

**VIRGINIA CITY COUNCIL
AGENDA
OCTOBER 9, 2012 – 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 September 25, 2012.

5.2 Adoption of Finance Resolution No. 12-019 – Schedule of Bills.

5.3 Approval Application for Exempt Permit for Ducks Unlimited Mesabi Chapter to hold raffle on November 15, 2012.

6. APPEARANCES (Limited to 10 minutes)

6.1 Stuart Johansen and Curt Whiting regarding proposed use of Lot 11, Block 14, Ridgewood Addition.

7. UNFINISHED BUSINESS

8. DISCUSSION ITEMS

8.1 Communication from Planning and Zoning Commission recommending approval of variance for Kyle Lamppa, 5 Taconite Drive:

a. A 10.2 foot variance to the required 15 foot setback on the East property line, in order to construct an addition 4.8 feet from the East property line.

8.2 Communication from Planning and Zoning Commission recommending approval of variances for Phyllis Hokkanen, 704 8th Avenue South:

a. A 10.2 foot variance to the required 15 foot setback on the East property line, in order to construct an addition 4.8 feet from the East property line, contingent upon the Utility Obstruction Agreement being submitted.

b. A 2.6 foot variance to the required 20 foot setback on the West property line, in order to construct a 28' x 28' garage, 17.4 feet from the West property line, contingent upon the Utility Obstruction Agreement being submitted.

c. A 76 square foot variance to the maximum 30 percent rear yard coverage (708 square feet), in order to construct a 28' x 28' garage, contingent upon the Utility Obstruction Agreement being submitted.

8.3 Communication from Planning and Zoning Commission recommending approval of variance for Overland Engineering, 521 9th Street North:

a. A 182.1 square foot variance to the maximum of 64 square foot allowable, in order to install signs with a 246.1 total square footage at the new Dollar General store to be located at 521 9th Street North.

9. COMMITTEE REPORTS

9.1 Finance Committee-of-the-Whole (October 2, 2012)

- a. Washington Manor rent, effective January 1, 2013.
- b. 2013 budget – Washington Manor.
- c. Preliminary 2013 budget – City Assessor.
- d. Preliminary 2013 budget – Police Department.
- e. Preliminary 2013 budget – Fire/ambulance Department.
- f. Preliminary 2013 budget – Library.
- g. Preliminary 2013 budget – Park and Recreation Department.
- h. Accept bid for 1990 Komatsu Loader.
- i. Sale of surplus equipment.
- j. Travel request – Steve Estey and Joe Broneak, Police Department.
- k. Vacant Mayor position.

10. COMMISSION LIAISON/DEPARTMENT HEAD REPORTS

11. ADJOURN TO TUESDAY, OCTOBER 23, 2012, AT 6:30 P.M., COUNCIL CHAMBERS

5.3

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that: - conducts lawful gambling on five or fewer days, and - awards less than \$50,000 in prizes during a calendar year. If total prize value for the year will be \$1,500 or less, contact the licensing specialist assigned to your county.	Application fee	
	If application posted or received: less than 30 days before the event \$100	more than 30 days before the event \$50

ORGANIZATION INFORMATION

Organization name DUCKS UNLIMITED MESABI CHAPTER	Previous gambling permit number X-69016
Minnesota tax ID number, if any	Federal employer ID number (FEIN), if any 93-0926666

Type of nonprofit organization. Check one.

Fraternal
 Religious
 Veterans
 Other nonprofit organization

Mailing address 8101 REID ROAD	City BRITT	State MN	Zip code 55710	County ST. LOUIS
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Name of chief executive officer [CEO] CLINTON GENE HANSEN	Daytime phone number 218-780-2189	E-mail address brittbunch@msn.com
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NONPROFIT STATUS

Attach a copy of ONE of the following for proof of nonprofit status.

Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.
 Don't have a copy? This certificate must be obtained each year from:
 Secretary of State, Business Services Div., 60 Empire Drive, Suite 100, St. Paul, MN 55103
 Phone: 651-296-2803

IRS income tax exemption [501(c)] letter in your organization's name.
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

IRS - Affiliate of national, statewide, or international parent nonprofit organization [charter]
 If your organization falls under a parent organization, attach copies of both of the following:
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place.
ELKS LODGE 1003

Address [do not use PO box] 220 5TH AVENUE NORTH	City or township VIRGINIA	Zip code 55792	County ST. LOUIS
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Date[s] of activity. For raffles, indicate the date of the drawing.
11-15-2012 TO 11-15-2012

Check each type of gambling activity that your organization will conduct.

Bingo*
 Raffle
 Paddlewheels*
 Pull-tabs*
 Tipboards*

*Gambling equipment for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to www.gcb.state.mn.us and click on **Distributors** under the **WHO'S WHO? LIST OF LICENSEES**, or call 651-639-4000.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

**CITY APPROVAL
for a gambling premises
located within city limits**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days [60 days for a 1st class city].
- The application is denied.

Print city name _____

Signature of city personnel _____

Title _____ Date _____

Local unit of government must sign

**COUNTY APPROVAL
for a gambling premises
located in a township**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name _____

Signature of county personnel _____

Title _____ Date _____

TOWNSHIP -If required by county. On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits.

[A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.166.]

Print township name _____

Signature of township officer _____

Title _____ Date _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief executive officer's signature *Clinton George Hanson*

Date *10-5-12*

Print name *CLINTON GEORGE HANSON*

Print form and have GEO sign

REQUIREMENTS

Reset form

Complete a separate application for:
 - all gambling conducted on two or more consecutive days, or
 - all gambling conducted on one day.
 Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report and recordkeeping required
 A financial report form and instructions will be sent with your permit, or use the online fill-in form available at www.gcb.state.mn.us.

Send application with:
 ___ a copy of your proof of nonprofit status, and
 ___ application fee. Make check payable to "State of Minnesota."

Within 30 days of the event date, complete and return the financial report form to the Gambling Control Board.

To: Gambling Control Board
 1711 West County Road B, Suite 300 South
 Roseville, MN 55113

Questions?
 Call the Licensing Section of the Gambling Control Board at 651-639-4000.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board.

All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney

General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

6.1

Lois Roskoski

From: Stuart Johansen <sjohansen@vermillionrealtor.com>
Sent: Tuesday, October 02, 2012 2:37 PM
To: Lois Roskoski
Cc: Judith Stoltz; 'Karen Whiting'
Subject: Virginia Lot - Proposed Garage Package

Importance: High

Hello Lois,

Thank you for taking the time to meet with me today to discuss the proposed use of PID#'s 090-0140-01310 & 090-0140-01320 that comprise of the following legal description: Lot 11 , Block 14, Ridgewood Addition to Virginia which is currently owned by a Judith Stoltz with a current class code of: 200 - Residential 2-3 units or Vacant Land . We have a buyer for this lot who wishes to purchase for the purpose of constructing a large garage building with living quarters per the drawing provided you this morning.

Per our discussion and documentation provided you this morning, this triangular lot has two access points, one being an alley along the westerly side of the property, and the other frontage along South 18th Street. To the East is an adjacent lot owned by Mark Lease. On all sides/points of the subject property are existing garages.

This lot does not conform to neighborhood with regards to building a single family home that meets the conditions of the city engineering department, nor would a potential buyer purchase the lot to build a new home with views on all sides of existing garages only. There were no building restrictions or conveyances of record, so not sure why engineering is informing us that this property can only have a new single family home, nor can I find anything recorder changing the use type. I am respectfully asking that you help coordinate with the buildings & grounds and/or the planning & zoning departments to work with us on allowing a similar structure to the existing that surround this property.

Please don't hesitate to contact me at the following with any questions, concerns, or comments.

Yours truly,

Stuart Johansen - Associate Broker
Cell: 218-390-0290
sjohansen@vermillionrealtor.com
www.vermillionrealtor.com

Prudential Northland Realty
PO Box 625
421 N 4th Ave
Biwabik, MN 55708
Office: 218-741-3400
Fax: 218-742-3292

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Lois Roskoski
Deputy City Clerk
City of Virginia
327 South 1st Street
Virginia, MN 55792
(218) 748-7500

CITY OF VIRGINIA

327 FIRST STREET SOUTH • VIRGINIA, MINNESOTA 55792-2623

8.1

ENGINEERING DEPARTMENT

(218) 748-7500

TO: Honorable Mayor Steve Peterson
And City Council

FROM: Chairperson Bruce Kniivila
Planning and Zoning Commission

DATE: October 4, 2012

SUBJECT: Variance for Kyle Lamppa – 5 Taconite Drive:

It is the recommendation of the Planning and Zoning Commission to approve the variance for Kyle Lamppa – 5 Taconite Drive.

- 1.) A 10.2 foot variance to the required 15 foot setback on the East property line, in order to construct an addition 4.8 feet from the East property line.

a. Moved by Rosandich and supported by Bird for a 10.2 foot variance to the required 15 foot setback on the East property line, in order to construct an addition 4.8 feet from the East property line. **MOTION CARRIED.**

BASIS OF DECISION

- **No Line of Sight Traffic Problems Created**
- **Consistent with Character of Neighborhood**
- **Only Side of House the Addition can be Added to**
- **No Neighbor Response**

Your favorable consideration will be appreciated. If you have any questions, please feel free to contact us.

8.2

CITY OF VIRGINIA

327 FIRST STREET SOUTH • VIRGINIA, MINNESOTA 55792-2623

ENGINEERING DEPARTMENT

(218) 748-7500

TO: Honorable Mayor Steve Peterson
And City Council

FROM: Chairperson Bruce Kniivila
Planning and Zoning Commission

DATE: October 4, 2012

SUBJECT: Variance for Phyllis Hokkanen – 704 8th Avenue South:

It is the recommendation of the Planning and Zoning Commission to approve the variance for Phyllis Hokkanen – 704 8th Avenue South.

- 1.) A 3.4 foot variance to the required 8 foot setback on the East property line, in order to construct a 28'X28' garage, 4.6' feet from the East property line.

Phyllis Hokkanen was present but Joe Umbomervich spoke to the Commission regarding the variance on her behalf.

a.

Moved by Bird and supported by Rosandich for 10.2 foot variance to the required 15 foot setback on the East property line, in order to construct an addition 4.8 feet from the East property line contingent upon the Utility Obstruction Agreement being submitted. MOTION CARRIED.

- 2.) A 2.6 foot variance to the required 20 foot setback on the West property line, in order to construct a 28'X28' garage, 17.4 feet from the West property line.

b.

Moved by Bird and supported by Rosandich for a 2.6 foot variance to the required 20 foot setback on the West property line, in order to construct a 28'X28' garage, 17.4 feet from the West property line contingent upon the Utility Obstruction Agreement being submitted. MOTION CARRIED.

- 3.) A 76 square foot variance to the maximum 30 percent rear yard coverage (708 square feet), in order to construct a 28'X28' garage.

c.

Moved by Kauppi and supported by Krog for a 76 square foot variance to the maximum 30 percent rear yard coverage (708 square feet), in order to

CITY OF VIRGINIA

327 FIRST STREET SOUTH • VIRGINIA, MINNESOTA 55792-2623

construct a 28'X28' garage contingent upon the Utility Obstruction Agreement being submitted. MOTION CARRIED.

BASIS OF DECISION

- **No Line of Sight Traffic Problems Created**
- **No Neighbor Response**
- **Valid Request due to one stall garage being inadequate**

Your favorable consideration will be appreciated. If you have any questions, please feel free to contact us.

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327 FIRST STREET SOUTH • VIRGINIA, MINNESOTA 55792-2623

8.3

ENGINEERING DEPARTMENT

(218) 748-7500

TO: Honorable Mayor Steve Peterson
And City Council

FROM: Chairperson Bruce Kniivila
Planning and Zoning Commission

DATE: October 4, 2012

SUBJECT: Variance for Overland Engineering – 521 9th Street North:

It is the recommendation of the Planning and Zoning Commission to approve the variance for Overland Engineering – 521 9th Street North.

- 1.) A 182.1 square foot variance to the maximum of 64 square foot allowable, in order to install signs with a 246.1 total square footage at the new Dollar General store to be located at 521 9th Street North.

Mike Smith with Northern Lights Surveying was present to speak to the Commission regarding the variance on behalf of Overland Engineering.

Mike Smith, Bill Hennis and the Commission discussed the signs for the Dollar General and it was explained that the pylon sign will be 6x16 with the total signage being 246.1 square feet.

a
Moved by Bird and supported by Krog for a 182.1 square foot variance to the maximum of 64 square foot allowable, in order to install signs with a 246.1 total square footage at the new Dollar General store to be located at 521 9th Street North. MOTION CARRIED.

BASIS OF DECISION

- Consistent with other Signage in the Area
- Will Improve Existing Site
- No Neighbor Response

Your favorable consideration will be appreciated. If you have any questions, please feel free to contact us.

9.1

FINANCE COMMITTEE-OF-THE-WHOLE
Tuesday, October 2, 2012 – 9:00 A.M.
Council Chambers, City Hall:

Present: Councillors Littlewolf, Ralston, Baribeau, Sipola, Russo, Acting Mayor Cuffe – 6

Absent: None

Also Present: Library Commission - Kathryn Cremers, John Cope; Nancy Maxwell, Library Director; John Tourville, City Operations Director; Steve Johnson; HRA - Sue Salzer, Brenda Slattery, Dana Hiltunen; Dan L'Allier, Fire Chief; Dennis Benz, Police Chief; Maegen Hunt, Data Entry/HR Generalist; Lois Roskoski, City Clerk; Bruce Grierson, AFSCME President; Rick Puhek, City Assessor; John Bachman, Park/Recreation Director

Acting Mayor Cuffe called the meeting to order at 9 A.M.

Kathryn Cremers, member of Library Commission and Friends of the Library, read a letter in support of filling the vacant Library Clerk position and stated the community wants the position filled as quickly as possible.

Sue Salzer, Housing and Redevelopment Authority, reviewed three options to increase the rent for the Washington Manor as of January 1, 2013, and stated all projections included a \$50,000 savings from refunding the Washington Manor Bonds:

- Increase by 1%, which would project a cash shortfall of \$1,884.
- Increase by 2%, which would project excess cash of \$3,433.
- Increase rent by a flat \$15 per month would project excess cash of \$2,290.

Ms. Salzer stated the HRA recommended the one percent increase in rent for the Washington Manor. Dana Hiltunen, HRA Director, recommended holding off on pushing the rental fees over \$1,000/month, due to the current vacancy issues.

Councillor Sipola stated it not sustainable to run a business with a projected loss and noted the rents would be pushed over \$1,000 the following year. He also expressed concern because the City has not had a balanced budget since 2004.

Councillor Baribeau stated the City must put aside 35% to 40% of the City budget in a reserve fund in the next few years, which amounts to \$1.5 million. The City currently has 15% of the budget in the reserve fund and Councillor Baribeau stated it is affecting the City's bond rating.

Ms. Hiltunen stated the HRA approved increasing the rents at the Laurentian Manor by two percent for 2013.

a. **Moved by Russo and supported by Littlewolf to increase the Washington Manor rents by a flat rate of \$15 per month, effective January 1, 2013. Motion carried.**

Ms. Salzer reviewed the proposed 2013 budget for the Washington Manor and stated the revenue would be increased by \$5,000 with the \$15 monthly rental increase. Councillor Baribeau stated the proposed 1.7 percent increase in steam is too low and asked that it be refigured with at least a 4 percent increase.

Ms. Salzer reviewed the proposed capital improvements, which included carpeting and appliance replacement for eight apartments, hallway carpeting, replacement of sprinkler heads and elevator upgrades.

City Operations Director Tourville stated the City budget has \$300,000 earmarked for repairs to the Washington Manor, which is not included in the HRA's budget.

b. **Moved by Sipola and supported by Russo to approve the proposed 2013 budget for the Washington Manor, contingent upon revising the Washington Manor rent to include a \$15 per month increase and calculating a four percent increase in the steam budget. Motion carried.**

Ms. Salzer reviewed the budget to actual figures for the period ending August 31, 2012, for the Washington Manor, which is the first five months of the HRA fiscal year, and stated revenues were above budget and expenses were below the budget.

Ms. Hiltunen stated the Washington Manor tenants have requested that one apartment be converted to a guest apartment, which could be rented on a daily basis. Discussion was also held on utilizing an apartment for people with relatives in the hospital. It was the consensus of the committee that the HRA be authorized to move forward with the guest apartments, if they determine it to be feasible, and to include the additional services in their new brochure.

Rick Puhek, City Assessor, presented a proposed 2013 budget of \$223,755.00 and stated the budget includes \$12,000 of non-fixed costs. Additional costs may be incurred for travel, due to increased licensure requirements.

C. **Moved by Ralston and supported by Russo to accept the preliminary 2013 budget for the City Assessor, contingent upon review of the entire budget. Motion carried.**

Dennis Benz, Police Chief, presented a proposed 2013 budget of \$2,262,965.00 for the Police Department, and stated the original capital budget has been reduced by \$50,000. Chief Benz is working on a new cell phone plan to reduce costs. Costs to upgrade the radios for the Police Department will be presented at a future meeting. The 2013 budget includes twenty officers. The department is currently staffed at sixteen officers and efforts are continuing to hire three additional officers. A COPS grant would be utilized to hire the twentieth officer.

d. **Moved by Sipola and supported by Littlewolf to accept the preliminary 2013 budget for the Police Department, contingent upon review of the entire budget. Motion carried.**

Dan L'Allier, Fire Chief, presented the proposed 2013 budgets:

- Fire Department - \$902,368.00
- Ambulance - \$2,038,590.00
- Fire Hall Building - \$10,200.00
- Emergency Management - \$38,000.00

Chief L'Allier stated he will further reduce the budget by four percent. Springsted will be submitting the rough draft of the business plan study of the fire/ambulance service in the near future. Overtime costs have increased, as the department has been running short staffed for several months. Chief L'Allier is working on sharing a Fire Marshall with Eveleth and Mt. Iron and was directed to include Biwabik and Gilbert in the proposal. Chief L'Allier stated the department has liquidated some assets, which will offset new purchases. The new fire engine is scheduled to arrive on October 20th. Chief L'Allier stated the study will determine how many employees will be required to provide the services. The charter bond included all the major equipment for the Fire/Ambulance Department. Chief L'Allier expressed concern on the availability of qualified candidates for the Fire/Ambulance Department.

It was recommended that the Fire Chief look into the following items: 1) Coordinate testing with other departments; 2) Hire paramedics and then send for fire training (add step pay structure to contract); 3) Use an ambulance driver that is not a paramedic; 4) Converse with outlying areas, including Eveleth, Biwabik, on cooperative efforts; 5) Review ambulance billing service; 6) Review service area after the election; 7) Review 12 hours shifts vs. 24 hour shifts.

Councillor Sipola stated the proposed budget should not include a full complement of employees and the additional \$60,000 in overtime.

Acting Mayor Cuffe recommended that, next year, all department heads be required to submit a breakdown for all budget line items, including replacement schedules and the age of the equipment, as the current setup creates a lot of unanswered questions. Acting Mayor Cuffe will bring in a copy of a budget request form.

e.

Moved by Sipola and supported by Baribeau to approve the preliminary 2013 budget for Fire/Ambulance Department, on the condition that it be reviewed after the business study is completed and contingent upon review of the entire budget. Motion carried.

Nancy Maxwell, Library Director, presented a proposed 2013 budget of \$894,618.00 for the Library, which had been further reduced to \$872,694.00. Library Director Maxwell requested that the following budget items be added back to the Library budget, per her original budget proposal:

- Part time salaries for five aides - \$25,000 to allow for the Library to be open on evenings and Saturdays.
- Book purchases increased to: Adult - \$22,000; Children's - \$17,000; Reference - \$22,000.
- Funding of a space planner to determine better usage of space - \$5,000.
- Travel - \$5,000.
- Capital Outlay – Building - \$15,000 to repair leaky heat pipe, repair roof, repair back steps/foundation.
- Capital Outlay – Other - \$10,000 to replace computer table and circulation desk.

Councillor Baribeau requested the Library Director to obtain the percent of patrons that utilize the Arrowhead Library System, versus just the Virginia Library system, and determine if the City is receiving the appropriation reimbursement.

Councillor Littlewolf stated there is a need to continue current staffing levels at the Library and the Council needs to take the comments from Library Commission into account regarding the vacant Library Clerk position.

Library Director Maxwell requested that the vacant Library Clerk position be posted externally. Ms. Maxwell stated the Library Clerk transferred to the Police Department and the cataloguer and janitor will be retiring by the end of 2012 and noted the replacements will cost less, due to the loss of longevity and reduced vacation. Library Director Maxwell also stated the five aides would be necessary to allow the Library to be open for extended hours and on Saturdays.

The following recommendations were given to the Library Director:

- Speak with the City Operations Director regarding filling the janitor position and discuss the possibility of making it a shared position, with partial days and varied hours.
- Meet with staff to discuss better use of current employees, including creative scheduling and staggered shifts, and make a presentation to the Finance Director and City Operations Director.
- Contact the space planner and request the scope of work, in writing, to determine the value and outcome of the study, prior to hiring the planner.

f.

Moved by Sipola and supported by Baribeau to approve preliminary 2013 budget for the Library, contingent upon review of final numbers. Motion carried.

John Bachman, Park/Recreation Director, presented the proposed 2013 budgets:

- Recreation Department - \$559,845.00
- Park Department - \$733,553.00

The 2013 Recreation Department was reduced from the 2012 budget of \$562,786.00. The 2013 Park Department budget was reduced from the 2012 budget of \$964,571.00. All capital outlay items were removed from the Recreation budget. Budgets were increased for the gasoline and utilities. Capital outlay, in the amount of \$115,400, and summer students were included in the 2013 budget. Capital outlay items for the Park Department include a truck, mower, utility vehicle, playground equipment, tennis court resurfacing and mower lease payment, for a total amount of \$115,400. The capital budget could be reduced by an additional \$12,000 for the tennis court resurfacing. The Park Department capital budget was reduced, as most of the items were included in the Charter Bond.

Councillor Littlewolf stated there is a need to talk to all departments about staff reductions. A full analysis of the number of employees that were previously working in each department should be prepared to compare to the current staffing levels.

g. Moved by Sipola and supported by Ralston to approve the preliminary 2013 budget for the Park and Recreation Departments, less an additional \$12,000 for the Park Department capital outlay budget for the tennis court resurfacing budget. Motion carried.

Lead Engineer Hennis reviewed the bids that were received for the 1990 Komatsu Loader. The high bid received from Joe Sopp, in the amount of \$6,150.00. No bids were received on the other four pieces of equipment. Lead Engineer Hennis requested permission to dispose of the other equipment through an auction process.

h. Moved by Sipola and supported by Baribeau to accept the bid from Joe Sopp, in the amount of \$6,150.00, to purchase the 1990 Komatsu Loader. Motion carried.

i. Moved by Sipola and supported by Baribeau to sell the following equipment through an alternative bid/auction process:

- 1990 International 2554 - 4 x 2 truck chassis
- 1991 International 4099 - 4 x 2 truck chassis
- 8 foot Falls grader dozer blade, front mount
- 1996 Ford F-350 4-door crew cab, with lift gate and fiberglass topper

Motion carried.

j. Moved by Russo and supported by Sipola to approve the travel request for Steve Estey and Joe Broneak, Police Department, to attend the MN Office of Traffic Safety Seminar, to be held October 21-23, 2012, in Bloomington, MN. Motion carried.

Councillor Sipola reviewed information from the City Charter regarding filling the vacant Mayor position. The City Council, by resolution, must declare the vacancy to exist and appoint an eligible person within thirty days until the next regularly scheduled Council election. Councillor Sipola stated the City Council would appoint the person to fill the unexpired Mayor's term because the filing period has ended for the City election, as interpreted by the City Attorney.

Councillor Littlewolf stated she was told the City Council had two options to consider: 1) City Council could appoint a person to the unexpired Mayor's term; or 2) Hold a special election. Councillor Littlewolf stated she is not comfortable with appointing a person to the Mayor term, which has over two years remaining, and will research the issue further.

City Clerk Roskoski stated she was informed by the City Attorney that the City Council could appoint a person for the unexpired Mayoral term, or hold a Special Election. She further stated that the cost of a Special Election would be approximately \$8,000, as the City Attorney also stated that a Primary would not be required for a Special Election.

Councillor Sipola stated there is a 30 day period to appoint a person to the Mayoral position, once the City Council declares the vacancy and recommended that the vacancy be declared at either the October 9th or 23rd City Council meeting.

Councillor Ralston recommended that the Mayor position be open to community members, with the City Council holding an interview process.

Moved by Baribeau and supported by Littlewolf to declare the vacant Mayor position at the October 9th City Council meeting. Councillor Baribeau amended the motion, as follows:

k. Moved by Baribeau and supported by Littlewolf to amend the previous motion to declare the vacant Mayor position at the October 23rd City Council meeting. Motion carried.

City Operations Director Tourville stated the Finance Committee will continue to review the budgets at the October 9th Finance Committee meeting.

Meeting adjourned at 12:50 P.M.