

AGENDA
FEBRUARY 8, 2011 – 6:30 P.M.

1. **CALL MEETING TO ORDER**
2. **ROLL CALL**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC FORUM (Limited to 5 minutes per Council protocol)**
5. **CONSENT AGENDA** (Note: Motion will be to approve the Consent Agenda as listed.)
The following items will be enacted by one motion unless a Councillor or Citizen of the City of Virginia requests that the item be considered separately:
 - 5.1 Approval/correction of minutes of Regular Meeting held January 25, 2011.
 - 5.2 Adoption of Finance Resolution No. 11-003 – Schedule of Bills.
6. **APPEARANCES (Limited to 10 minutes)**
 - 6.1
7. **UNFINISHED BUSINESS**
 - 7.1
8. **DISCUSSION ITEMS**
 - 8.1 Communication from Bill Hennis, Lead Engineer, requesting approval of the final payment to Bougalis Construction, Inc., for the Troy Building demolition project.
 - 8.2 Resolution consenting to Mediacom Corporation restructuring. (If approved, adopt Resolution)
9. **COMMITTEE REPORTS**
 - 9.1 Finance Committee as a Committee-of-the-Whole (February 1, 2011)
 - A. Purchase of property adjacent to Wastewater Treatment Plant for expansion project.
 - B. Request from Laurentian Energy Authority to store wood on City property.
 - 9.2 Buildings/Grounds Committee (February 1, 2011)
 - A. Design specifications for the repair and insulation of the foundation at the existing greenhouse.
 - B. Rental Policy – Virginia Senior Citizens Center.
 - C. Demolition of blighted property.
 - D. Design of proposal walking trail around Silver Lake.
10. **COMMISSION LIAISON/DEPARTMENT HEAD REPORTS**
11. **ADJOURN TO TUESDAY, FEBRUARY 22, 2011, AT 6:30 P.M., COUNCIL CHAMBERS**

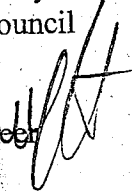
8.1

CITY OF VIRGINIA

327 FIRST STREET SOUTH • VIRGINIA, MINNESOTA 55792-2623

ENGINEERING DEPARTMENT (218) 748-7500

TO: Honorable Mayor Peterson
And City Council

FROM: Bill Hennis 
Lead Engineer

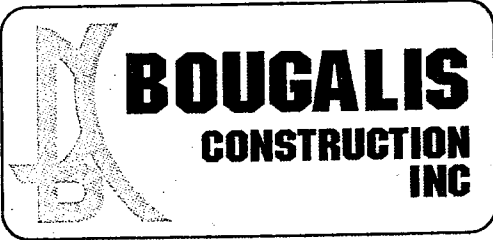
DATE: January 31, 2011

SUBJECT: Final Payment for the Troy Building Demolition

Attached, please find communication from Northeast Technical Services, regarding a Final Payment Request for final payment to Bougalis Construction, Inc. for the Troy Building Demolition.

As such, at this time, it is the recommendation of Northeast Technical Services and the City Engineering Department to make final payment in the amount of \$7,542.35 to Bougalis Construction, Inc. for the Troy Building Demolition.

If you have any questions regarding this matter, please feel free to contact us.



800 GREYHOUND BLVD
HIBBING MN 55746

Invoice

Date	Invoice #
11/16/2010	7527

Bill To
CITY OF VIRGINIA 327 1ST ST VIRGINIA MN 55792

Project			P.O. No.	Terms	Due Date
TROY BUILDING				NET 10 DAYS	11/26/2010
Item	Quantity	UOM	Description	Rate	Amount
0102	1	LUMP SUM	PAY REQUEST NUMBER #3 SEE ATTACHED	7,542.35	7,542.35
IT'S A PLEASURE WORKING FOR YOU!				Total	\$7,542.35
				Balance Due	\$7,542.35

Phone # 218-362-8415
Fax # 218-362-8416

APPLICATION AND CERTIFICATE FOR PAYMENT

TO (OWNER):
 City of Virginia
 327 First Street S
 Virginia MN 55792

PROJECT:
 Troy Building Demolition

Application # **2** DISTRIBUTION
 PERIOD TO: 9/10/2010 OWNER
 ARCHITECT
 CONTRACTOR

Architect's
 Project #

FROM (CONTRACTOR):
 BOUGALIS CONSTRUCTION INC
 800 GREYHOUND BLVD
 HIBBING MN 55746

VIA (ARCHITECT):

NTS
 315 Chestnut Street
 Virginia MN 55792

CONTRACT FOR: _____ CONTRACT DATE: _____

CHANGE ORDER SUMMARY

1. ORIGINAL CONTRACT SUM	138,214.50
2. NET CHANGE BY CHANGE ORDERS	12,632.50
3. CONTRACT SUM TO DATE	150,847.00
4. TOTAL COMPLTD AND STORED TO DATE	150,847.00

CHANGE ORDERS APPROVED IN ADDITIONS DEDUCTIONS
 PREVIOUS MONTHS BY OWNER

NO.	DATE APPROVED	AMOUNT
1	6/1/2010	250.00
	misc	12,382.50

APPROVED THIS MONTH

TOTALS	12,632.50	0
NET CHANGE BY CHANGE ORDERS	12,632.50	

5. RETAINAGE: _____
 A: 5% OF COMPLETED WORK 0.00
 B: 5% OF STORED MATERIAL 0.00

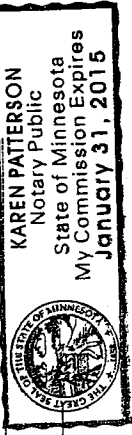
TOTAL RETAINAGE 0.00

6. TOTAL EARNED LESS RETAINAGE 150,847.00
 7. LESS PREVIOUS CERTIFICATES 143,304.65
 8. CURRENT PAYMENT DUE 7,542.35
 9. BALANCE, INCLUDING RETAINAGE 0.00

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: _____ Date: 01/18/2011

State of: MN County of: St Louis
 Subscribed & Sworn to before me this 18 day January of 2010.
 Notary Public: Karen A. Patterson
 My Commission expires: _____



AMOUNT CERTIFIED: \$ 7,542.35

ARCHITECT or OWNER: _____ Date: 1-20-11

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance of payment, and acceptance of payment are not without prejudice to any rights of the Owner or Contractor under this Contract.

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

Amounts are stated to the nearest Dollar.

A Item No.	B Description of Work	C Scheduled Value	D Work Previous Applications	E Completed This Period	F Materials Presently Stored	G Total Completed & Stored	H %	I Balance to Finish	J Retainage
1	Mobilization	\$ 4,900.00	\$ 4,900.00			\$ 4,900.00	100%	\$ -	0.00%
2	Lead Paint Removal/Abatement	\$ 800.00	\$ 800.00			\$ 800.00	100%	\$ -	-
3	Asbestos Removal/Abatement	\$ 24,000.00	\$ 24,000.00			\$ 24,000.00	100%	\$ -	-
4	Remove and Dispose of Non-Demolition Waste	\$ 5,500.00	\$ 5,500.00			\$ 5,500.00	100%	\$ -	-
5	Remove Building	\$ 61,000.00	\$ 61,000.00			\$ 61,000.00	100%	\$ -	-
6	Salvage Four Outside Corner Cornices	\$ 3,200.00	\$ 3,200.00			\$ 3,200.00	100%	\$ -	-
7	Salvage Temporary Structural Support System	\$ 1,500.00	\$ 1,500.00			\$ 1,500.00	100%	\$ -	-
8	Backfill of Excavation Areas	\$ 13,500.00	\$ 13,500.00			\$ 13,500.00	100%	\$ -	-
9	Remove Known UST (6,000 gallon)	\$ 5,000.00	\$ 5,000.00			\$ 5,000.00	100%	\$ -	-
9 a	Dispose of Water from Known UST in Sanitary Sewer	\$ 900.00	\$ 900.00			\$ 900.00	100%	\$ -	-
9 b	Remove and Dispose of Tank Sludge	\$ 900.00	\$ 900.00			\$ 900.00	100%	\$ -	-
9 c	Transport & Dispose of Water From Known UST	\$ -				\$ -	0%	\$ -	-
9 d	Additional - Remove & Dispose of Tank Sludge	\$ 6,525.00	\$ 6,525.00			\$ 6,525.00	100%	\$ -	-
9 e	Additional - 3 barrels - See Attached Documentation	\$ 1,485.00	\$ 1,485.00			\$ 1,485.00	100%	\$ -	-
9 f	Remove 2nd 6000 Gallon UST	\$ 5,000.00	\$ 5,000.00			\$ 5,000.00	100%	\$ -	-
10	Test Pit by Possible UST	\$ 200.00	\$ 200.00			\$ 200.00	100%	\$ -	-
10 a	Remove Possible UST	\$ 4,000.00	\$ 4,000.00			\$ 4,000.00	100%	\$ -	-
10 b	Dispose of Water from Possible UST in Sanitary Sewer	\$ 600.00	\$ 600.00			\$ 600.00	100%	\$ -	-
10 c	Transport & Dispose of Water from Possible UST	\$ -				\$ -	0%	\$ -	-
10 d	Remove & Dispose of Tank Sludge	\$ -				\$ -	0%	\$ -	-
11	Saw cut Bituminous Over Concrete 12" thickness	\$ 860.00	\$ 860.00			\$ 860.00	100%	\$ -	-
12	Saw cut Concrete	\$ 625.00	\$ 625.00			\$ 625.00	100%	\$ -	-
12 a	Remove and Disposed Bituminous Over Concrete 12" Thickness	\$ 1,400.00	\$ 1,400.00			\$ 1,400.00	100%	\$ -	-
13	Replace Class 5 and Bituminous in Alley	\$ 2,450.00	\$ 2,450.00			\$ 2,450.00	100%	\$ -	-
14	Replace Concrete Sidewalks	\$ 4,677.00	\$ 4,677.00			\$ 4,677.00	100%	\$ -	-
15	Other - Transport Water to VWWTP	\$ 250.00	\$ 250.00			\$ 250.00	100%	\$ -	-
16	Other - Remove Unknown Steam Line From Alley to Building	\$ 1,575.00	\$ 1,575.00			\$ 1,575.00	100%	\$ -	-
	Page Totals	\$ 150,847.00	\$ 150,847.00	\$ -	\$ -	\$ 150,847.00	100%	\$ -	\$ -

**CITY OF VIRGINIA, MINNESOTA
RESOLUTION _____**

**CONSENTING TO MEDIACOM
CORPORATE RESTRUCTURING**

WHEREAS, the City of Virginia, Minnesota ("City") granted a cable television franchise ("Franchise") that is now held by Mediacom Minnesota LLC ("Franchisee"); and

WHEREAS, the Franchisee operates a cable communications system ("System") and provides cable service in the City pursuant to the Franchise; and

WHEREAS, the Franchise term has been extended to March 31, 2011, and the City and Franchisee are engaged in renewal negotiations; and

WHEREAS, on November 12, 2010, the Franchisee's ultimate parent company, Mediacom Communications Corporation ("Mediacom"), executed an Agreement and Plan of Merger (the "Merger Agreement"); and

WHEREAS, under the Merger Agreement, JMC Communications LLC, an entity owned and controlled by Mediacom's Chairman and CEO, Rocco Commisso, will be merged with and into Mediacom, with Mediacom surviving the merger (the "Transaction"); and

WHEREAS, Mr. Commisso currently owns 40% of the outstanding shares in Mediacom common stock; and

WHEREAS, as a result of the Transaction, Mr. Commisso will acquire the 60% of Mediacom common stock owned by the public and become the sole owner; and

WHEREAS, as a result of the Transaction, Mediacom will cease to be a publicly traded company; and

WHEREAS, the Franchise expressly incorporates Minnesota state law; and

WHEREAS, Minn. Stat. § 238.083 requires a franchising authority's written approval of a "fundamental corporate change" in the holder of a cable franchise which, as defined, can include a merger involving the franchise-holder's parent company; and

WHEREAS, the Transaction includes a merger involving Mediacom, the Franchisee's ultimate parent company;

WHEREAS, Minn. Stat. § 238.083 requires a franchising authority's written approval in the event of a sale or transfer of stock in a corporation so as to create a new "controlling interest in a cable communication system," including the sale or transfer of majority stock ownership;

and

WHEREAS, the Transaction involves the sale or transfer of a majority of Mediacom's common stock resulting in a new corporate interest controlling the Franchisee.

NOW, THEREFORE, BE IT RESOLVED that the Transaction requires the City's written consent under the Franchise and state law.

BE IT RESOLVED FURTHER THAT the City hereby consents to the Transaction and waives any right to purchase the System pursuant to the Franchise and Minn. Stat. § 238.084, subd. 1(y), subject to the following conditions:

1. The Franchisee shall remain bound by the Franchise for the term thereof, and all applicable laws, codes and regulations related to operation of the System and delivery of cable service in the City.
2. The City expressly reserves and does not waive its rights regarding Franchise compliance matters regardless of when the acts, failures to act, or other events giving rise to such matters occurred, and Franchisee remains subject to any liabilities or obligations to the City under the Franchise or otherwise to the extent provided by law, without regard to when such liabilities or obligations arose or accrued.
3. The City expressly reserves and does not waive its rights regarding Franchise renewal.
4. The Franchisee shall reimburse the City's legal fees incurred in review of the Transaction to the extent provided by agreement between Franchisee and the City's counsel.
5. This Resolution shall be effective immediately upon passage and shall continue for a period of six (6) months during which time the Franchisee must provide written notice of closing and consummation of the Transaction contemplated herein.

BE IT RESOLVED FURTHER THAT this consent is void and the City shall be deemed to have denied the Transaction if any of the foregoing conditions are not satisfied.

Adopted by the City Council of the City of Virginia, Minnesota this ____ day of January, 2011.

Mayor

ATTEST:

City Administrator

9.1

FINANCE COMMITTEE AS A COMMITTEE-OF-THE-WHOLE

Tuesday, February 1, 2011

Council Chambers, City Hall - 9:00 A.M.

Present: Councillors Cuffe, Littlewolf, Ralston, Baribeau, Sipola, Russo, Mayor Peterson - 7
Absent: None

Also Present: John Tourville, City Operations Director; Mike Larson, SEH; Greg French, Public Utilities; Dennis Benz, Acting Police Chief; Glenn Patrick, VEDA President; Rick Puhek, City Assessor; Nancy Maxwell, Library Director; JoAnne Sipola; Ed Alto, Public Works Team Coordinator; Lois Roskoski, City Clerk; Bill Hennis, Lead Engineer; Brian Larson - MN DOT; Dan L'Allier, Temporary Fire Chief; Jason Dickinson, Fire Department; Tom Butorac, City Attorney

Brian Larson, Minnesota Department of Transportation, stated they are currently gathering information and reviewing the alternative routes for the realignment of Highway 53. United Taconite has agreed to allow seven years to relocate Highway 53. Mr. Larson stated the scoping process will conclude at the end of 2011 with a public hearing and decisions will be made on which alternatives to carry forward. An environmental review will be done and should take approximate one year. A final decision will be made in later 2012 or 2013, with the design detail, acquisition of right-of-way done during 2013 through 2015. Construction would begin after than, with a goal of 2017 to open the new highway.

The Councillors expressed concerns on the economic impact to Virginia with the alternate routes that bypass Second Avenue in Virginia.

Greg French, Manager, Public Utilities, stated the water line to Midway has been recently upgraded and stated Mn/DOT must keep accommodations in place to install the infrastructure to Midway. Mr. French is also reviewing the Source Water Protection Plan.

Mr. Larson stated the public hearing will be held in either Eveleth or Virginia to obtain input from the public on the impacts of the alternate routes. The Project Advisory Committee meets monthly and includes representatives from each stakeholder.

Lead Engineer Hennis stated the City must acquire the 9.2 acres adjacent to the Wastewater Treatment Plant for the expansion project. The property is owned by RGGGS and has a land value of \$10,000. Lead Engineer stated United Taconite must also approve the land purchase.

A. Moved by Baribeau and supported to begin the negotiation process with RGGGS Lands and Miners for the purchase of the 9.2 acres that adjoins the Wastewater Treatment Plant. Motion carried.

Councillor Cuffe asked that he and Councillor Russo be included in the discussions with the Mayor, City Operations Director and Fire Department staff to review the ambulance service, as they were previously appointed to a sub-committee.

Jason Dickinson, EMT Coordinator, stated the delivery date for the new ambulance has been extended. The company will deliver a loaner ambulance, at no charge, to use until the new ambulance is delivered. Mr. Dickson will work with City Operations Director Tourville and the company to make the City whole for any inconveniences caused by the delay in the delivery.

EMT Coordinator Dickinson explained the process to transfer the ambulance license from the Hospital to the City and stated the Hospital has not approved the transfer at this point.

Mayor Peterson reiterated that a contract must be prepared with the Virginia Regional Medical Center to outline the reimbursement plan, once the ambulance license is transferred to the City.

Public Utilities Manager French reviewed the request from the Laurentian Energy Authority to stockpile wood chips on the railroad grade between 18th Street North and Inland Road. Discussion was held on the removal of the wood, if it interferes with the installation of the infrastructure to that area.

B. **Moved by Ralston and supported to authorize the Laurentian Energy Authority to store wood chips on the railroad grade site located between 18th Street North and Inland Road, contingent that the wood is removed by July 1st or sooner, if it interferes with the infrastructure installation. Motion carried.**

Meeting adjourned at 9:42 A.M.

9.2

BUILDINGS/GROUNDS COMMITTEE
Tuesday, February 1, 2011 – 10:00 A.M.
Council Chambers, City Hall

Present: Councillors Ralston, Littlewolf, Sipola - 3
Absent: None

Also Present: Mayor Peterson; Councillor Cuffe; Rick Puhek, City Assessor; John Tourville, City Operations Director; JoAnne Sipola; Paul Monacelli, Friends of the Greenhouse; Rob Raplinger, Virginia Sustainability Task Force; Michael Ramponi; John Bachman, Park/Recreation Director; Ed Alto, Public Works Team Coordinator; Lois Roskoski, City Clerk; Dorothy Egger, Virginia Senior Citizens Center; Quentin Bloomquist; Bill Hennis, Lead Engineer; Terry Thorne, Virginia Trap Club; Tom Butorac, City Attorney; Phyllis Harvey

Park/Recreation Director Bachman reviewed the structural engineering report and budget for the greenhouse renovations. Councillor Ralston stated, in order to achieve the goals of the UMD study, a total rebuild would be necessary to meet the building codes and the budget would be unfeasible.

Councillor Littlewolf stated funding is available for renewable energy upgrades. The use of a classroom was part of the long term vision in the UMD Study, but is not a priority at this time. Councillor Littlewolf recommended that City staff continue to meet with the Friends of the Greenhouse and Virginia Sustainability Task Force, with a partnership formed with the Hibbing Community College to install the solar panels. Councillor Ralston stated a structural engineer must design the roof structure to allow for the solar panels.

Councillor Sipola stated the cost for a geothermal system is estimated at \$246,000. City Operations Director Tourville stated two grants have been awarded totaling \$520,000 for renewable energy upgrades.

A. **Moved by Sipola and supported to authorize DSGW Architects to prepare design specifications for the repair and insulation of the foundation of the existing Greenhouse and request that they submit a budget after the scoping meeting. Motion carried.**

Terry Thorne, President, Trap Club, stated they are a non-profit, seasonal club that leases the land from the City for their Trap Club building on Silver Lake. Mr. Thorne requested that the City assist them with their proposed tax bill of \$934.00 for 2011. City Assessor Puhek stated the increased taxes are due to a change in the tax status for the property the Trap Club leases from the City. Mayor Peterson stated Commissioner Nelson has been working to obtain land north of Virginia to relocate the Trap Club and suggested that he be contacted. Mr. Thorne stated the ownership of the building would revert to the City once they relocate. A thirty year lease is in place, which will expire in 2014.

Moved by Sipola and supported to table the request from the Trap Club for assistance with the 2011 property taxes until further discussions are held with County Commissioner Keith Nelson. Motion carried.

Dorothy Egger, President, Senior Citizens Center, stated they have been renting out the building without the renters signing an agreement that would release the Senior Citizens Club or City from any liability. The Senior Citizens Center charges \$75 per day for rent, with a \$50 damage deposit, which is returned if the building is left in good condition.

B. **Moved by Littlewolf and supported to request the City Attorney to meet with the Virginia Senior Citizens Board to prepare a written rental policy for the Senior Citizens Center. Motion carried.**

Discussion was held on the letter from Jennifer and Michael Ramponi regarding the safety concerns on the property located at 602 12th Street North, which is adjacent to their home. Mr. Ramponi stated the garage roof caved in within the last few days and the garage is ready to fall over. The house has been gutted and the porch fell off the house last year, which caused damage to the Ramponi home. Mr. Ramponi stated the house is currently owned by the bank and listed with First Realty of Hibbing. City Attorney Butorac stated he will contact the bank and see if they are willing to demolish the structures and, if they are not willing, he will proceed with the legal process to pursue condemnation. Mr. Ramponi stated they are interested in purchasing the property and will contact the realtor to obtain further information.

C. Moved by Sipola and supported to authorize the City Attorney to seek ownership permission to raze the garage/house located at 602 12th Street North and to move forward with condemnation, if necessary. Motion carried.

Councillor Sipola reported that the Lakes Committee met with the Park/Recreation Commission and reviewed the input from the town meetings held in 2002 and 2003 regarding the extension of the walking trail around Silver Lake. The goal is to install a ten foot walkway.

Councillor Sipola reviewed the next steps for the project, as submitted by Earl Thedens of Architectural Resources.

- Scoping meeting.
- Prepare project base map.
- Schematic design options.
- Schematic plan.
- Construction budget projections and phasing.
- Once funding is in place:
 - Topographic survey.
 - Construction documents.
 - Bidding.
 - Construction Administration.

Other questions that must be addressed: Who would be responsible for the project decision making and oversight? Who will own/maintain the trail? What uses will be permitted? How will construction be funded? How will ongoing maintenance be funded?

Councillor Sipola stated Architectural Resources has not been paid for any of their work to date and recommended obtaining a cost estimate for the first five steps of the project. Councillor Sipola stated there is approximately \$100,000 in a City account that comes from monthly rent from Natural Harvest to use for lakes beautification.

D. Moved by Sipola and supported to authorize the Engineering Department to contact Earl Thedens of Architectural Resources for an itemized quotation for Items 1-5 for the design for proposed lake walk around Silver Lake. Motion carried.

Paul Monacelli, Friends of the Greenhouse, stated volunteers will begin staffing the greenhouse on Fridays and Saturdays, from Noon to 4 P.M. beginning February 4th. Mr. Monacelli also stated the Virginia Historical Society will be holding an open house on February 12th from 11 AM to 3 PM.

Discussion was held on setting up a committee to celebrate the 100th Anniversary of Olcott Park, which is May 11, 2011. A committee should be formed, including representatives from the City, Friends of the Greenhouse, Virginia Historical Society and Land of the Loon, with events planned throughout the summer.

Meeting adjourned at 11:22 A.M.