

Minutes
MONTHLY CITY OF BEAVER BAY COUNCIL MEETING 6:00 p.m. July 5, 2022

Present Council: Mayor Gmach, Council Persons: McDonald, VanNort, Maxwell and Kindstrand.

Staff: Public Works Superintendent Jim Baker, Green Door Manager Clayton Alborn, MSA Wil Taylor and Clerk/Treasurer Tim G. Anderson.

Public: Mr. Tom Harris and Ms. Susan Holmes.

Invited:

Call to Order: 6:00 p.m. By Mayor Gmach

Approval, changes and additions or deletions to agenda: After review a motion was made to accept the agenda as presented by Council Person Kindstrand and seconded by Council Person McDonald. Vote: Aye 5, Nay 0. Motion Passed.

Approval of Minutes: After review a motion was made to approve the minutes of the Regular Council meeting for June 7, 2022 by Council Person Maxwell and seconded by Mayor Gmach. Vote: Aye 5, Nay 0. Motion Passed.

City Clerk, Council and Committee Reports.

Clerks Report: see attachments A. June bank reconciliation, electronic payments and Green Door report not available due to holiday and time constraints to prepare.

After review of a quote for cleaning carpets in the Community Center offices a motion was made to approve the quote for \$225.00 from Salverson's by Mayor Gmach and seconded by Council Person Maxwell. Vote: Aye 5, Nay 0. Motion Passed. After discussion the council approved contacting the city attorney to draft an ordinance change to the interim permit regulations putting a limit on the number of STR allowed in a neighborhood to prevent changing the intent of the residential zoning purpose.

Green Door: Request Upcoming events sheet will be turned in before events take place for approval. Need to hire Part Time help.

Public Works Report: Mr. Baker reported He has had a lot of infiltration with the wet season and is investigating to address the issue. Mr. Baker reported he has had the sludge measured in the ponds and the official results are not back yet, however he has been working with Team Labs and Hawkins to find a biological solution to reduce the sledge level. Both those issues are causing us to have to discharge from the ponds more often, however the testing results have been very good up to this point.

MSA: Mr. Taylor inquired about the Erosion monitoring at the Glampground and it was decided the city would sign the task order and pass the cost onto the Glampground when they apply for the permits for each phase. MSA continues to look for funding for the water intake and is monitoring our current applications.

Old Business: None

New Business:

1. **Sign in front of Community Center building.** After reviewing the condition of the 6 slated sign in front of the Community Center it was decided it would cost more to repair it then replace it so a motion was made to have Greg Hansen a volunteer to remove it by Council Person Kindstrand and seconded by Council person McDonald. Vote: Aye 5, Nay 0. Motion Passed.
2. **Approve hiring of Election Judges:** A motion was made to approve the hiring of Ellie Korpi Head Judge, Judges Linda Holden, Katrina VanNort, Tim Anderson and Judy Gmach for the 2022 August primaries and the 2022 November General Elections by Mayor Gmach and seconded by Council Person McDonald. Vote: Aye 5, Nay 0. Motion Passed. Filing affidavits for office starts 8-2-2022 and ends 8-16-2022. Positions up for election are those held by Mayor Gmach's, Council Persons Kindstrand and Maxwell.

3. **One application for Public Works position.** Having received one application for public works position a motion was made to approve of hiring Scott Novak conditioned on an interview by the Public Works Superintendent and the City Clerk by Mayor Gmach and seconded by Council Person McDonald. Vote: Aye 5, Nay 0. Motion Passed.
4. **Interview committee for PT bartenders.** Having received 5 applications for part time bartender position, 3 of which met the minimum requirements for interviews an interview committee was formed consisting of Council Persons; Kindstrand and VanNort, as well as Green Door manager Alborn and the City Clerk to interview and make recommendations for hiring to the council
5. After receiving feedback on the need for assistance with road work a motion was made to approve contracting for help with erosion and road work by Mayor Gmach and seconded by Council Person Maxwell. Vote: Aye 5, Nay 0. Motion Passed.

Public Comments: Mr. Harris suggested the city approve contracting for help with ditch issues due the workload for Public Works. Mr. Harris asked for clarification on STR and what the city was requesting the city attorney to do and clarification was made to cap- the existing number of STR in the neighborhood north of Highway 61 as it currently is 19% of the residential housing and would substantially change the intended propose of the residential zoning. Mr. Harris asked what would happen if an existing STR quit and someone else wanted to start one, he was informed that the current STR were granted under Conditional Use permits and are attached to the property so it would stay with the current property. Mr. Harris inquired if STR still pay commercial water/sewer rate after the change in property classification and he was informed they still pay commercial rates as the rates for water/sewer are not based on property tax rate but on any commercial activity. Mr. Harris stated the council should look at replacing the backhoe as it is in need of a lot of repairs which are costing money and it doesn't function well. The council approved public works, Mr. Harris and council persons Kindstrand and McDonald to look for options to purchase a replacement backhoe. Mr. Harris stated that the F450 truck should be assessed for its condition before installing a new box.

Correspondence: D & D services \$1.50 per yard increase; **LMC dues increase 3.5%,**

Claims List:

Claims: # 10790 through #10824	June 13, 2022	In the Amount of: \$36,488.09
Claims: #10825 through #10845	June 27, 2022	In the Amount of: \$31,957.09

Payroll: 06/21/2022	Checks: \$4,465.31	Direct Deposit: \$4,065.54
Payroll: 7/5/2022	Checks: \$3,992.29	Direct Deposit: \$4,166.83
Payroll Council: 7/5/2022;	\$1,431.42	

After review a motion was made to approve the claims and payroll as presented by Council person Kindstrand and seconded by Council Person McDonald. Vote: Aye 5, Nay 0. Motion Passed.

Having no other business a motion to adjourn was made by Council Person Kindstrand and seconded by Council Person Maxwell. Vote: Aye 5, Nay 0. Motion Passed.

Time:

Mayor: _____ **Clerk:** _____

Attachment A. City Council Minutes City of Beaver Bay Clerks Report July 5, 2022

1. **Parks & Recreation and Beautification.** Could use some help with trimming due to shortage of help. Bob Strand continues to work on funding for a EV charging station.
2. **Water intake project:** Have applications for directed congressional spending through Senators Smith and Klobuchar and Stauber’s office. MSA is still looking for alternative funding sources. MN Bonding Bill did not pass so no funding this year from that source. Will reapply for next bonding bill.
3. Need to set meeting for committee on water/sewer rates. (Possible at same time as budget meetings)
4. **Monthly Reports:** MN State Withholding Tax, MN Sales and Use Tax, MPCA DMR, Bi-Weekly Federal Withholding Tax, and PERA bi-weekly payments are up to date. **Quarterly reports:** 941 IRS, MN State quarterly withholding, MN Unemployment, Building Permit Report. Up to date. **Annual Reports:** MN Pay Equity report and 2022 Census Gov. Survey of Pension Funds. Mileage rate increased to 62.5 cents.
5. **Meetings attended.** LMC Conference 6/22/and 6/23.
6. **Community Center.** Community Center used 11 days in June. Salverson quote for cleaning carpets in offices \$225.00 Notice from Trivent of intention to move out in about 3 months or so.
7. **General Fund Bank Accounts:** Park State Bank city general account reconciled for with a balance of \$ North Shore Credit Union Fire Relief Savings reconciled May with Balance of \$129,287.93
8. **Zoning and Building Permits:** Building Permit for 4576 Algoma Way. Application for Building Permit for 717 Mary Street. Construction started on 2nd Yurt.
9. Working with city attorney on addition to Interim permit regulations, limiting density of permits. Option one Flat limit on # of STR, Option 2. Limit North side of Hwy 61 to current 7 STR permits due to the negative impacts that would be caused by any higher density of STR
10. Airport update: Silver Bay is still working on getting an IRRR grant for a feasibility study.
11. Compliance: Two residents have partially complied. Will continue to work with them for full compliance. No new complaints.
12. Need to schedule a budget work session.
13. Property Tax findings: One cause for residential tax increase is taxes on STR was residential then reclassified as commercial and their taxes went up, and residents paid less tax, then when they were reclassified as 223 non-homestead their taxes went down some and that increased taxes on residential property.

2021	2022	Difference	Spread to 249
Taxes	Taxes	to other taxpayers	tax payers
\$43,014.03	\$6,280.77	\$36,733.26	

