

COUNCIL PROCEEDINGS

CITY OF VIRGINIA, MINNESOTA, JANUARY 24, 2012

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.

Mayor Peterson thanked the communities that assisted the Virginia Fire Department in the structure fire on January 23rd and stated the cities are fortunate to have such highly skilled employees.

Councillor Sipola stepped down from his Council seat and addressed the City Council as a concerned citizen regarding the proposed sale of City property on the west side of Bailey's Lake for commercial development. Mr. Sipola read a motion that was approved by the Buildings/Grounds Committee on October 5, 2010, and by the City Council on October 12, 2010, to direct the City Operations Director to develop a marketing plan for all vacant City sites, excluding the lake properties.

Mr. Sipola stated the Comprehensive Plan was adopted on December 23, 1997, and includes significant information regarding land development around the lakes. The Comprehensive Plan states lakeshore property should continue to be acquired as it becomes available, with the street views to the City's lake being protected and developments discouraged that would impair the view.

Mr. Sipola stated the Buildings/Grounds Committee is also considering holding two public hearings to update the Virginia Parks/Trails Comprehensive Plan, which includes lakeshore property, and stated he would support the project if the public deems that buildings should be built.

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

1. Approval/correction of minutes of Regular Meeting held January 10, 2012.
2. Adoption of Finance Resolution No. 012-002 – Schedule of Bills.
3. Approve Dance Permit for Iron Range Youth in Action to hold dance at the Miners Memorial Building on February 3, 2012.

Motions carried and Finance Resolution adopted unanimously.

Ted Troolin, St. Louis County Environmental Services, gave a presentation on the partnership with the City of Virginia for waste management. Mr. Troolin stated the City of Virginia has a good recycling program. State law mandates that charges for waste must be based on volume/weight, which encourages citizens to recycle to reduce the amount of waste. Virginia's bag system complies with State law and charges competitive fees. Mr. Troolin also reviewed the Compost Bin Program and stated bins are available for \$15 for backyard composting and discouraged the public from burning garbage.

Mayor Peterson stated the City's garbage rates are low and rates would increase if the garbage bag system was eliminated.

Moved by Baribeau and supported by Russo to accept the proposal to transfer Outlot C and the vacated portion of 14th Avenue West to Menard, Inc., with the Resolution adopted at the next meeting. Motion carried.

Moved by Baribeau and supported by Sipola to adopt an Ordinance Amending Chapter 5, Section 5.41 of the City Code entitled “Alcoholic Beverages Licensing and Regulations – Sunday Sales”.

Ayes: Councillors Cuffe, Littlewolf, Ralston, Baribeau, Sipola, Russo – 6

Nays: Mayor Peterson – 1

Ordinance adopted.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12035, requesting an extension of the \$1,175,000 Community Oriented Policing Services (COPS) Grant No. 2009CKWX0429 through March 10, 2014, in order to expend remaining funds. Resolution adopted unanimously.

Moved by Russo and supported by Baribeau to refer the discussion on the Golf Course restaurant operations to the Finance Committee. Motion carried.

Councillor Russo reported on the Personnel Committee-of-the-Whole meeting held on January 17, 2012.

Moved by Russo and supported by Sipola to appoint John Cope to the Library Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Cuffe to reappoint Willie Spelts, Jr., to the Park/Recreation Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Cuffe to reappoint Tony Sacchetti to the Park/Recreation Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported to appoint Jodi Schefers to the Park/Recreation Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Sipola to reappoint Gail Baribeau to the Hospital Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Baribeau to reappoint Barbara Politano to the Hospital Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Littlewolf to reappoint Anne Bier to the Human Rights Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Cuffe to reappoint Linda Esala to the Human Rights Commission for a three year term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Baribeau to reappoint Marcia Kauppi to the Planning/Zoning Commission for a three term ending February 1, 2015. Motion carried.

Moved by Russo and supported by Cuffe to reappoint Jim Johnson to the Eveleth/Virginia Airport Authority for a three year term ending January 1, 2015.

Moved by Russo and supported by Baribeau to reappoint Jerry Marks to the Public Utilities Commission for a three year term ending February 1, 2015.

Ayes: Councillors Cuffe, Ralston, Baribeau, Russo, Mayor Peterson – 5

Nays: Councillors Littlewolf, Sipola - 2

Motion carried.

Councillor Littlewolf stated she was not against Mr. Marks and acknowledged that he has done a great job, but felt the City Council needs to review the policy regarding commissioners that are reappointed once they have fulfilled their maximum term limit.

Moved by Russo and supported by Sipola to change the City Code to increase the Park/Recreation to seven members. Motion carried.

Moved by Russo and supported by Cuffe to appoint William Claviter to the Park/Recreation Commission for a two year term ending February 1, 2014. Motion carried.

Moved by Russo and supported by Sipola to rescind the previous motion to increase the Park/Recreation Commission to seven members. Motion carried.

Moved by Russo and supported by Baribeau to amend the City Code to increase the Park/Recreation Commission to eight members. Motion carried.

Moved by Russo and supported by Sipola to appoint Darwin Alar to the Municipal Cable Commission for one year term ending December 1, 2014.

Darwin Alar stated he completed the nine year maximum term limit for the Cable Commission in December and no one had applied for the commission. Mr. Alar stated he is willing to serve a three year term and questioned if the City Charter allows a one year term. Mr. Alar commented that he did not feel that he was automatically entitled to another nine year term.

Councillor Russo rescinded the motion and Councillor Sipola rescinded support to the previous motion.

Moved by Littlewolf and supported by Cuffe to appoint Darwin Alar to the Municipal Cable Commission for a three year term ending December 1, 2014. Motion carried.

Moved by Sipola and supported by Russo to request the Personnel Committee to review the City Charter and set a policy regarding appointment of commissioners that have met the term maximum. Motion carried.

Moved by Russo and supported by Cuffe to authorize moving forward with the process to hire two police officers. Motion carried.

Moved by Russo and supported by Cuffe to authorize moving forward with the process to hire two firefighter/paramedics immediately and proceed with establishing an eligibility list for additional hiring in six months. Motion carried.

Councillor Russo stated he will be meeting with the City Operations Director, Finance Director and Fire Chief to discuss the testing process for the Fire Equipment Operators, prior to the next Personnel Committee meeting.

Moved by Russo and supported by Cuffe to authorizing moving forward with the process to hire one Heavy Equipment Operator for the Public Works Department. Motion carried.

City Operations Director Tourville reviewed the proposal to sell City property to Sundell Eye Associates to develop on eye clinic.

Moved by Cuffe and supported by Baribeau to approve the transfer of City property to Sundell Eye Associates for the development of an eye clinic, legally described as Lots 19 thru 26, Block 12, Lots 17 thru 19, Block 13, and vacated 5th Street North adjacent to Lot 26, Block 12, and Lot 17, Block 13, Great Northern Addition to Virginia, with the Resolution adopted at the next meeting.

Ayes: Councillors Cuffe, Littlewolf, Ralston, Baribeau, Russo, Mayor Peterson – 6

Nays: Councillor Sipola – 1

Motion carried.

Moved by Cuffe and supported by Baribeau to adopt Resolution No. 12036, authorizing submission and acceptance of an Iron Range Resources Grant, in the amount of \$150,000, for the expansion of Sundell Eye Associates near Bailey's Lake. Resolution adopted unanimously.

Moved by Baribeau and supported by Russo to authorize the City Operation Director Tourville to prepare a development agreement with Sundell Eye Associates. Motion carried.

Councillor Ralston reported on the Buildings/Grounds Committee meeting held on January 17, 2012.

Moved by Ralston and supported by Baribeau to request Architectural Resources to submit a proposal to update the Virginia Parks/Trails Comprehensive Plan. Motion carried.

Moved by Ralston and supported by Littlewolf to send a letter to Jesse Dahl requesting a quote for the photovoltaic solar system for the Greenhouse. Motion carried.

Moved by Ralston and supported by Littlewolf to authorize discussions with Erik Wedge of DSGW Architects regarding energy efficiency for the electrical, mechanical and lighting portions of the Greenhouse project. Motion carried.

Moved by Ralston and supported by Littlewolf to request proposals for a solar water heating system for the Greenhouse. Motion carried.

Moved by Ralston and supported by Littlewolf to direct City staff to prepare an updated business plan for the Greenhouse, including financial projections, for submission to the Iron Range Resources Board. Motion carried.

Moved by Ralston and supported by Baribeau to direct the City Operations Director and Engineering Department to develop a list of City buildings that have the potential for photovoltaic installation for the February 7th Buildings/Grounds Committee meeting and to schedule the geothermal presentation for that meeting. Motion carried.

Councillor Ralston stated Nancy Miller will be working with the Park/Recreation Director on a new exterior sign for the Olcott Park Greenhouse, with the costs borne by the Friends of the Greenhouse.

Moved by Ralston and supported by Baribeau to request the City Assessor to determine a price for the City-owned property on 18th Street North, formerly utilized by Virginia Ready Mix. Motion carried.

City Attorney Butorac stated, in 2003, the City vacated the property, formerly known as Vine Place and Pleasant Court, (adjacent to Block 6, 7 and 8, Pillsbury Addition), and the vacation will be recorded, once a legal description is obtained.

Moved by Ralston and supported by Russo to authorize the Lead Engineer to accept the items from the Virginia Historical Society to store in the former Girl Scout Room, which is located on the third floor of City Hall. Motion carried.

Moved by Ralston and supported by Russo to request the Police Department to work with the Virginia Historical Society on utilizing a small area of the Police impound building located on 18th Street North. Motion carried.

Moved by Ralston and supported to authorize the Public Works Department to work with the business that is requesting permission to place a clothing recycling bin at the City recycling center, if space is available. Motion carried.

Moved by Ralston and supported by Cuffe to have no objection to the request to hold a wedding reception at the Mineview-in-the-Sky, contingent upon final approval by the Laurentian Chamber. Motion carried.

Moved by Ralston and supported by Sipola to refer the vehicle exhaust system for the Fire Hall to the Engineering Department for a recommendation. Motion carried.

Moved by Ralston and supported by Baribeau to request the Park Department to place an advertisement in the newspaper to notify the public on the hours the skating rinks will be open. Motion carried.

Councillor Baribeau reported on the Street/Alley/Public Safety Committee meeting held on January 17, 2012.

Moved by Baribeau and supported by Ralston to authorize the Public Works Department to place two “10 Minute Loading/Unloading - 8 A.M.to 5 P.M.” signs in front of the business located at 315 Chestnut Street. Motion carried.

Moved by Baribeau and supported by Ralston to adopt Resolution No. 12037, to enter into a contract with Benchmark Engineering, Inc., to provide professional engineering services for the year 2012. Resolution adopted unanimously.

Moved by Baribeau and supported by Cuffe to approve moving forward with the State Aid Project, reconstruction of 12th Avenue, from Highway 53 to 17th Street South, at an estimated project cost of \$130,000.00. Motion carried.

Councillor Baribeau stated the Animal Task Force Committee will give a presentation at the March Street/Alley/Public Safety Committee meeting.

Councillor Baribeau stated the request for additional signage in the Fairview Addition will be discussed at the next Street/Alley/Public Safety Committee meeting.

Moved by Baribeau and supported by Cuffe to move forward with the changes to the taxi ordinance, as proposed by City staff. Motion carried.

Councillor Cuffe requested that the Police Department be given an opportunity to review the proposed changes to the taxi ordinance.

Moved by Baribeau and supported by Ralston to request the City Attorney to review and research the Minnesota Statutes regarding the regulations for limousines that operate for hire out of a Virginia business. Motion carried.

Councillor Baribeau stated the request from the Virginia Senior Citizens Center for additional handicapped services will be discussed at the next Street/Alley/Public Safety Committee meeting.

Moved by Baribeau and supported by Sipola to deny request for “Handicapped Parking/Children at Play signage” at 223 3rd Street South. Motion carried.

Mayor Peterson reported on the Finance Committee-of-the-Whole meeting held on January 19, 2012.

Moved by Russo and supported by Cuffe to approve the 2012 budget for the Washington Manor, in the amount of \$548,202. Motion carried.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12038, authorizing the City of Virginia to obtain a Line of Credit from a financial institution for the Virginia Public Utility, in an amount not to exceed \$700,000, to purchase gas for a three year period. Resolution adopted unanimously.

Moved by Cuffe and supported by Baribeau to direct the Fire Chief to send a letter to the City of Leonidas to decline the offer to submit a bid for fire services, as mutual aid agreement are in place to allow Virginia to respond when necessary. Motion carried.

Moved by Baribeau and supported by Ralston to allow the Fire Chief to create a document to secure a build date for the new ambulance for January of 2013. Motion carried.

Moved by Baribeau and supported by Cuffe to adopt Resolution No. 12039, accepting the proposal from Lenci Enterprises, Inc., for Option #3, in the amount of \$18,410.00, to install a heating system for the Olcott Park Garage. Resolution adopted, with Councillor Ralston abstaining.

Moved by Cuffe and supported by Baribeau to adopt Resolution No. 12040, accepting the proposal from Skubic Brothers, Inc., through the State bid process, in the amount of \$93,424.46, including tax, to purchase a cab and chassis for a new garbage truck. Resolution adopted unanimously.

Moved by Baribeau and supported by Ralston to adopt Resolution No. 12041, accepting the proposal bid from Skubic Brothers, Inc., through the State bid process, in the amount of \$82,454.16, including tax, for a cab and chassis for a new sander. Resolution adopted unanimously.

Moved by Sipola and supported by Baribeau to adopt Resolution No. 12042, approving Change Orders No. 2 through 7, which increased the contract with Ulland Brothers, Inc., by the amount of \$6,308.00 for C.P. 5-11 – Pearsall Industrial Additional Utility, Infrastructure and Site Improvements. Resolution adopted unanimously.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12043, authorizing the submission and acceptance of an Iron Range Resources Grant for soil correction and electrical substation work for the P & H MinePro site. Resolution adopted unanimously.

Moved by Russo and supported by Cuffe to allow the City Operations Director to negotiate the best price for the purchase of the parcel of land, formerly known as Staver Foundry, from Saint Louis County, in order to allow a current business to expand. Motion carried.

City Attorney Butorac stated the City will be purchasing land from RGGGS Lands and Minerals for the future development of an Off-Highway Vehicle Park and the City will proceed with developing a lease with the Minnesota Department of Natural Resources for use of the land.

Moved by Baribeau and supported by Sipola to adopt Resolution No. 12044, approving the purchase of lands within the Virginia City limits from RGGGS Lands and Minerals, Ltd., located in Sections 3, 15 and 16, Township 58 North, Range 17 West, for use as an Off-Highway Vehicle Park. Resolution adopted unanimously.

Moved by Baribeau and supported by Sipola to authorize the City Attorney to move forward with a lease with the Minnesota Department of Natural Resources for the future development of an Off-Highway Vehicle Park. Motion carried.

Moved by Baribeau and supported by Russo to refer the Travel Expense Reimbursement Policy back to the Finance Committee. Motion carried.

Moved by Russo and supported by Cuffe to approve the travel request for Tom Butorac, City Attorney, to attend the Minnesota City Attorney's Educational Conference, to be held February 10-11, 2012, in Bloomington, Minnesota. Motion carried.

Moved by Sipola and supported by Baribeau to approve the travel request for Bill Cole, Engineering Department, to attend the International Code Council, to be held February 6-9, 2012, in Chaska, Minnesota. Motion carried.

Moved by Russo and supported by Cuffe to approve the travel request for Britt See-Benes, City Attorney's Office, to attend the Minnesota Clerks and Finance Officers Association Annual Conference, to be held March 20-23, 2012, in St. Cloud, MN. Motion carried.

Finance Director Erickson reviewed the draft Budget vs. Actual Report for the period ending December 31, 2011, and stated the year-end reports will be finalized by the next Finance Committee meeting.

Moved by Baribeau and supported by Littlewolf to approve the travel request for Steve Estey, Police Department, to attend the Life Savers Conference to be held June 12-16, 2012, in Orlando, Florida, at no cost to the City. Motion carried.

Finance Director Erickson reviewed the resolution to amend Resolution No. 11165, which changes the redemption and repayment date of the General Obligation Temporary Sewer Revenue Bonds, Series 2010A, from February 1, 2012, to March 1, 2012, as recommended by the City's bond counsel.

Moved by Russo and supported by Baribeau to adopt Resolution No. 12045, amending Resolution No. 11165 regarding the \$16,526,481 General Obligation Sewer Revenue Note, Series 2011, issued to the Minnesota Public Facilities Authority. Resolution adopted unanimously.

Moved by Littlewolf and supported by Cuffe to authorize the City Council and administrative staff to attend the 2012 CGMC Legislative Action Day to be held on February 8, 2012. Motion carried.

Kristi Hastings, Attorney, Pemberton Law Offices, stated Dana Waldron, Police Chief, has requested that the session remain open to consider the allegations or charges against him. Ms. Hastings stated the employee has the right to have the meeting open and confirmed that private data regarding the employee will be discussed. Ms. Hastings requested that the names of the witnesses not be used. Police Chief Waldron and Tom Dougherty, MAPE Representative, both verbally verified that the meeting should remain open.

Ms. Hastings stated that two investigations were done on allegations against Police Chief Waldron and she was present to review the matter and provide advice on the investigations.

Ms. Hastings that the report for Complaint No. 1 was completed by Morrie Kershner, Attorney with Pemberton Law Firm, regarding a complaint submitted by a Detective on December 5, 2011, alleging Chief Waldron of harassing, argumentative and hostile conduct concerning a meeting schedule. Mr. Kershner's investigation concluded that a violation of the City's harassment policy did take place and retaliatory conduct did occur.

Ms. Hastings stated Complaint No. 2 was submitted by a Lieutenant concerning the request for documentation for overtime by the Police Chief. Complaint No. 2 was investigated internally by Nancy Strgar of the Virginia Public Utilities and the investigation concluded that Police Chief Waldron's conduct was retaliatory.

Ms. Hastings stated the Council must consider if changes need to take place, or if the conduct requires disciplinary action. Ms. Hastings stated the City Council could do nothing, which she did not recommend, as there is a breakdown in the relationship that needs to be fixed. Since Waldron has returned from administrative leave, he has been issued an oral and written reprimand. The next step would be suspension, paid or unpaid, starting with short term and then on to long term. Ms. Hastings also had a draft of a 90-day Performance Improvement Plan, which she explained as a detailed document that tells the employee the areas that need improvement and the tools they will be given for improvement. Ms. Hastings stated termination would be premature at this time.

Ms. Hastings recommended that the two complaints be lumped into one, because they were similar in nature. The Council could use the Performance Plan and layer it with disciplinary action, such as suspension with a performance plan in place the day the employee returned to work.

Police Chief Waldron presented his case on the two incidents. Chief Waldron reported that he has been meeting weekly with City Operations Director Tourville and Finance/Human Resources Director Erickson for the past three weeks to show them that his actions are not vindictive or retaliatory and felt progress was being made. Chief Waldron stated the department needs to work

together and most officers are doing that. Chief Waldron had also suggested that a consultant be brought in to mend relationships.

Ms. Hastings stated the investigator has concern with the disarray in the workplace and lack of leadership and communication and felt the proposed performance improvement plan would apply the proper tools and set goals.

Councillor Baribeau expressed concern that he had not seen the harassment complaints prior to last Friday and stated he had a conversation with one of complainants, who was visibly upset after the incident with the Police Chief.

Ms. Hastings reviewed the City's Harassment Policy, which states retaliation will not be tolerated and reported that Police Chief Waldron was issued a letter upon returning to work stating there will not be any retaliation.

Ms. Hastings reviewed the Performance Improvement Plan, which included refraining from harassment and retaliation; acknowledging anger issues by taking steps to control anger in the work place; making the Employee Assistance Program available, with the City to provide more hours, if needed; developing team skills after the 90 days; obtaining mentoring to develop respectful, good judgment, communication and conduct for a Police Chief; requiring 20 hours of additional management training over the 90 day period; preparing scenarios where employees look up to the leader and have a respectful relationship; developing/requiring regular staff meetings; requiring weekly meetings with City Operations Director; requiring continued coaching sessions; requiring attendance at Council meeting on a regular basis and more interaction with employer/employee to improve communication.

Ms. Hastings stated a follow up review would be done every 30 days. At the end of the 90 days, the City Operations Director would decide if the Police Chief has met the Performance Plan and a decision would be made to extend the plan, modify the plan or move forward with another plan.

If the employee did not use good judgment, Ms. Hastings stated it could be discussed at the 30 day mark, with a report issued and the status updated with the consultant. If bad judgment is done, the City could proceed with discipline.

Ms. Hastings stated Performance Plans put the burden back on the employee and, if the employee does not comply, the City could move forward with discipline. Ms. Hastings felt it would be a mistake to move too quickly.

Ms. Hastings stated the City's liability would be an issue if they are knowledgeable about harassment and do not reasonably respond to the concerns.

Ms. Hastings reviewed the disciplinary steps, as outlined in the MAPE contract.

Mayor Peterson recommended that the City Council consider a three day suspension, review and tweak the Performance Plan, and set criteria and rules for the Police Chief to follow when he is back from suspension.

Ms. Hastings stated staff members are questioning the current step of discipline, as the Police Chief was issued an oral reprimand that was committed to writing. Ms. Hastings stated the City can move to the suspension stage, if the findings are serious enough, and recommended that the employee be suspended for not more than three days.

Moved by Littlewolf and supported by Russo to place Dana Waldron, Police Chief, on a three day suspension, without pay, and, in the meantime, review the Performance Improvement Plan and address concerns. Motion carried.

It was noted that Finance/Human Resources Director Erickson, City Operations Director Tourville and Ms. Hastings would review the Performance Plan.

Moved by Russo and supported by Cuffe to close the meeting at 9:35 P.M, pursuant to Minnesota Statutes 13D.05, Subd. 2 (B), for preliminary consideration of allegations or charges against an individual subject to its authority. Motion carried.

Moved by Ralston and supported by Littlewolf to reopen the meeting at 9:55 P.M. Motion carried.

Meeting was adjourned at 9:56 P.M., with the next regular City Council meeting to be held at 6:30 P.M. on Tuesday, February 14, 2012.

(CORPORATE SEAL)

STEVE PETERSON
Mayor

LOIS ROSKOSKI
City Clerk