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January 23, 2023

Regular meeting of the City Council of the City of Two Harbors, Minnesota, held on Monday, January 23, 2023, at 6:03 p.m.

The meeting was called to order by President Redden.

Members present, Councilors: Hefter, Glaser, Kasell, Passe, Erickson, Redden. 6.

Others present: Interim Administrator, Dhein
Finance Director, Pietila
City Clerk, Nordean
City Attorney, Costley.

Clerk Nordean requested the following additions to the agenda: Appearance No. 3, Crystal Emerson, for an interview for a seat on the City's Planning Commission and a resolution to consider her appointment; Consent Agenda No. 21, calling for a special meeting for February 4, 2023, for the purpose of conducting interviews and appointing a City Administrator; and New Business No. 10.1, Approving the Special Event Permit Application facilitated by Lovin Lake County for a family event near the depot, pending approval of the DNR and CN.

Motion by Glaser and Hefter approving the agenda with the changes proposed by the clerk. Carried by a unanimous yea vote of members present on roll call.

Appearances:

Eric Wedge and Carlie Kemp, DSGW, were present and addressed the Council providing an overview of the proposed Liquor Store Project. They shared that they have been meeting with a design team since October. They reviewed the site and some challenges it presented including wetlands and the potential rebuild of the Highway 61 Corridor and also some features that the site will allow for including ample parking. They reviewed the interior, including the entrance, cashier station, an area for high-end spirits, wrapping the store in coolers, office areas, staff amenities and safety features. They discussed the use of wood and other natural materials found locally as well as natural lighting.

Brian Guldan, Bolton & Menk, was present and addressed the council providing an overview of the proposed Water Treatment Plant Improvement Project. He reported that the project is ready for bidding, but there is time if the Council is not ready to make a decision at this time.

Joe Rhein, Bolton & Menk, was present and addressed the Council providing an update on the Odegard Trail Project.

Tom Furman, Executive Director, City HRA, was present and addressed the Council requesting a variance from existing ordinance language regarding legal counsel for the HRA.

Jay Cole, 716 Sixth Avenue, was present and addressed the Council regarding Robots, Artificial Intelligence, Machine Learning (RAIML) and the homeless crisis.

Crystal Emerson, 921 Tenth Avenue, was present and participated in an interview for a position on the City Planning Commission. Motion by Glaser and Passe that **RESOLUTION NO. 1-26-23 APPOINTING CRYSTAL EMERSON AS A MEMBER OF THE PLANNING COMMISSION FOR AN UNEXPIRED TERM ENDING IN MARCH OF 2024** be adopted as read. Carried by a unanimous ye a vote of all members present on roll call.

Administrator Report:

Interim Administrator Dhein reported that the City has received three proposals to provide engineering services for the airport. Staff will be establishing a process for review of the proposals and make a recommendation to the Council in the near future.

Dhein also indicated that there will be an inspection of the Airport on January 31.

Utilities Committee:

Councilor Glaser reported that at their most recent meeting, the Utilities Committee reviewed the new format for utility bills and discussed the resignation of the City's Water and Wastewater Treatment Plant Superintendent.

Personnel Committee:

Councilor Glaser reported on the last meeting of the Personnel Committee where they discussed upcoming hirings in the Public Works Department, education for employees and a timeline for City Administrator interviews.

Trees & Trails Commission:

Councilor Passe reported on the January 19 meeting of Trees & Trails where they discussed the Odegard Trail, tree planting in 2019, 2021 and 2022, the Bigfoot Trails and membership on Trees & Trails.

Public Affairs Committee:

Councilor Glaser reported on the most recent meeting of Public Affairs where they met with the City's Campground Manager and discussed campground projects and issues, and cable television and the broadcast of City meetings, City committees, and a proposed plastic bag ordinance.

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

1. Approving minutes from the January 9, 2023 Regular City Council meeting.

2. **RESOLUTION NO. 1-27-23 ALLOWING CLAIMS AGAINST THE CITY OF TWO HARBORS, IN THE AMOUNT OF \$1,337,781.19.**
3. Approving payroll for the first half of January, 2023, in the amount of \$231,291.70.
4. **RESOLUTION NO. 1-28-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,312.50 FOR PROFESSIONAL SERVICES FOR REVISION OF WETLAND DELINEATION, REVIEW ESA REPORT FINDINGS AND OPTIONS FOR NEXT STEPS FOR THE PARCEL LOCATED BETWEEN THE WATER AND WASTEWATER TREATMENT PLANTS.**
5. **RESOLUTION NO. 1-29-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$1,250 FOR GENERAL ENGINEERING SERVICES FROM OCTOBER 29 – NOVEMBER 25, 2022, FOR COORDINATION WITH STAFF ON CIP AND GIS ASSISTANCE WITH WEBSITE MANAGEMENT AND MAPPING.**
6. **RESOLUTION NO. 1-30-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$14,121.50 FOR ENGINEERING SERVICES FOR THE 2021 & 2022 STREET IMPROVEMENT PROJECT.**
7. **RESOLUTION NO. 1-31-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$39,941 FOR PROFESSIONAL SERVICES FOR THE 2023 – 2024 STREET IMPROVEMENT PROJECT.**
8. **RESOLUTION NO. 1-32-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$8,455 FOR PROFESSIONAL SERVICES FOR THE ODEGARD TRAIL PROJECT.**
9. **RESOLUTION NO. 1-33-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$7,761 FOR THE LIQUOR STORE PROJECT.**
10. **RESOLUTION NO. 1-34-23 AUTHORIZING PAYMENT TO BOLTON & MENK IN THE AMOUNT OF \$955 FOR PROFESSIONAL SERVICES FOR THE MNDOT RECONSTRUCTION PROJECT.**
11. **RESOLUTION NO. 1-35-23 AUTHORIZING THE PURCHASE OF A FORD PICKUP TRUCK FOR THE SEWER COLLECTION DEPARTMENT FROM FORD OF HIBBING, MN FOR AN AMOUNT OF \$48,937.16 THROUGH THE STATE BID PROGRAM.**
12. **RESOLUTION NO. 1-36-23 AUTHORIZING THE PURCHASE OF A 2023 DODGE PICKUP FOR THE GAS DISTRIBUTION DEPARTMENT FROM DODGE OF BURNSVILLE, THROUGH THE STATE BID PROGRAM FOR AN AMOUNT OF \$37,556.**
13. **RESOLUTION NO. 1-37-23 CERTIFYING ASSESSMENTS TO THE LAKE COUNTY AUDITOR, FOR CERTAIN DELINQUENT UTILITY CHARGES AGAINST A CERTAIN PARCEL WITHIN THE CITY.**

14. Referring to the Personnel Committee, the request of Dave Ellquist, for permission to carry over two floating holidays into 2023 and for compensation for his work on the New Years and Martin Luther King holidays.
15. **RESOLUTION NO 1-38-23 AUTHORIZING A CONDITIONAL OFFER OF EMPLOYMENT FOR THE POSITION OF ELECTRONIC DATA PROCESSING TECHNICIAN AT CITY HALL TO MEG LUBOVICH.**
16. **RESOLUTION NO. 1-39-23 AUTHORIZING A CONDITIONAL OFFER OF EMPLOYMENT FOR THE POSITION OF PERMANENT PART TIME LIQUOR STORE CLERK TO SHANE SWEENEY.**
17. **RESOLUTION NO. 1-40-23 AWARDDING THE INTERNAL BIDS OF CARL HENRY AND CRAIG JUSSILA FOR THE POSITION OF PUBLIC WORKS SPECIALIST II.**
18. Approving the request of the Water and Wastewater Treatment Plant Superintendent to allow Clayton Anderson and Will Rueckert to attend the MRWS Annual Water & Wastewater Technical Conference in St. Cloud.
19. **RESOLUTION NO. 1-41-23 AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND DELIVER A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND TEAMSTERS LOCAL 346 ALTERING CERTAIN TERMS AND CONDITIONS OF EMPLOYMENT AS DESCRIBED IN THE CURRENT LABOR AGREEMENT FOR NEW EMPLOYEE, SEAN JONES DUE TO HIS EXTENSIVE EXPERIENCE AS A POLICE OFFICER.**
20. Accepting with regret, the letter from Karrie Seeber, announcing her intention to retire effective June 1, 2023, and authorizing a letter of appreciation for her years of service and dedication to the City of Two Harbors.
21. Calling for a special meeting for February 4, 2023, for the purpose of conducting interviews and appointing a City Administrator.

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

Communications:

1. A memorandum from Joe Rhein, Bolton & Menk, providing an update on the Odegard Park Trail Project.

New Business:

Motion by Erickson and Glaser that **RESOLUTION NO. 1-42-23 AUTHORIZING COMPENSATION FOR COUNCILOR HEFTER TO ATTEND MEETINGS OF THE LIBRARY BOARD, THEDA, CABLE TV, CIP AND WATERFRONT COMMITTEES** be adopted as read. Carried by the following vote: Yeas: Glaser, Kasell, Passe, Erickson, Redden. 5. Abstain. Hefter. 1.

Motion by Erickson and Redden that **RESOLUTION NO. 1-43-23 AUTHORIZING COMPENSATION FOR COUNCILOR GLASER TO ATTEND MEETINGS OF HRA, PLANNING COMMISSION, CABLE TV, CIP AND WATERFRONT COMMITTEE** be adopted as read. Carried by the following vote: Yeas: Hefter, Kasell, Passe, Erickson, Redden. 5. Abstain: Glaser. 1.

Motion by Glaser and Hefter that **RESOLUTION NO. 1-44-23 AUTHORIZING COMPENSATION FOR COUNCILOR KASELL TO ATTEND MEETINGS OF THE PUBLIC SAFETY COMMITTEE, CHAMBER OF COMMERCE, CABLE TV COMMISSION, CIP AND WATERFRONT COMMITTEES** be adopted as read. Carried by the following vote: Yeas: Hefter, Glaser, Passe, Erickson, Redden. 5. Abstain: Kasell. 1.

Motion by Glaser and Redden that **RESOLUTION NO. 1-45-23 AUTHORIZING COMPENSATION FOR COUNCILOR PASSE TO ATTEND MEETINGS OF PUBLIC SAFETY COMMITTEE, EDNA G. COMMISSION, TREES & TRAILS COMMISSION, NORTH SHORE MANAGEMENT BOARD, CABLE TV COMMISSION, CIP AND WATERFRONT COMMITTEE** be adopted as read. Carried by the following vote: Yeas: Hefter, Glaser, Kasell, Erickson, Redden. 5. Abstain: Passe. 1.

Motion by Glaser and Hefter that **RESOLUTION NO. 1-46-23 AUTHORIZING COMPENSATION FOR COUNCILOR ERICKSON TO ATTEND MEETINGS OF THE AIRPORT COMMISSION, RECREATION BOARD, THEDA, CABLE TV COMMISSION, CIP AND WATERFRONT COMMITTEE** be adopted as read. Carried by the following vote: Yeas: Hefter, Glaser, Kasell, Passe, Redden. 5. Abstain: Erickson. 1.

Motion by Glaser and Erickson that **RESOLUTION NO. 1-47-23 AUTHORIZING COMPENSATION FOR COUNCILOR REDDEN TO ATTEND MEETINGS OF PUBLIC SAFETY COMMITTEE, PUBLIC ARTS COMMISSION, CABLE TV COMMISSION, CIP AND WATERFRONT COMMITTEE** be adopted as read. Carried by the following vote: Yeas: Hefter, Glaser, Kasell, Erickson. 4. Nays: Passe – objected to payment for Councilor Redden stating that he felt it is a conflict of interest since as Council President Redden appoints himself to committees. 1. Abstain: Redden. 1.

Motion by Hefter and Erickson that **RESOLUTION NO. 1-48-23 DESIGNATING THE LAKE COUNTY PRESS AS THE OFFICIAL NEWSPAPER FOR THE CITY OF TWO HARBORS FOR THE REMAINDER OF 2023** be adopted as read. Carried by a unanimous yeas vote of all members present on roll call.

Motion by Erickson and Glaser accepting the recommendation of the Personnel Committee for the City Administrator hiring process as follows: selecting the top six applicants as candidates for this position; adopting the interview process schedule as presented and/or modified; approving the reimbursement, supported by receipts, of up to \$500 for lodging, meals and transportation, which must be submitted by February 10, 2023 for candidates only. Carried.

Motion by Erickson and Passe that **RESOLUTION NO. 1-49-23 AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF TWO HARBORS, THE CITIES OF SILVER BAY AND BEAVER BAY AND THE ENTITY THAT PROVIDES FIRE**

DEPARTMENT SERVICE FOR FINLAND FOR THE ASSISTANCE TO FIREFIGHTERS REGIONAL GRANT APPLICATION FOR THE PURCHASE OF SELF-CONTAINED BREATHING APPARATUS be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Glaser that **RESOLUTION NO. 1-50-23 APPROVING PLANS AND SPECIFICATIONS AND AUTHORIZING AN ADVERTISEMENT FOR BIDS FOR THE TREATMENT PLANT IMPROVEMENT PROJECT** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Erickson and Kasell that **RESOLUTION NO. 1-51-23 APPROVING A SPECIAL EVENT PERMIT FACILITATED BY LOVIN LAKE COUNTY TO BE HELD JULY 31 – AUGUST 7 AND AUGUST 11 – 15, 2023 ON THE LAKE SIDE OF THE DEPOT, PENDING APPROPRIATE INSURANCE AND APPROVAL OF THE DNR AND CN, IF NECESSARY** be adopted as read. Carried by a unanimous yea vote of all members present on roll call.

Motion by Glaser and Passe closing the meeting to discuss pending litigation strategy under MS 13.05, Subd 3, Subpart B. Carried.

Motion by Erickson and Glaser reconvening the meeting. Carried.

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

Ben Redden, President, City Council

Patricia D. Nordean, City Clerk