

**Minutes of Regular Council Meeting
Monday, April 13, 2020
City of Hoyt Lakes, Minnesota**

1. The Hoyt Lakes City Council met in regular session via Zoom/phone in due to COVID-19 on Monday, April 13, 2020 at 6:30 p.m. Those present: Mayor Chris Vreeland. Councilors: David Zins, Brian Ceglar, Daniel Popp, Christine Peterson. City staff also present: City Attorney Mitchell Brunfelt, Rebecca Burich, Susan Sowers, Ken Snetsinger, Jacob Berndt, Melanie Olmstead.

2. Moved by Councilor Ceglar, supported by Councilor Zins, approving the following items from the consent agenda. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
 - Item 4 Regular City Council meeting minutes of March 23, 2020.
Special City Council meeting minutes of April 2, 2020.

 - Item 8 Filing of correspondence:
Hoyt Lakes Fire Department – April 1, 2020 meeting minutes;
MN Department of Health – Quarterly water system report dated April 1, 2020.

 - Item 10A Accept the resignation letter of Rich Hayes effective April 6, 2020 with a letter of appreciation sent.

 - Item 11 Receipts, claims and payroll:
Receipts: \$178,914.22
Claims: \$188,252.43
Payroll Earnings: \$95,790.33
Payroll Employer Costs: \$13,497.17
Payroll Total: \$109,287.50
Total Claims & Payroll: \$297,539.93
Motion Carried.

3. Guests and Citizens Forum:
None.

4. Department Reports:

Library Director Sowers: The library will be sending postcards to all Hoyt Lakes residents and businesses to inform them of the services available along with contact information while the library is closed to the public due to COVID-19. She is also working on virtual programs such as arts and crafts, bingo and exercise. Reminder to the public that library cards are free and if you don't have one you can contact library staff.

Public Works Supervisor Snetsinger: Updates were provided on public works shifts, barricades of city shelters, playgrounds. The dog park has opened for the season and a canister will be installed with bags for waste. Street sweeping will begin as soon as weather permits and potholes are being patched.

Public Utilities Supervisor Berndt: Updates were provided on work being done at both the Water and Wastewater plant. Reminders to the public that it is the time of year that water may be discolored and also to be sure sump-pumps are routed outside and not in the sewer system.

Councilor Popp provided an update from Recreation/Golf/Arena Supervisor West that arena projects are being completed and regular golf course maintenance will begin so the course is ready to open when cleared by the Governor.

5. Council Reports:

Councilor Zins requested an adjourned meeting Thursday, April 16, 2020 to discuss staffing for ambulance transfer calls and the vacant Assistant Ambulance Director position. Moved by Councilor Zins, supported by Councilor Popp, to schedule an Adjourned City Council meeting on Thursday, April 16, 2020 at 6:30 pm. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.

Councilor Ceglar: Lifeguard applications are being accepted by the Mesabi East Youth Sports Coordinator, but the status of beaches being open is unknown at this time due to COVID-19.

Councilor Popp: The Blight Officer is mailing notices to those out of compliance.

6. COVID-19

Golf Course: Waiting for further guidance from the Governor on opening of the course; maintenance is approved at this time. Fisherman's Point Campground remains closed until further notice. Representative Lislegard will be providing an update to Mayor Vreeland as he learns more on campground situations. The Hoyt Lakes skateboard park is closed. Playgrounds are open (except for Fisherman's Point Campground playground) with signs posted that it is at your own risk. Councilors expressed concerns on social distancing not being practiced at both playgrounds and many unsupervised children. Supervisor Snetsinger advised the East Range Police Department will patrol the area. City Clerk-Treasurer Burich will place an ad in the East Range Shopper to inform of playground expectations. A request was made from a business that is closed due to COVID-19 requesting reduced utility rates as services are not being used. Mayor Vreeland advised of grants that will be available from East Range Joint Powers Board for local businesses and stated he would like to find out more information before making any decision on rates. Direct deposit of payroll checks will be made available to part-time employees.

7. Moved by Councilor Zins, supported by Councilor Ceglar, to approve Supplement to Agreement for Professional Services between the City of Hoyt Lakes and SEH for the following modifications for the 2020 Street and Infrastructure Improvements Project: Remove the sidewalk along Andover Road; Widen sidewalk along Suffolk Drive from four feet to five feet for the 2020 Street and Infrastructure Improvement Project in the amount of \$1,900. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
8. Moved by Councilor Ceglar, supported by Councilor Peterson, to award the 2020 Street and Infrastructure Improvements Project from the bid opening on Wednesday, April 8, 2020 at 9:00 am to the low bid submitted by Mesabi Bituminous of Gilbert, Minnesota in the amount of \$1,928,358.60 (other bids: TNT Aggregates-\$2,058,000; KGM Contractors-\$2,697,391.65; Ulland Brothers-\$2,461,000; Utility Systems of America-\$2,471,692). Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
9. Emily Major, SEH explained the Agreement for Professional Services for project management for the 2020 Street and Infrastructure Improvement Project. Moved by Councilor Zins, supported by Councilor Popp, to approve the Agreement for Professional Services dated April 13, 2020 between the City of Hoyt Lakes and SEH for the 2020 Street and Infrastructure Improvement Project for construction service and administration in the amount of \$142,000 including expenses and equipment. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
10. Shannon Sweeney, David Drown Associates, Inc. discussed project financing regarding the 2020 Street and Infrastructure Improvement Project. As special assessments will not be a source of revenue to make debt service payments, the project financing is intended to be issued as General Obligation Tax Abatement and Utility Revenue Bonds which will require a public hearing. Based on the bids received and present market conditions, it is anticipated that annual debt service will total approximately \$145,000 (including statutory debt coverage) per year for the proposed bond issue if the project is financed over a term of approximately 20 years. City Attorney Brunfelt advised that the Bond Council will need to review the notice for the public hearing.

Moved by Councilor Ceglar, supported by Councilor Peterson, to adopt Resolution No. 2020-012, A Resolution calling for a Public Hearing on Monday, April 27, 2020 at 6:30 pm to consider granting a property tax abatement under Minnesota Statutes, Sections 469.1812 through 469.1815, as amended, to finance a portion of the costs of the 2020 Street and Infrastructure Improvement Project (full Resolution on file with the City Clerk-Treasurer) Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Resolution adopted.

Moved by Councilor Zins, supported by Councilor Popp, to adopt Resolution No. 2020-013, A Resolution Approving the Issuance of up to \$2,185,000 General Obligation Tax Abatement and Utility Revenue Bonds, Series 2020B for the 2020 Street and Infrastructure Improvement Project Subject to Approval of the Mayor and City Clerk-Treasurer and Ratification by the Hoyt Lakes City Council" (full Resolution on file with the

- City Clerk-Treasurer). Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Resolution adopted.
11. Moved by Councilor Peterson, supported by Councilor Ceglar, to approve final pay request #15 of Lakehead Constructors, Inc. in the amount of \$15,976.90, which includes Change Order No. 5 (\$6,534) pertaining to extra work the contractor completed to facilitate proper operation of the floating cover on the secondary digester, for the Phase 2 Wastewater Treatment Facility Rehabilitation. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
 12. Brian Guldán, Bolton and Menk, discussed the Wastewater Treatment Facility Improvements Project schedule and funding with a plan to advertise for bids the week of May 11 and a bid date of June 11, 2020. Currently, the City is eligible for approximately \$9.1M in grant from PFA. These funds are already available and would be awarded to the City if the project is awarded prior to June 30, 2020. A public hearing needs to be scheduled and Brian will have a presentation on the improvements, including the addition of a mechanical screen and new trickling filters. Moved by Councilor Zins, supported by Councilor Peterson, to approve the notice of public hearing on the proposed Wastewater Treatment Facility Improvements for Monday, May 11, 2020 at 6:30 pm. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
 13. Moved by Councilor Popp, supported by Councilor Ceglar, to approve the special City of Hoyt Lakes Archery Deer hunt beginning Saturday, September 19, 2020 through December 31, 2020. Roll Call: Ayes: Zins, Popp, Ceglar, Peterson; Nays: Vreeland. Motion carried.
 14. The City Council discussed an email from Tom Castle, Minnesota Power dated April 7, 2020 questioning if the City would have any issue with a request from Minnesota Energy Resources (MERC) for Minnesota Power to grant an easement for a gas pipeline they want to replace currently located in Fairfax Road West in the SE-NW of Section 17, Township 58, Range 14 which is owned by Allete/Minnesota Power. Moved by Councilor Zins, supported by Councilor Ceglar, to go on record as having no issue with the request of Tom Castle, Minnesota Power dated April 7, 2020 for Minnesota Power to grant an easement to MERC for a gas pipeline located in Fairfax Road West in the SE-NW of Section 17, Township 58, Range 14. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
 15. Resident Rob Pulju requested to purchase city owned land for a storage building (142-0070-01300 and 142-0070-01302). Mayor Vreeland would like to compile a list of city-owned parcels and have a committee formed to determine future sales of available property. Councilor Peterson volunteered to head this committee with Mayor Vreeland, Ken Snetsinger and Jake Berndt. City Attorney Brunfelt advised that individual sales are possible without bids if sold at market value. Moved by Councilor Zins, supported by Councilor Popp, to table the request of Rob Pulju at this time. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.
 16. Moved by Councilor Ceglar, supported by Councilor Peterson, to adjourn at 7:57 p.m. Roll Call: Ayes: Vreeland, Zins, Popp, Ceglar, Peterson; Nays: None. Motion carried.

Chris J. Vreeland
Mayor

ATTEST: _____
Rebecca Burich
City Clerk-Treasurer