

Minutes
BI-MONTHLY CITY OF BEAVER BAY COUNCIL MEETING
711 MacDonald Avenue, Beaver Bay, MN
April 8, 2025
6:00 p.m.

Council Present: Maxwell, Gmach, Olson

Council Absent: Korpi

Staff Present: Anderson, Interim City Clerk

Public Present: Tedi Kytola, Tom Harris, Judy Gmach, Rhonda Raymond, Andy Kosovich, Scott Johnson, Krystal Lynn, Isabel Singleton, Susan Holm

Businesses Present: Baptism River BBQ: Dan and Kayla Cahill Matthews, Two-One-Ate: Heidi and Chuck Thompson, PeopleService: Paul Chistensen, Bollig: Nathan Feist

Call to Order: 6:02 p.m. Mayor Gmach

Pledge of Allegiance

Prayer

Approval, changes, additions, and deletions to the agenda:

Additions:

1. Green Door basement clean up
2. Cistern Cover in Green Door basement
3. Tom Harris Resignation
4. Resolution 2025-018 Hiring Larry Hickman

Approval of Minutes:

March 18, 2025

Motion: Maxwell

Second: Olson

March 25, 2025 Special Meeting

Motion: Olson

Second: Maxwell

Presentations: Residual Grant update: Nate Feist, Bollig

Nathan Feist, from Bollig, reported the 2022 Disaster Relief Grant from the Federal Government was approved for \$742,000; a portion of what Bollig and the City of Beaver Bay requested. Bollig presented a map of the city showing the sewer lines they feel are in the direst need of replacement. This grant did not include any water line replacement.

Bollig presented a table of a Cost Summary of the Infrastructure Improvements on the project, including total costs, Drinking Water Distribution (\$360,000), Wastewater Collection (\$764,000), and Ineligible Expenses (\$40,500). Of this summary, the Wastewater Collection would be funded from the Disaster Relief Grant. Beaver Bay would need to find funding for the Drinking Water Distribution and Ineligible expenses. Bollig stated they would go to after additional funding, including IRRRB and other Grants, to help fund the Water portion.

Bollig presented Task Order No. 4, in the amount of \$93,300 to prepare Preliminary Design Documents, Final Design Documents, and take the project through Bidding phase per EJCDC standard.

Project TABLED for more discussion

Department Reports (City Clerk, Council, and Committee):

City Clerk

Mr. Anderson As the City is currently using PeopleServe for Drinking Water monitoring, PeopleServe has stated the city needs to purchase a Continuous Chlorine Monitor to test our drinking water. The cost will be about \$4000. Item Tabled until cost is verified.

Mr. Anderson also reported he's been working on day-to-day stuff. Reports are up-to-date. Issue with Paylocity taking unemployment and sending it to the State when the city is self-insured. The city is working on getting this refunded.

Community Center used 9 times in March.

The City has had one (1) zoning permit (food truck) request and one (1) building permit request. Other items reported were reviewing Delinquent Accounts, Audit (on-going with no time-line), Public works job was posted.

Mr. Anderson also had a request from the Silver Bay Salmon Classic looking for a contribution to which the city cannot do.

Green Door

1. Resolution 2025-006: Electrical Contract for external electrical and indoor wiring at the Green Door.

Motion: Maxwell **Second:** Gmach

All approved. Roll Call: Aye - 3, Nay - 0

Carried

2. Floors

Councilperson Maxwell reported Roger Peterson came out to the Green Door to inspect the floors and Mr. Peterson will work with Jessie Wartman on getting a quote to repair and epoxy the floors. Ms. Walsh would prefer the work to be completed in Nov., 2025.

Councilperson Olson reported they had Gary Thompson inspect the Green Door and Mr. Thompson reported the Green Door is structurally sound and there should be no issue with proceeding with updates.

3. Resolution 2025-007: Pull-tabs petty cash payouts

Attorney Costley stated this should come out of the Green Door budget.
All approved. Roll Call: Aye - 3, Nay - 0
Carried

Motion: Maxwell

Second: Gmach

4. Additional Cameras TABLED

Tabled as current IT person does not have tech support to put them in. The city would like to combine cameras at the Green Door with cameras in the city office, and getting someone to do this.

5. Resolution 2025-013: Ad for ATV Ride TABLED

Resolution needs to be modified for actual request and perhaps to have this come out of the Green Door budget.

HR Committee

1. City Clerk position

Ms. Gmach reported the City Clerk position was re-posted in League of MN Cities, Indeed.com, and the Northshore Journal. The city has received one new applicant which will be interviewed April 9, 2025. The Hiring Committee has a meeting scheduled for Monday, April 14, 2025 to discuss where to go.

2. Background checks

Mr. Harris reported Lake County does not want to do background checks for the city. Paylocity also does background checks through Checkr. Background checks should be based on job description. Attorney Costley stated to contact LMC for recommendations and the city should have a policy. Councilperson Maxwell will contact LMC.

3. City Maintenance Supervisor

Councilperson Olson reported the city has hired PeopleService to temporarily operate the city and water services, and temporarily hire Larry Hickman for occasional help until a City Maintenance Supervisor is hired.

4. Green Door Assistant Manager

Ms. Gmach reported the HR Committee met with Ms. Walsh and updated the job description for the Assistant Manager at the Green Door. An ad will be placed in the paper and on the MMBA website for this position.

City Attorney

1. Resolution 2025-008: Food Truck Lease Agreement Baptism River

Motion: Maxwell

Second: Gmach

All approved. Roll Call: Aye - 3, Nay - 0

Carried

2. Resolution 2025-003: Establishing Committees

Motion: Gmach **Second:** Maxwell
All approved. Roll Call: Aye - 3, Nay - 0
Carried

Old Business:

1. Cameras – TABLED

City wants to combine cameras at the Green Door with cameras at the city office to keep them all on the same system.

2. Paylocity Trial Results

Ms. Kytola reported the cost of Paylocity has been cleaned up and it really does help the city with payroll.

3. Two-One-Ate Awning - TABLED

Heidi from Two-One-Ate reported they would like to put up an awning for their customers and build a 12 x 24-foot patio with gravel and pea rocks or artificial turf at Two-One-Ate's expense. As the awning will be attached to the building, the city needs to run this past Jim Rich which Mr. Anderson will do.

4. Resolution 2025-009: Open 5-month CD at North Shore Federal Credit Union

Motion: Maxwell **Second:** Olson
All approved. Roll Call: Aye - 3, Nay - 0
Carried

5. Liquor License Approvals

a. Resolution 2025-010 Cove Point Lodge

Motion: Olson **Second:** Gmach
All approved. Roll Call: Aye - 3, Nay - 0
Carried

b. Resolution 2025-011 Cove Point Crossings

Motion: Olson **Second:** Gmach
All approved. Roll Call: Aye - 3, Nay - 0
Carried

c. Resolution 2025-014 Two-One-Ate Liquor License

Motion: Gmach **Second:** Maxwell

All approved. Roll Call: Aye - 3, Nay - 0

Carried

6. May Clean-up Day – TABLED, nothing new to report

7. Resolution 2025-012 Approve Tedi Kytola Financial Help

Motion: Gmach **Second:** Maxwell

All approved. Roll Call: Aye - 3, Nay - 0

Carried

8. Overpayment of Holiday Pay

Councilperson Maxwell asked how much did the city over pay employees to which Ms. Kytola stated \$3149 from 10/2024 – 2/2025 and the issue has been fixed with Paylociy. Ms Kytola stated not all employees still work at the city. Councilperson Maxwell asked the council do a forgiveness on this. Mayor Gmach agreed, Councilperson Olson did not. Councilperson Maxwell will contact League of Minnesota Cities to have them tell us what we can do.

New Business:

1. GGTA Shelter usage request Resolution 2025-017 - REMOVED

Nothing to do or no Resolution needed as it is a public facility and the GGTA will not be taking over the Rest Stop.

2. Resolution 2025-015 Temporarily hire Peopleservice to maintain water and sewer operations. This would be the minimum required by the state – 2 visits per week at 2 hours/visit. The cost would be \$3655 for the month of April, 2025, and \$4217/month thereafter until cancelled, which will need 30-day notice.

The Resolution was passed 4/4/2025.

3. Resolution 2025-016 Approve Tim Anderson for temporary City Clerk.

Motion: Gmach **Second:** Maxwell

All approved. Roll Call: Aye - 3, Nay - 0

Carried

4. Clean up Green Door Basement - TABLED

Councilperson Olson requested to create a Standing Committee of volunteers, Jim and Ellie Korpi, and Suz Olson, along with hiring Judy Johnson, Jim Hickman, Steve Olson at \$25/hour to clean up the basement of the Green Door.

Mayor Gmach stated that any funding of this project needs to come from the General Fund.

Attorney Costley discussed whether these people were to be hired as independent contractors to which they will need insurance (Costley can help with this), term, scope of work, or hire as city employees.

5. Cistern Cover in Green Door basement

Councilperson Olson reported she received an estimate, EST0219244, from Huseby Construction to cover the Cistern in the basement of the Green Door. The estimate had four options. The council decided to go with Option #2 and Option, #4, if needed, having a licensed well-driller to be done in April before the thaw.

As this is a considered a nature of an emergency, and Huseby Construction has down time during the month of April, the council voted to start the work, and approve Resolution 2025-019 at the next meeting where the funds will come out of the city budget.

Motion: Gmach **Second:** Maxwell
All approve. Roll Call: Aye - 4, Nay – 0
Carried

6. Tom Harris Resignation

Mr. Harris reported effective immediately that he is removing himself from all commissions.

Motion made to accept Mr. Harris' resignation with regrets.

Motion: Gmach **Second:** Maxwell
All approve. Motion carried.

7. Resolution 2025-018 Hiring Larry Hickman as Occasional Temporary Part-time casual employee at \$30/hour

Motion: Olson **Second:** Gmach
All approve. Roll Call - Aye: 4, Nay: 0
Carried

Public Comments:

Correspondence:

Claims List:

Approval of Claims

Motion: Gmach **Second:** Maxwell

Approval of Payroll

Motion: Maxwell

Second: Gmach

Adjourn:

Motion: Maxwell

Second: Olson

City Clerk Tim Anderson

Mayor Tom Gmach