

Minutes
CITY OF BEAVER BAY COUNCIL MEETING March 7, 2017

Call to Order 7:01pm

Attending: Mayor Linda Malzac, Council Persons: Jenni Viken, Barb Sterett, Ruth Maki, and City Administrator/Clerk/Treasurer Tim Anderson. **Absent:** Jim Korpi listened in by phone but took no official action. Roy Christensen attended via phone.

Public Present: Tom Harris, and Michael DeBonis. Cynthia Lapp and Randy Larson invited to present on Dark Sky project.

Approval, changes, additions, deletions to agenda: Mayor Malzac requested agenda changes as follows: Item 3. Under old business was moved to top right after Agenda approval to facilitate phone conference with City attorney. Item 1 under old business was moved to #2 right after Agenda approval to facilitate presentation on Dark Sky's. Motion to accept agenda changes as requested was made by Council Person Sterett and seconded by Viken. Vote: Aye 4, Nay 0. *Motion passed.*

- 1. Christine Circle right-of-way resolution and agreements.** Roy Christensen the City Attorney was present via phone and reviewed the status of the right-of-way issue on Rose Lane/Christine Circle road project. He reviewed how the issue was identified during the survey and engineering of the project which indicated that Mr. Napper house was approximately 5 feet into the road way. He explained that in his research there were 2 basic options; 1. To sue to have Mr. Napper remove his house or 2. To make an agreement to have the city purchase land to the north and move the road right-of-way to the north with Mr. Napper Bering the cost in return he would be allowed to leave his home where it is. He presented the idea to the land owners to the north and they agreed to sell the land needed and Mr. Napper indicated he was interested in that option also although he indicated he did not have the resources to pay for it all at once. Mr. Christensen researched option and the lowest cost would be to have a mortgage on Mr. Nappers land and have him pay the cost over a 5year period. The City Council gave approval to move ahead and Mr. Christensen drew up the papers for review. The council had some reservations and questions that they wanted guidance on and they were submitted to Mr. Christensen and he responded. Mr. Christensen stated the City still has all options open and he would proceed as they wish. Tom Harris questioned if the option of moving the right of way and allowing Mr. Napper to leave his house where it was would set precedence to others to not follow Land use or Zoning rules. Mr. Christensen responded by informing us that it would not and that these disputes are often settled this way with no ramification on other zoning issues. Mr. Harris voiced concern that the property and the house may not be up to code and Mr. Christensen advised the city should use it's normal channels of ordinances, code and compliance policy to address those issues.
With no other questions Mr. Christensen disconnected.

- 2. Comprehensive plan update/Dark City.** Mr. Larson and Ms. Lapp gave a 1/2 hour presentation on Dark Sky issues, benefits and concerns. They identified the International Dark-Sky Association (darksky.org) as a resource and offered to help us with movement toward dark sky policies. The next Comprehensive plan meeting will be March 30, 2017

@ 6pm in the community center to finalize the plan which is available for review in the city office.

Approval of Minutes: February 7, 2017

Upon review a motion to accept the minutes from the Land use hearing and the regular City Council meeting held on February 7, 2017 was made by Council Person Sterett and seconded by Viken. Vote: Aye 4, Nay 0.

Motion passed

City Clerk, Council and Committee Reports.

See attached City Clerks Report and Liquor Commission meeting notes.

Council Person Maki reported she has made progress on the old water tower project. The public works department measured it and it is approximately 79 feet in circumference. 25 feet in diameter, the stand is 15 feet high and the tower is 12 feet high. She has been in contact with Mission Creek a construction company in Duluth and they have connections with a company that moves large structures. One of the next steps to locate where we would like it moved to. It was decided to meet March 14 @ 9:30 am to look at options with public works staff.

Old Business:

- 1. Apartment update/sign.** The sign was placed on Dobid and has received some bids. The bids will close March, 8.
- 2. Christine Circle right-of-way resolution and agreements.** A motion was made by Sterett and seconded by Maki to advise the city attorney to move forward on the process of moving the right of way for Rose Lane to the north by obtaining the following;

Warranty Deed from the owners of the property to the north to the City.

Mortgage from Mr. Napper to the City. The mortgage is to be paid off in full in five (5) years – February 1, 2022.

Promissory Note from Mr. Napper to the City. The Note calls for 60 monthly payments at 6% interest on the \$15,000 figure to be made – monthly payment \$290, a total of \$2,400 of interest on the \$15,000 principal balance (\$17,400 total).

Mutual easement document between Mr. Napper and the City. The easement allows the continued placement of the Napper home on the City land, and allows for the placement of the storm water facilities on Mr. Napper's land.

Discussion was held and Mr. Harris raised the issue of the questions from last month's meeting not being answered. The questions were reviewed and the council verbalized that taking the advice of the attorney those questions appeared to be answered.

The question was called and the vote was taken.

Aye 3, (Maki, Sterett and Malzac). Nay 0. Abstaining Viken.

Motion Passed

- 3. Green Door update on new POS implementation.** Michael DeBonis gave a report on efforts to get POS system up and running. He is waiting for the company to come and do the training for off sale and help update the data for on sale. He has called and sent

messages but has had no response. It was decided that Michael and the city administrator will both contact the vendor and look at other action if no response.

New Business:

1. North Shore Management Board Plan Update Approval

<http://www.northshoremanagementboard.org/>

Information was provided for the council to review the updated plan so we can take action at the next council meeting.

2. Conflict of interest for Council person Jenni Viken and City Administrator Tim Anderson on Christine Circle/Rose Lane Project. Letters and notice of the conflict of interest on the Rose Lane/Christine Circle project by Council Person Jenni Viken and City Administrator Tim G Anderson were introduced and placed in the record.

3. Approval of Liquor License: Cove Point Lodge, Cove Point Crossings, Northern Lights Café, Lemon Wolf Café and Camp 61.

Upon review of the applications a motion to approve Liquor License for; Cove Point Lodge, Cove Point Crossings, Northern Lights Café, Lemon Wolf Café and Camp 61 was made by Council Person Sterett and seconded by Maki. Vote: Aye 4, Nay 0.

Motion Passed.

Public Comment: Mr. Harris suggested a date be set to complete the Christine Circle/Rose Lane agreement so it doesn't drag on as to prevent construction. Mr. Harris suggested review of the process of approval on the Christine Circle/Rose Lane project to make sure the council has approved the specs before bidding. Mr. Harris suggested we inform the engineering firm we are getting closer to moving forward so they can prepare bidding process.

Claims List: Claims # **7346** through #**7368** In the Amount of: \$ 32,495.44
Claims # **7369** through # **7394** In the Amount of: \$ 136,805.57

Payrolls Ending: 02/21/2017 and 03/03/2017

After review of the above noted claims a motion to approve was made by Sterett and seconded by Viken. Vote; Aye 4, Nay 0.

Motion Passed.

Adjourn: Having no other business to address a motion to adjourn was made by Viken and seconded by Sterett. Vote; Aye 4, Nay 0.

Motion Passed.

Tim G Anderson
City Administrator/Clerk/Treasurer

City of Beaver Bay Clerks Report March 7, 2017

1. **Christine Circle:** Agenda Item.
2. **Public Works:** A. Water Plant construction has continued, electrical work is being done now and they will finish landscaping when weather allows. MSA has applied for reimbursement of approximately \$260,000. of the work on the water intake from PetroFund that we have already paid for. I have discussed the issue of completion date and penalties. Jeff Anderson Team Leader for MSA will be sending me a e-mail to explain the issue. The main reason for the delay is Magney could not start until PetroFund gave final approval which was later than expected. They had thought about re-writing the contract but it would have delayed it even longer. Magney has agreed to work with us on coordinating reimbursement with PetroFund so we will not have to find the money to pay final payment before reimbursement.
3. **Park & Rec:**
4. **Comprehensive Plan Update** 6th meeting will be held Thursday March 30, 2017 @ 6:00pm. Justin Otsea is currently putting together the final plan.
5. **Green Door expansion.** After review of the attempts we have made to get a second bid the Auditor says we can go with one bid but keep the documentation of attempts to get additional bids. Staff have put in extra effort on cleaning which has resulted in a savings for Feb of \$250.00
6. **Annual Audit;** Site visit Feb 21 & 22 went well. Accounts were balanced to the penny. We discussed and made a list of things we can correct and change to make cash control statement more usable and accurate. We will be working on cleaning up the coding to better match the budget and make the reports we print more usable. One issue was found where I missed the deadline to report our Debt to the county by February 1st. It has been corrected and put on my checklist for next January. Notice came from County Auditor 2/27/2017.
7. **Submitted Annual reports;** Report of Debt to Lake County Auditor.
8. **Submitted monthly reports;** MN Sales & Use Tax, MN State Withholding Tax, Federal Withholding Tax and PERA reports.
9. **Fire Relief Association.** We have gotten last dates of service and forwarded them on to the Auditor of the fire relief association so they can calculate the liability to the fund. We then are able to dissolve and transfer responsibility to the City. We may still need to have an audit for 2016.
10. **Meetings attended;** Superior National Forest Scenic Byway Committee.
11. Employee meeting and update went well. There were request to do this more often.

12. We will be starting annual employee reviews this month.

DRAFT