

**VIRGINIA CITY COUNCIL**

**COUNCIL PROCEEDINGS**

**CITY OF VIRGINIA, MINNESOTA, AUGUST 9, 2011**

Regular meeting of the City Council of the City of Virginia, Minnesota, was called to order by Mayor Peterson at 6:30 P.M. in the Council Chambers, City Hall.

Roll Call:

Present: Councillors Cuffe, Littlewolf, Ralston, Baribeau, Sipola, Russo, Mayor Peterson - 7

Absent: None

Mayor Peterson led the Pledge of Allegiance.

Moved by Russo and supported to approve the Consent Agenda, as follows:

1. Approval/correction of minutes of Regular Meeting held July 19, 2011, and Emergency Special Meeting held on July 14, 2011.
2. Adoption of Finance Resolution No. 11-014 – Schedule of Bills.
3. Approve Renewal of 2 AM Liquor license for Iron Range Corporation, d/b/a Mirage Bar.
4. Adopt Resolution No. 11129, authorizing submission and acceptance of an Iron Range Resources Grant for upgrades and extensions of infrastructure and site improvements on 9<sup>th</sup> Avenue North for Idea Drilling, Seppi Concrete and Kirscher Trucking.

Motions carried.

The proposals to perform soil borings and prepare a geotechnical evaluation report for the proposed construction of public utilities to serve the P & H Minepro site were reviewed. City Operations Director Tourville recommended accepting the proposal from Braun Intertec to perform forty soil borings, at a cost not to exceed \$14,800.00, as recommended by SEH Engineering.

Moved by Ralston and supported to adopt Resolution No. 11130, accepting the quote from Braun Intertec, in an amount not to exceed \$14,800, for the geotechnical analysis for the proposed construction of public utilities for the P & H Minepro development site. Resolution adopted unanimously.

City Operations Director Tourville reviewed the proposal from Minnesota Power to relocate an overhead distribution line at the P & H Minepro development site.

Moved by Baribeau and supported to adopt Resolution No. 11131, accepting the proposal from Minnesota Power, in an amount not to exceed \$54,000, to relocate a MP 46KV, #30 distribution line for the proposed P & H Minepro development site. Resolution adopted unanimously.

City Operations Director Tourville reviewed the Development Agreement with Menard, Inc., which requires the City to provide for the installation and relocation of public utilities and the construction of two cul-de-sacs, at a total cost of \$500,000.

Moved by Sipola and supported to adopt Resolution No. 11132, approving a Development Agreement by and between the City of Virginia and Menard, Inc. Resolution adopted unanimously.

Councillor Cuffe stated a copy of the proposed revisions to the Liquor Ordinance was distributed to the City Council for review. The proposed revisions will be discussed at the next Finance Committee meeting and the owners of the liquor establishments will be invited to a future meeting to be given an opportunity to comment on the changes, prior to the first reading to change the ordinance.

Discussion was held on the proposed revisions to Chapter 8, Section 8.07, Subd. 4 and Subd. 5 of the City Code of the City of Virginia Entitled “Rules and Regulations for the Operation of Boats and Watercraft on Silver Lake and Virginia (Bailey’s) Lake”.

The City Attorney was directed to make additional changes to the ordinance to allow the operation of motors boats on Silver Lake and Virginia (Bailey’s) Lake without a permit from City and to designate both lakes as “no wake” lakes.

Moved by Sipola and supported to approve the request from the pro traveling fishing team to use motorized watercraft on Silver Lake, contingent upon complying with the “no wake” ordinance. Motion carried.

Councillor Russo reported on the Personnel Committee meeting held as a Committee-of-the-Whole on July 26, 2011.

Councillor Russo reported that AFSCME Local No. 454 did not approve the Memorandum of Understanding regarding the maintenance of long grass on private property and vacant City lots.

Moved by Russo and supported to approve the plan to allow two employees to cut the grass on blighted private properties after their normal work hours, at the rate of pay of \$16.76 per hour (to be paid at 1 ½ overtime rate), with the Finance/Human Resources Director to create the sign up list. Motion carried.

Councillor Baribeau reported on the Street/Alley/Public Safety Committee meeting held on August 2, 2011.

Moved by Baribeau and supported to approve the placement of two “Children at Play” signs in the Fairview Addition, with the Lead Engineer to discuss the placement of the signage with Kathy Seppala, Fairview Addition resident. Motion carried.

Moved by Baribeau and supported to authorize Councillors Cuffe and Sipola to attend the Mesabi Humane Society Board meeting on Monday, August 22, 2011, to discuss animal issues. Motion carried.

Moved by Baribeau and supported to add “No Dogs Allowed” signage at the Silver Lake beach area and turnaround area. Motion carried.

Moved by Baribeau and supported to authorize the Street/Alley/Public Safety Committee to review the taxi ordinance. Motion carried.

Mayor Peterson reported on the Finance Committee meeting held as a Committee-of-the-Whole on August 2, 2011.

Moved by Ralston and supported to approve the “Agreement to Transfer Entitlement Funds” to authorize the Eveleth-Virginia Airport to loan funds, in the amount of \$23,088, to the City of Walker. Motion carried.

Moved by Baribeau and supported to adopt Resolution No. 11133, approving Professional Services Agreement with Robert Skenzich for the Tennis Professional position, for the sum of \$33,250 for the period August 15, 2011 through May 31, 2012. Resolution adopted unanimously.

Moved by Baribeau and supported to authorize the Park/Recreation Director to obtain quotes to provide and install windows for the Golf Course Clubhouse, with a separate quote obtained for the window purchase only. Motion carried with Councillor Ralston abstaining.

Moved by Sipola and supported to call for bids for the reconstruction, mechanical and electrical updates for the Olcott Park Greenhouse, contingent upon obtaining the approval from the Friends of the Greenhouse. Motion carried, with Councillor Ralston abstaining.

Moved by Russo and supported to adopt a Resolution No. 11134, accepting the proposal from Minnesota Power, in the amount of \$705,000, for the design and construction of the electrical substation and power line distribution system for the P & H site. Resolution adopted unanimously.

The City Operations Director was directed to meet with the Public Utilities General Manager to discuss the use of a portion of the increased revenue from the additional electrical substation for future economic development projects.

Moved by Baribeau and supported to adopt Resolution No. 11135, accepting the proposal from Ulland Brothers, Inc., in the amount of \$233,000, for site grading improvements at the proposed P & H Minepro development site. Resolution adopted unanimously.

Councillor Sipola reviewed the revised proposal from Architectural Resources that included the landscaping architectural services for the Children's Memorial Park with the extension of the walking trail around Silver Lake. The revised proposal included an additional \$5,880 for the design of the Children's Memorial Park. Councillor Sipola stated their original proposal of \$10,410 for the Silver Lake walking trail extension will be funded through the Lakes Beautification Fund and recommended that the additional amount also be paid through that source.

Moved by Ralston and supported to adopt Resolution No. 11136, accepting the revised proposal from Architectural Resources, Inc., in the total amount of \$16,290, for professional landscape architectural and engineering services for the extension of the walking trail around Silver Lake and the Children's Memorial Park, to be funded through the Lakes Beautification Fund. Resolution adopted unanimously.

Moved by Baribeau and supported to approve the final pay estimate with Bougalis & Sons, Inc., in the amount of \$3,820, for the Highway 53 and 12<sup>th</sup> Avenue West Subsurface Water Main Crossing project. Motion carried.

Moved by Ralston and supported to approve the travel request for Bill Hennis, Lead Engineer, to attend an asbestos inspection refresher course, to be held August 24-25, 2011, in Eagan, MN. Motion carried.

Moved by Russo and supported to allow Councillor Cuffe to assist the Finance/Human Resources Director with the background checks for the Blight Officer position and to move forward with the hiring process. Motion carried.

Moved by Russo and supported to accept the 2011 Worksite Wellness Grant from the Northeast Service Coop, in the amount of \$3,370. Motion carried.

Moved by Ralston and supported to approve calling for bids to furnish the labor and material for the construction of the Menards Infrastructure Improvement Project. Motion carried.

Moved by Russo and supported to authorize the Mayor and City Operations Director to negotiate with Minnesota Power on the design and construction of the electrical substation and power line distribution system for the P & H Site Development, with the authority to determine if the contract should be awarded, as covered in Resolution No. 11133. Resolution adopted unanimously.

City Attorney Butorac stated the Charter Commission approved a question for the ballot for the General Election concerning the Virginia Regional Medical Center. The proposed amendment to the Charter would allow the City to lease, merge or affiliation with another entity with a two-thirds vote required by the Hospital Commission and City Council. City Attorney Butorac stated meetings will be held to educate the public on the proposed amendment.

Moved Russo and supported to support the action taken by the Charter Commission to place Option 3 to amend the City Charter, Section 3.05 – Sale of Publicly Owned Health Care Facilities, on the General Election ballot as follows:

“Provided, further, that, for the purpose of this Section, relinquishing management or control of hospital buildings or grounds, ~~or other health care facilities~~ is a sale. However, business mergers, partnerships, affiliations, sharing of services, leases, or other business relationships common in the management of health care facilities are not considered a sale, but such action requires both an affirmative 2/3 vote of the Hospital Commission and a 2/3 vote of the City Council”,

with the City Attorney authorized to prepare the language for the General Election ballot. Motion carried.

Finance Director Erickson stated the City’s bond counsel has stated it would not be advantageous to extend the dates to decertify Tax increment Finance District 3 and 4, due to a calculation error by St. Louis County.

Moved by Baribeau and supported to direct the Finance Director notify St. Louis County that the City will not approve the extension of the decertification dates for Tax Increment Finance District 3 and 4. Motion carried.

Councillor Baribeau recommended that the League of Minnesota Cities and Coalition of Greater Minnesota Cities challenge the State on the rescission of local government aid.

Moved by Baribeau and supported to authorize the City Attorney to send a letter to the League of Minnesota and Coalition of Greater Minnesota Cities seeking clarification on the process to begin a class action suit against the State of Minnesota for taking away legislation that was not rescinded regarding the local government aid. Motion carried.

Mayor Peterson reviewed the letter from J & M Displays stating they are withdrawing the remainder of their contract to provide the fireworks display for the years 2012 and 2013.

Moved by Ralston and supported to request the Park/Recreation Director to search for a new company to provide the fireworks display for the Fourth of July for 2012. Motion carried.

Moved by Littlewolf and supported to approve the reduced green fees of \$7.50 for non-season golfers for the City of Virginia Golf Outing, to be held on August 25, 2011. Motion carried.

See 2011 Resolution Book for Resolution Nos. 11129 – 11136 and Finance Resolution No. 11013.

Meeting was adjourned at 8:15 P.M., with the next regular City Council meeting to be held at 6:30 P.M. on Tuesday, August 23, 2011.

(CORPORATE SEAL)

STEVE PETERSON  
Mayor

LOIS ROSKOSKI  
City Clerk