
Two 50,000

Purchase Carpenter Truck  
Two 30,000

Purchase Mini Excavator  
Two 50,000

Purchase Tandem Dump Truck  
Two 140,000

Purchase Skid Steer or Tool Cat  
Two 40,000

Replace Police Patrol Squad  
Two 45,000

Replace Fire Engine 21  
Two 600,000

Transient Dock Facility PH 1  
Two 908,000

Lighting Upgrade – Water Fund  
Two 10,000

Reclaim Pump - Water Fund  
Two 7,000

Relocation of 8” Mains – Water Fund  
Two 50,000

Update Hydrant Connections  
Two 25,000

12” Valve Replacement – Water Fund  
Two 20,000

Sewer Facility Evaluation  
Two 50,000

Remove Lighthouse Lift  
Two 20,000

Superior Shores Pump  
Two 10,000

Remove and Replace 5 manhole castings per year  
Two 25,000

Purchase Electric Crew Truck  
Two 40,000

Install Gas District Regulator  
Two 12,000

Purchase Gas Distribution Supt. Pickup  
Two 30,000

Construct New Liquor Store  
Two 1,500,000

Mayor Bolen called for a roll call vote. Carried by the following vote: Yeas: Glaser, Bolen, Borud, Woodruff, Norberg. 5. Nays: Erickson. 1.

Motion by Bolen and Erickson that RESOLUTION NO. 5-139-16 APPROVING CHANGE ORDER NO. 1 TO THE AGREEMENT BETWEEN THE CITY AND TL CONSTRUCTION IN THE AMOUNT UP TO $10,323.81, FOR HAULING OF SOIL FOR THE CAMPGROUND COMPLEX PROJECT, IF NECESSARY be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Bolen and Borud that RESOLUTION NO. 5-140-16 APPROVING CHANGE ORDER NO. 2 TO THE AGREEMENT BETWEEN THE CITY AND TL CONSTRUCTION IN THE AMOUNT UP TO $2,923.99 FOR MOBILIZATION FOR THE CAMPGROUND COMPLEX PROJECT IF NECESSARY be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Bolen and Erickson that RESOLUTION NO. 5-141-16 AUTHORIZING PAYMENT TO TL CONSTRUCTION IN THE AMOUNT OF UP TO $1,501.08 FOR OVERHEAD AND PROFIT IN THE AMOUNT OF $1,326.04 AND A 1.2%
INCREASE IN THE BOND COST IN THE AMOUNT OF $175, IF NECESSARY
be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

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

Jerry Norberg, City Council President

Patricia D. Nordean, City Clerk