

## COUNCIL PROCEEDINGS

### CITY OF VIRGINIA, MINNESOTA, MAY 24, 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.

Gary Pernu was present to inform the City Council that donations of \$5,000 have been received to match the City's contribution of \$5,000 for the Iron Range Veterans Memorial. Mr. Pernu stated the Veterans Memorial Committee needed to raise an additional \$45,000 to complete the project and the contributions to date have reached \$40,100. Mayor Peterson stated the Finance Department will make the necessary transaction for the City's donation of \$5,000.

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

1. Approval/correction of minutes of Regular Meeting held May 10, 2011.
  2. Adoption of Finance Resolution No. 11-010 – Schedule of Bills.
  3. Approve Transient Merchant/Solicitor License for Penny Vlasich, d/b/a Northland Variety.
  4. Approve Transient Merchant/Solicitor License for Steven Elliott, d/b/a Becky's Oriental Foods.
- Motion carried and Finance Resolution adopted unanimously.

Mayor Peterson read the following statement from the Hospital Steering Committee:

“The VRMC Steering Committee (made up of members of the City Council, Hospital Commission, Administration and physicians) were asked by the Virginia Hospital Commission and the Virginia City Council to examine, explore, research and choose a health partner to maintain and provide northeastern

Minnesota with access to safe, high quality, caring health care services. We were asked to accomplish this task by June 1, 2011, and have accomplished that task. After many hours of meetings, independent review and consultation with three health care providers, the VRMC Steering Committee has decided by consensus (Phase I and 2 of the Wipfli Agreement) to ask the Virginia Hospital Commission and the Virginia City Council to enter into a Letter of Intent to initiate more detailed discussions with Essentia Health. These discussions are designed to include due diligence from both parties to produce a possible model for consideration.”

Moved by Ralston and supported to accept the proposal from the VRMC Steering Committee to enter into a Letter of Intent to initiate more detailed discussions with Essentia Health. Motion carried.

Moved by Cuffe and supported to table the application for an On-Sale Liquor License from Iron Range Corporation, d/b/a Willie's, 330 Chestnut Street, until the May 31, 2011, Liquor Ad Hoc Committee meeting. Motion carried.

City Operations Director Tourville stated the Development Agreement has been approved by P & H Minepro Services for the project to construct a facility in the City of Virginia. Once the Joy Global Board reviews and approves the additional funding for the project during the first week of June, P & H Minepro will consider the Ground Lease and Business Subsidy Agreement. City Operations Director Tourville presented the first reading of a resolution to approve a Contract for Private Development, Business Subsidy Agreement and Ground Lease Agreement with P & H Minepro Services. The final resolution will be acted on at the June 14<sup>th</sup> City Council meeting.

Moved by Littlewolf and supported to accept the draft resolution approving a Contract for Private Development, Business Subsidy Agreement and Ground Lease Agreements by and between the City of Virginia and P & H Mining Equipment, Inc., d/b/a P & H Minepro Services, with the resolution acted on at the June 14<sup>th</sup> City Council meeting. Motion carried.

Mike Larson, SEH Engineering, reviewed their proposal to provide professional engineering services for the proposed P & H Site and Infrastructure Improvement Project, at a cost not to exceed \$235,082. Mr. Larson stated the cost for the completed and immediate needs for the project are \$2.5 million, with \$738,000 spent to date. Funding sources of \$2.65 million have been secured, with an additional \$300,000 recently secured from DEED. Mr. Larson stated he will be meeting with City staff to review the funding process. Some of the items listed as “Additional Needs” may not be necessary, as the Department of Public Utilities is currently negotiating with Minnesota Power on transmission issues.

Brad Reifsteck, Project Engineer, reviewed the scope of work to extend the infrastructure to the P & H Minepro site. The project will be bid in three packages, as follows:

- #1 Utility substation.
- #2 Complete rough grading of building site, Butler Creek improvement, Sanitary sewer system/lift station, watermain extension.
- #3 Gas main extension.

Mr. Reifsteck stated P & H Minepro plans to begin building this fall, with a completion date of June, 2012.

City Operations Director Tourville stated a meeting will be held next week to review the wetlands issue.

Moved by Ralston and supported to adopt Resolution No. 11096, accepting the proposal from Short Elliott Hendrickson, Inc., in an amount not to exceed \$235,082.00, for professional services for surveying, plans, specifications, permitting, bidding and construction for the proposed P & H Site and Infrastructure Improvement Project. Resolution adopted unanimously.

Mayor Peterson submitted a request from the Downtown Liquor Association to hold a street dance on Saturday, June 18, 2011, contingent upon the same requirements as last year. The Downtown Liquor Association will provide a certificate of insurance for the event.

Moved by Russo and supported to authorize the Downtown Liquor Association to hold a street dance in the 100, 200, 300 and 400 blocks of Chestnut Street, from 7:00 P.M. until 11:30 P.M. on Saturday, June 18, 2011, contingent upon the Downtown Liquor Association providing a certificate of insurance. Motion carried, with Mayor Peterson abstaining from the vote.

Mayor Peterson reported on the Finance Committee meeting held as a Committee-of-the-Whole on May 17, 2011.

Moved by Baribeau and supported to table the request to purchase a new Groundmaster mower until the Park/Recreation Director obtains further information on a demo model. Motion carried.

Moved by Sipola and supported to adopt Resolution No. 11097, conveying State tax forfeited land to the City of Virginia for use as City right-of-way and public infrastructure. Resolution adopted unanimously.

Moved by Ralston and supported to adopt Resolution No. 11098, accepting the quote from Twin Ports Testing, in the amount of \$9,144.00, for geotechnical analysis of various City-owned lots. Resolution adopted unanimously.

Moved by Russo and supported to adopt Resolution No. 11099, approving the amendment with the Department of Employment and Economic Development to extend the Greater Minnesota Business Development Public Infrastructure Grant No. BDPI-09-0001-0-09 through December 31, 2011, for the Virginia Industrial Park Project. Resolution adopted unanimously.

Councillor Ralston reported on the Buildings & Grounds Committee meeting held on May 17, 2011.

Moved by Littlewolf and supported to approve the design of the Phase III renovations for the Miners Memorial Building, as prepared by DGW Architects, and to refer the funding of the project to the Finance Committee. Motion carried, with Councillor Ralston abstaining.

Moved by Ralston and supported to request the City Attorney to research policies from surrounding cities regarding overnight camping/recreational vehicles for discussion at a future meeting. Motion carried.

Moved by Ralston and supported to authorize the “Friends of the Library” to proceed with the project to landscape the patio area at the Library and install the metal artwork on the outside of the building. Motion carried.

Moved by Ralston and supported to adopt Resolution No. 11100, authorizing execution of a three year extension of the lease agreement with the Arrowhead Economic Opportunity Agency for use of City Hall office space through May 31, 2014. Resolution adopted unanimously.

Moved by Ralston and supported to adopt Resolution No. 11101, approving the Declaration of Blasting Easement with United Taconite, LLC. Resolution adopted unanimously.

Moved by Littlewolf and supported to authorize the Park Department to remove six trees along the arched road in Olcott Park in front of the greenhouse. Councillor Littlewolf rescinded her motion and Councillor Baribeau rescinded his support.

After further discussion, the Council agreed to uphold the motion from the May 10<sup>th</sup> meeting to allow the Park Department to prune the trees in Olcott Park to improve the line of site and remove the two large trees at the west entrance of the greenhouse. Additional items concerning traffic flow and removal of trees will be left to the discretion of the Park/Recreation Commission.

Councillor Russo reported on the Personnel Committee meeting held as a Committee-of-the-Whole on May 17, 2011.

Moved by Russo and supported to appoint Ruth Kivela to the Human Rights Commission for the unexpired term ending February 1, 2013. Motion carried.

Moved by Russo and supported to authorize City staff to prepare a job description for an external posting for the "Blight" position in the Public Works Department. Motion carried.

Moved by Russo and supported to approve entering into a contract with Voltaire Serra for surveying work for the Virginia Neighborhood Renewal Program, in an amount not to exceed \$2,500, to be funded by the Virginia Economic Development Association. Motion carried.

Moved by Russo and supported to adopt Resolution No. 11102, appointing Daniel L'Allier to the Fire Chief position, effective June 1, 2011, with the annual salary set at Step 3 of the salary matrix, under the terms, benefits and conditions of the City of Virginia MAPE City Supervisors Association. Resolution adopted unanimously.

Councillor Littlewolf reported that the Virginia Public Library will be holding the Summer Reading Program from June 6<sup>th</sup> through June 29<sup>th</sup>.

Councillor Cuffe stated the Liquor Ad Hoc Committee will be meeting at 9:30 A.M. on Tuesday, May 31, 2011, to continue to review the liquor ordinance.

See 2011 Resolution Book for Resolution Nos. 11096 – 11102 and Finance Resolution No. 11010.

Meeting was adjourned at 7:55 P.M., with the next regular City Council meeting to be held at 6:30 P.M. on Tuesday, May 24, 2011.

(CORPORATE SEAL)

STEVE PETERSON  
Mayor

LOIS ROSKOSKI  
City Clerk