

**MINUTES OF THE CITY OF BEAVER BAY
BEAVER BAY, MN
FOR JANUARY 24, 2013**

PRESENT: Shamblin, Nazian, Harris, Malzac, Larson

ABSENT: None

OTHERS: Todd & Carol Krynski, Dave Johnson, Jenny Mattson, John Mayland, Brian Singleton, Irv Johnson

Mayor Shamblin called the meeting to order at 7:00 pm.

Agenda:

Two items were added to the prepared agenda: (1) Proposed resolution authorizing Nazian to attest as needed on documents in lieu of city clerk/treasurer position being occupied and (2) approve Beaver Bay Fire Department officers. Shamblin reported that Irv Johnson is seeking payment of claims for losses due to alleged city actions, presented to the city in 2011, and asked if the council wished to add consideration of these claims to the agenda. No motion was made to add. **Nazian then moved to approve the agenda; Harris seconded, motion passed 5-0.**

Nazian moved to approve the Jan. 10, 2013 minutes, Linda Malzac seconded, motion passed 5-0.

Council Reports:

Shamblin reported that last year the city administrator had accepted a three-day reservation for use of the meeting room for a quilt workshop, which includes the April 25 regular council meeting. and **motioned that the meeting date be changed to Tuesday, April 23; Nazian seconded; motion passed 5-0.** Shamblin then noted that Feb. 14 is the council's next regular meeting; that Nazian will be absent, representing the city at the St. Paul legislative event; and asked if all other council members expected to be present. Larson said he would be absent. With a majority expected to be present, consensus was that the meeting should remain Feb. 14.

Harris that the water plant control mechanism requires new parts, which have been ordered; bid is expected from Culligan for filters to deal with the coloration of water which primarily affects Mother Lode Laundry and Camp 61; still waiting for MPCA approval of plan to deal with fuel oil presence in soil at water plant; water leakage at Krynski house was determined by a firm city retained to be on the Krynskis' side of the curb stop and thus their responsibility; replacement of problem water meters ongoing; monthly reports on wastewater treatment ponds are being made to MPCA; problem with one lift station which required manual pumping and will monitor; maintenance tools are needed at city shop and expect to procure from Menards; city shop building should be insulated.

Malzac invited Green Door Manager Dave Johnson to present his report. Erroneous invoice from Bell Boy Corp earlier but refund of \$1,043.20 secured; entertainment set for Jan. 25 and Feb. 1; open for Super Bowl Sunday Feb. 3 and will then close bar; off-sale will be open Mon-Sat 11 am to 10 pm; meeting scheduled Jan. 25 with contractor, Van House, and county health department to address health department concerns; sales for January to date are ahead \$5,000-6,000 of January 2012. Johnson

recommended a Duluth band popular with younger adults be signed for Bay Days Friday evening, an outside event, for \$1,000. Harris noted it was important that our event be coordinated with Silver Bay so no major competing event. **Larson moved approval; Malzac seconded; motion passed 5-0.** Malzac reported that Silver Bay Riders club had requested Green Door purchase advertisement in its annual trail map for \$75; Johnson questioned revenue value. **After some discussion of why city should be included, Malzac moved approval; Harris seconded; motion passed 5-0.**

Nazian reported that W-2 reports have been issued. Also involved in tenant lease renewals.

Old Business:

Employee health savings plan; Shamblin and Nazian had provided council members with written conclusions about employee benefits, which included a recommendation that the city's contribution to an employee's health savings plan be limited to \$1,200 annually. **Shamblin moved; Nazian seconded that a limit of \$1,200 be placed on city's contribution to an employee's health savings plan.** Harris asked if that limit could be discussed again next year and Shamblin confirmed with Carol Krynski, city's benefits agent that the limit could be changed any time. **Motion, Shamblin, aye; Nazian, aye; Larson, aye; Malzac, aye; Harris, no. Motion passed 4-1.**

Green Door: Shamblin noted his understanding that a planned meeting of county health department with Van House Contractor to go over required renovation of Green Door and secure a cost estimate for tonight's meeting had to be deferred. He reported he had received email from a member of the Liquor Advisory Committee, Bob Strand, recommending the Green Door be closed completely on the basis that this time of year has highest utility cost but lowest revenues, and Strand also questions if a contractor would be willing to renovate the bar while the store was open. Nazian said the council needs a cost estimate for the bar renovation soonest; Harris agreed and said contractor should also estimate how long the work will take. Harris suggested a special meeting be called to decide on the renovation once the cost estimate is in hand rather than wait for a regular meeting. Harris also asked if state health department must be involved and Johnson and Malzac stated their understanding that it would not be involved unless new plumbing is necessary but she does not expect that to be needed. Harris asked if the cost estimate is for more than \$25,000 does the city have to advertise for competitive bids. Shamblin said that would be necessary only if the expected cost would be \$100,000 or more; if \$25,000 or more, no competitive bid but two quotes should be obtained.

Water coloration: Malzac asked if anyone besides Mother Lode and Camp 61 is affected. Harris said residences could be affected and that installing a hydrant at the end of that line so line can be flushed likely should occur.

New Business:

Shamblin moved adoption of Resolution 2013-1001, appointing Nazian to attest on documents as necessary when city clerk or treasurer attestation is required. On roll call vote, Harris, aye; Malzac, aye; Shamblin, aye; Larson, aye; Nazian, aye.

Jenny Mattson reported on Beaver Bay Fire Department training and practice runs and responded to questions from the council; in response to a question said there were five active firefighters; also reported that the department has cooperative agreements with Silver Bay and Two Harbors; summarized 2012 financials (checking and savings accounts balances of \$44,205.79); and reported the following officers had been elected for 2013: fire chief, Jenny Mattson; assistant chief, Jon Alvarez; safety/training, Jon Alvarez; secretary-treasurer, Rae Ann Anderson. By agreement of the council, these appointments were approved.

Shamblin explained and moved adoption of Resolution 2013-1002, nullifying a 1986 order on a house now owned by Carol and Todd Krynski and which was recorded with the county registrar, this resolution necessary to achieve a clear title; Nazian seconded; on a roll call vote, Nazian, aye; Larson, aye; Shamblin, aye; Malzac, aye; Harris, aye.

Shamblin proposed adoption of Ordinance 2013-5001, establishing fees and charges. Harris questioned charging contractors taking water from fire hydrants the same rate per 1,000 gallons as charged to business users. The city does not want to incent using hydrants as a non-emergency water source. After some discussion, Harris and Nazian suggested \$40 per 1,000 gallons. Shamblin agreed to revise the language. Harris asked if the proposed fee of \$1,240 for a permit to connect to existing water service or sewer service was too low. Harris asked we determine what fees are charged by Silver Bay, Two Harbors and Grand Marais, and Shamblin agreed to follow up with those cities. **Nazian moved; Harris seconded to table adoption of this ordinance to the next meeting. Passed 5-0.**

Shamblin explained that the next proposed ordinance, 2013-5002, would incorporate into the city code the presently authorized Liquor Control Commission and Finance Committee and establish a Public Works Advisory Committee. Nazian asked for clarification on the Liquor Control Commission versus the existing Liquor Advisory Committee and the former's authority over the municipal liquor operation. Shamblin acknowledged that the LCC had not been active for some time but would, under this ordinance, as in the old city code, would control operations of the municipal liquor facility, although delegating to the city clerk the direct supervision of staff and general operation of it, but always subject to authority of the council. **Harris moved adoption of the resolution; Larson seconded; on a roll call vote, Harris, aye; Malzac, aye; Shamblin, aye; Larson, aye; Nazian, aye.**

Shamblin addressed agenda item on the city shop's land, noting that if the city wished to invest in improving the shop building with insulation and concrete flooring, it would be desirable to own or have a long-term lease on the land, which now is rented from the Beaver Bay Club on a year to year lease. **Motion by Harris; seconded by Nazian, that the mayor draft a letter to the Beaver Bay Club asking for consideration of either sale or long-term lease of the land. Motion passed 5-0.**

Beautification Committee: Shamblin asked if he should write to this citizens committee and ask that it play a role in dealing with unattractive properties and other undesirable visual conditions in the city. Malzac, a member of the committee, stated it had discussed these matters and that it also was planning a city-wide clean up day in April. She did not believe it was necessary to write to the committee.

Public Comment: Responding to a question from Harris, Brian Singleton agreed to serve on the new Public Works Committee. There were questions about sanding of city streets and Carol Krynski asked if it would be feasible to place barrels of sand at strategic locations. Harris said city staff had been instructed to monitor conditions and promptly sand as needed.

Claim List:

Shamblin proposed adding requested payment of \$1,000 each to the fire department fire chief and its secretary-treasurer. **Following some questions on a few items, Nazian moved approval of the claims list; seconded by Larson; motion passed 5-0.**

Harris stated that the township clerk had told him a previous painting of the meeting room had painted over the sound panels, defeating their function; He believes there are extra panels in the storage room that could be installed and will follow up.

Harris moved to adjourn; Malzac seconded; motion passed 5-0.

Kent Shamblin, Mayor