

**VIRGINIA CITY COUNCIL**

**COUNCIL PROCEEDINGS**

**CITY OF VIRGINIA, MINNESOTA, OCTOBER 23, 2012**

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

Roll Call:

Present: Councillors Littlewolf, Ralston, Baribeau, Russo, Acting Mayor Cuffe - 5

Absent: Councillor Sipola - 1

Acting Mayor Cuffe led the Pledge of Allegiance.

Kathy Croft, citizen, requested the City Council to consider holding a special election for the vacant Mayor position. Ms. Croft stated it was her opinion that a special election would be in the best interest of the City and that fiscal responsibility needs to happen on a day to day basis, without restricting the voters' rights.

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

1. Approval/correction of minutes of Regular Meeting held October 9, 2012.
2. Adoption of Finance Resolution No. 12-020 – Schedule of Bills.
3. Approval of Application for Exempt Permit for Human Services Club, Mesabi Range Community and Technical College, for a raffle.

4. Resolution No. 12187, approving Amendment to License Agreement 13491 with RGGGS Land and Minerals, Ltd., for a 15-inch sanitary sewer line

Motions carried and Resolutions adopted unanimously.

Paul Steinman, Springsted, reviewed the resolution to establish a sale date of November 13, 2012, for the General Obligation Government Housing Refunding Bonds, Series 2012B. Mr. Steinman stated the term of the bonds would remain through 2026 and the refunding bonds would not be callable again until February of 2022. Mr. Steinman stated if there was a new owner for the Washington Manor, the City could set up an escrow account to make the debt service payments.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12188, providing for the issuance and sale of General Obligation Government Housing Refunding Bonds, Series 2012B, in the proposed aggregate principal amount of \$3,245,000. Resolution adopted unanimously.

Acting Mayor Cuffe stated the vacant Mayor position will be discussed further at a Finance Committee-of-the-Whole meeting that will be held on October 30, 2012.

Moved by Littlewolf and supported by Ralston to adopt Resolution No. 12189, declaring a vacancy in the Mayor position, effective October 23, 2012. Resolution adopted unanimously.

Moved by Baribeau and supported by Ralston to approve Final Pay Request No. 5 for Ulland Brothers, Inc., in the amount of \$484,731.00, for C.P. 5-11- Pearsall Industrial Addition Utility, Infrastructure and Site Improvements, C.P. 5-11. Motion carried.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12190, authorizing the submission and acceptance of an Iron Range Resources Grant for the infrastructure and site work for Tri-Tec Manufacturing. Resolution adopted unanimously.

Moved by Baribeau and supported by Littlewolf to adopt Resolution No. 12191, authorizing the submission and acceptance of an Iron Range Resources Grant for site improvements to the Children's Memorial Park. Resolution adopted unanimously.

Moved by Littlewolf and supported by Baribeau to adopt Resolution No. 12192, authorizing submission and acceptance of an Iron Range Resources Grant for infrastructure and site work for the Northern Heights Business Park. Resolution adopted unanimously.

Moved by Littlewolf and supported by Ralston to adopt Resolution No. 12193, to approve the Amendment to Grant Agreement B43-250 to provide renewable energy improvements to the Virginia Greenhouse to include the construction of solar arrays at the greenhouse, tennis building and golf course. Resolution adopted unanimously.

Acting Mayor Cuffe reported on the Finance Committee-of-the-Whole meeting held on October 9, 2012, and reviewed the 2013 budgets for the following departments:

➤	Public Works Department:	
✓	Streets	\$1,093,384
✓	Ice and Snow Removal	\$ 352,035
✓	Street Lighting	\$ 65,000
✓	Traffic Signals	\$ 53,047
✓	Public Works Garage	\$ 71,250
✓	Public Works Department	\$ 515,565
✓	Public Works Office	\$ 59,722
➤	City Engineering Department	\$ 464,940

➤	City Council	\$ 167,892
➤	Publications/Ordinances	\$ 24,900
➤	Mayor	\$ 34,738
➤	City Administration	\$ 259,223
➤	City Hall	\$ 181,306
➤	City Clerk/Finance Director	\$ 455,294
➤	City Attorney	\$ 182,847
➤	Teen Center	\$ 13,000
➤	Senior Citizens Center	\$ 12,000

Moved by Littlewolf and supported by Ralston to accept the preliminary 2013 budgets for the above-listed departments, contingent upon review of the entire budget, and a reduction in the Teen Center budget by \$1,000 with the elimination of the insurance for the board. Motion carried.

Moved by Russo and supported by Baribeau to request the City Operations Director, City Attorney and Finance Director to prepare a five year economic plan for the hospital bonds, including the bottom line effect for the City of Virginia.

Moved by Littlewolf and supported by Ralston to request the City Attorney, City Operations Director and Finance Director to prepare a detailed financial report to recapture the expenditures that are due the City from the Virginia Regional Medical Center, if any.

Ayes: Councillors Littlewolf, Ralston, Russo, Acting Mayor Cuffe – 4

Nays: Councillor Baribeau - 1

Motion carried.

Acting Mayor Cuffe reported on the Finance Committee-of-the-Whole meeting held on October 16, 2012.

Moved by Russo and supported by Littlewolf to rescind Resolution No. 12184, adopted on September 25, 2012, to obtain \$450,000 in bond financing through the Minnesota Municipal Utility Association's bond financing program. Motion carried.

Moved by Littlewolf and supported by Baribeau to adopt Resolution No. 12194, authorizing tax-exempt capital lease financing under a governmental lease-purchase agreement; naming U.S. Bancorp Government Leasing and Finance, Inc., as the lender for the purchase of Public Utilities equipment; pledging the net revenues of the Virginia Public Utilities for lease payments; and determining other matters in connection therewith. Motion carried.

Moved by Ralston and supported by Russo to approve the travel request for Dan L'Allier and Erik Jonassen, Fire Department, to attend the Tri State Emergency Responder Conference, to be held November 1-4, 2012, in Dubuque, Iowa. Motion carried.

Moved by Russo and supported by Baribeau to approve the travel request for Jason Dickinson, Fire Department, to attend the Life Quest seminar on ambulance billing, to be held November 11-13, 2012, in Wautoma, Wisconsin. Motion carried.

Moved by Baribeau and supported by Littlewolf to adopt Resolution No. 12195, approving Change Order No. 2, which increases the contract with Hibbing Excavating, Inc., by the amount of \$17,387.03, for the P & H Sanitary Sewer and Watermain Extension Project. Resolution adopted unanimously.

Moved by Ralston and supported by Littlewolf to authorize City staff to demolish the structures located at 605 and 607 12<sup>th</sup> Street North. Motion carried.

City Operations Director Tourville and Councillor Ralston agreed to meet with the Iron Range Resources and Rehabilitation Board to discuss the criteria for their demolition program.

Moved by Baribeau and supported by Ralston to adopt Resolution No. 12196, approving Change Orders 8, 9, 10, 11 and 12, to increase the contract with Ulland Brothers, Inc., by the total amount of \$7,303.94, for C.P. 5-11 – Pearsall Industrial Addition Utility, Infrastructure and Site Improvements. Resolution adopted unanimously.

Moved by Russo and supported by Ralston to accept the proposal from John Judnick, in the amount of \$500.00, to purchase the 1996 Ford F350 4-door crew cab, as recommended by the Park/Recreation Director. Motion carried.

Moved by Russo and supported by Baribeau to authorize the Lead Engineer to negotiate an exchange for blacktop and/or cold mix for the minimum bid amounts for the following surplus equipment:

- 1990 International 2554 Sander (minimum \$6,500)
- 1991 International 4900 Sweeper (minimum \$10,500)

Motion carried.

Moved by Ralston and supported by Russo to deny the request to remove the tree that is located on private property on Cottage Lane, as recommended by the Engineering Department.

Motion carried.

Acting Mayor Cuffe reviewed the proposed 2013 budgets for the following departments:

➤	Music	\$10,000
➤	Viewpoint in the Sky	\$11,700
➤	Chamber of Commerce	\$ 7,405
➤	Quad Cities Recreation Center	\$22,316
➤	Greenwood Cemetery	\$ 7,650
➤	Calvary Cemetery	\$ 8,000
➤	Eveleth/Virginia Airport	\$ 7,500
➤	Virginia Economic Development Authority:	
	i. Appropriation	\$ 0
	ii. Neighborhood Renewal Program	\$15,000
➤	Virginia-Eveleth Economic Development Authority:	
	iii. VEEDA Loan	\$64,000
	iv. VEEDA and taxes	\$33,000
➤	Economic Development Assistance	\$100,000

Moved by Russo and supported by Littlewolf to approve the preliminary 2013 budgets for the above-listed departments, contingent upon review of the entire budget. Motion carried.

Moved by Baribeau and supported by Littlewolf to table the 2013 budgets of \$15,700 for the Cable TV and \$32,500 for the Cable Commission. Motion carried.

Moved by Russo and supported by Baribeau to allow the retiree insurance expenses to remain in the budgets for the departments where they were employed, with a separate summary sheet created with the retiree information for the City Council to review on an annual basis (including department, percent of premium paid, retire date). Motion carried.

Moved by Ralston and supported by Russo to authorize advertising for the part time secretary position for the Police Department.

Moved by Littlewolf and supported by Russo to table the advertising for the part-time Police Secretary position and refer to the Finance Committee meeting that will be held on October 30, 2012. Motion carried.

Moved by Russo and supported by Baribeau to authorize the Finance Director to transfer the medical account from US Bank to the Frandsen Bank. Motion carried.

Moved by Russo and supported by Baribeau to authorize the Finance Department to transfer the Wells Fargo Police Investment Account to the Smith Barney Police Investment Account. Motion carried.

Finance Director Erickson reported on the Insurance Advisory Committee meeting held on October 16, 2012.

Moved by Baribeau and supported by Ralston to waive the requirement for a written resolution for the following motion. Motion carried.

Moved by Baribeau and supported by Ralston to adopt Resolution No. 12197, approving the transfer of \$404,000 from the Insurance Trust Fund to the OPEB revocable fund through PERA. Resolution adopted unanimously.

Councillor Russo reported on the Hospital Commission meeting and stated they will provide the City Council with a list of candidates for the Essentia Board by November 1<sup>st</sup>. By December 1<sup>st</sup>, the Hospital Commission will provide the City Council with their input on the new “Oversight Committee” for the hospital building. The Charter Commission will be requested to meet to make the necessary changes to the City Charter regarding the Hospital Commission.

Acting Mayor Cuffe reported that the Coalition of Greater Minnesota Cities will be holding their fall conference on November 14-16, 2012

Meeting adjourned at 8:05 P.M., with the next regular City Council meeting to be held at 6:30 P.M. on Tuesday, November 13, 2012.

(CORPORATE SEAL)

LARRY CUFFE  
Acting Mayor

LOIS ROSKOSKI  
City Clerk