

COUNCIL PROCEEDINGS

CITY OF VIRGINIA, MINNESOTA, JULY 8, 2003

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

Roll Call:

Present: Councillors Lucarelli, Russo, Baribeau, Lindberg, Politano, Peterson, Mayor Luoma
Gentilini – 7

Absent: None

Moved by Lindberg and supported to open the public hearing to discuss the refunding of the Laurentian Manor bond issues. Motion carried.

City Clerk/Finance Director Lackner stated the Housing and Redevelopment Authority 1998 bond issues will be refinanced with the sale of two bond issues, for a total amount of \$5,175,000.00. The Housing and Redevelopment Authority will issue Governmental Housing Revenue Refunding Bonds, Series 2003A, in the amount of \$3,820,000.00, and Governmental Housing Refunding Bonds, Series 2003B, in the amount of \$1,355,000.00. The City Council must approve the Housing and Redevelopment Authority using the City's general obligation to issue the Series 2003B bonds. The HRA will continue to make bond payments of \$349,000.00 per year on the debt for the Laurentian Manor, but the length of the bonds will be cut by four to five years and there will be a present value savings of \$.6 million.

The Housing and Redevelopment Authority held a public hearing at 4:00 P.M. today and went on record to move forward with these bond issues. Sue Salzer, HRA Finance Director, was authorized to approve the sale on their behalf and Springsted, Inc., was approved as the City's Bond

Financial Advisor. Nick Skarich, Northland Securities, underwriter for the issues, was present and reviewed the bond issues and stated they would like to sell the bond issues during the last week of July.

Moved by Russo and supported to close the public hearing. Motion carried.

Moved by Russo and supported to adopt Resolution No. 03117, authorizing the issuance by the Housing and Redevelopment Authority of Virginia Governmental Housing Refunding Bonds (City of Virginia Unlimited Tax General Obligation), Series 2003B, secured by the full faith and credit of the City of Virginia, in the amount of \$1,355,000.00. Resolution adopted unanimously.

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

Moved by Russo and supported to adopt Resolution No. 03118, appointing Springsted, Inc., as the City of Virginia's finance advisor on the bond issue and to authorize the City Clerk/Finance Director to approve the decision on the sale of the bond issue during the fifth week of July, 2003. Resolution adopted unanimously.

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

1. Approval/correction of minutes of Regular Meeting held June 24, 2003.
2. Adoption of Finance Resolution No. 03013.
3. Approve issuance of Transient Merchant's Licenses:
 - A. Quad Cities Pizza, Inc., d/b/a Domino's Pizza, 5471 Mountain Iron Drive, Virginia, MN 55792.
 - B. Paul Jonas, 307 ½ Pennsylvania Avenue, Clearwater, FL 33755. (Sale of sports shoes.)
4. Approve issuance of Adult Service Establishment Licenses:
 - A. Steven LaPatka, d/b/a Mesabi Therapeutic Massage, 310 2nd Avenue South, Virginia, MN.
 - B. Michele Frazee, d/b/a Hair on Main, 409 Chestnut Street, Virginia, MN.
5. Adopt Resolution No. 03119 to appoint Agent of Record for City's property and liability insurance for period July 1, 2003 through June 30, 2004.
6. Adopt Resolution No. 03120 to enter into contract with the State of Minnesota, Department of Transportation, to provide public transportation services in the City of Virginia for the year 2004.
7. Approve variance, as recommended by the Planning and Zoning Commission:
 - A. 3.0' variance from required 5' side yard setback to build a 18' X 24' garage 2' from the East property line, contingent on no more than 1' eave overhang and owner installing rain gutters to promote proper water drainage.

Motions carried and Resolutions adopted unanimously.

City Attorney Butorac addressed the ordinance amending Chapter 10 of the City Code entitled “Public Protection, Crimes and Offenses”, which was adopted by the City Council on June 24, 2003 and prohibits weapons/firearms on City property. City Attorney Butorac stated questions have arisen regarding the gun show, which is held at the Miners Memorial Building, and he does not see anything in the ordinance that would prevent this or future shows. Current State legislation allows guns on City property on a concealed basis, with local government having no control. Mayor Luoma Gentilini stated State law may take precedence over City ordinances and the City Council wants consistency with the legislation. Concealed weapons are not allowed in the legislature and the City Council feels what is good policy for the legislators should also be deemed good policy for County and City buildings. Councillor Peterson suggested that an event license be issued for the gun show, rather than amending the ordinance. Jim Pottsmith stated the State capitol has always been exempt from firearms and is concerned that the gun show would not be allowed in the Miners Memorial Building. Mayor Luoma Gentilini stated the City Council would not stop this gun show, or future gun shows, from happening. Councillor Lucarelli stated the City Council is not against the law itself and the City Council has the authority to approve certain events in City buildings. Chuck Pottsmith stated he is concerned that future City Council’s might not allow the gun show. Councillor Peterson stated the City Council is challenging the State law and is not anti-guns. Chuck Pottsmith questioned if the City Council would stop the gun training, which is also held at the Miners Memorial Building, and Councillor Peterson replied that the City Council would not prevent the educational program.

Moved by Lucarelli and supported to adopt Resolution No. 03121, accepting bid from Ranger Fire Department, in the amount of \$57,855.00, for 21 self-contained breathing apparatus for the Fire Department. Resolution adopted unanimously.

Moved by Lucarelli and supported to authorize the City Council and administrative staff to attend the 2003 Coalition of Greater Minnesota Cities Summer Conference, to be held July 23-25, 2003, in Fergus Falls, Minnesota. Motion carried.

Mayor Luoma Gentilini stated Mediacom has notified the City that the rate for broadcast basic cable will increase from \$15.50 to \$16.50 as of August 1, 2003. Councillor Lindberg stated this is the second increase within a year. City Attorney Butorac stated that, initially, the City was able to control basic cable rates, but the law has changed, and cities do not have the authority to regulate cable fees.

Moved by Baribeau and supported to: 1) Send a copy of the letter from Mediacom regarding the cable rate increase to the legislators, along with a copy of the last rate increase, to show the amount of increase within the last year; 2) Request that legislation be introduced to regulate cable; 3) Included quoted statements from Tom Bordwell's (Mediacom) presentation made earlier this year to the City Council; and 4) Notify the legislators that a copy of the videotape of Mediacom's presentation is available. Motion carried.

Moved by Russo and supported to send a letter to Tom Bordwell, Mediacom, including quotes from his presentation to the City Council in early 2003 regarding promises he made regarding cable television. Motion carried.

Moved by Lindberg and supported to approve the request from the downtown merchants to barricade the 200, 300 and 400 block of Chestnut Street for sidewalk sales from 8:00 A.M. to 6:00 P.M. on July 16 and 17, 2003. Motion carried.

Moved by Peterson and supported to adopt Resolution No. 03122, vacating Vine Place and Pleasant Court and request the City Assessor to gather information on the value of the property and to present it to the Buildings and Grounds Committee. Adjacent landowners will be given the first option to acquire the property. Resolution adopted unanimously.

Councillor Politano reported on the Finance Committee meeting held on July 8, 2003.

Moved by Politano and supported to authorize the City Attorney to modify the transient merchant ordinance to include the following requirements:

- 1) Event license. City of Virginia would issue an event license, with the person holding the event responsible for the vendors. The City would be notified as to the vendors and their locations during the event. The fee for an event license would be \$500.00. The City Council will have the authority to waive the event fee.
- 2) A \$200.00 general transient merchant license would be issued to vendors who want to attend all the events or set up on City streets throughout the year.
- 3) If a private business wants to bring in a vendor on their private property and complies with the zoning ordinance, a permit, at no charge, will be required and approved by the City Clerk's office. If a private business wants to have a vendor about their business on City property, that is associated with their business, the City Clerk's office will be notified and a permit, at no charge, will be required.

Motion carried.

Moved by Politano and supported to waive the anticipated event license fee for the Downtown Merchants Sidewalk Sales, to be held on Chestnut Street on July 16 and 17, 2003. Motion carried.

Moved by Politano and supported to waive the anticipated event license fee for the Dream Machines 11th Annual Summer Celebration Car Show, to be held on August 15 and 16, 2003. Motion carried.

Moved by Politano and supported to waive the anticipated event license fee for the Movies in the Park, to be held on Tuesday evenings during summer of 2003 in Olcott Park. Motion carried.

Moved by Politano and supported to adopt Resolution No. 03123, accepting the two proposals from DCR Communications, Inc., in the total amount of \$4,941.39, to upgrade the Fire Department and Library telephone systems. Motion carried.

Moved by Politano and supported to adopt Resolution No. 03124, extending the contract with Century 21 to market the Northern Heights residential lots through August 31, 2003, and to refer to the matter to the Buildings and Grounds Committee to decide how to proceed. Resolution adopted unanimously.

Councillor Politano informed the citizens that, due to the installation of an automatic closer on the Public Utilities electrical distribution system, the electricity may click on and off occasionally during power outages. This prevents lengthy electrical outages that would be caused by animals on the live wires.

City Department Director Leoni stated Mediacom and Qwest have not moved their infrastructure from old utility poles to the new poles and this is the reason for double poles in a number of areas. When this is completed, the old poles will be removed.

City Department Director Leoni stated the recent power blackout was due to the loss of feed from Minnesota Power.

Councillor Lucarelli reported that a number of private vehicles are parked within City right-of-ways and in front yards. City Attorney Butorac explained the blight officer is working on this. If a vehicle is on private property and is not usable, the vehicle must be removed, put in a garage or covered. Vehicles that are usable must be licensed. If the vehicle is on City property, the City can remove it after a 24-hour waiting period.

City Department Director Leoni reviewed the items that were approved by the Public Utilities Commission on June 30, 2003.

- 1) Under the Water Freeze Prevention Program, a \$100 penalty will be applied to customers who have not converted their water bypasses to after the water meter. Customers on the Water Freeze Prevention Program will also be allowed an average of 10 additional units per month or 40 aggregate units for four months (possibly five months) from December 1 through March 31, at no charge, to cover water used for freeze prevention.
- 2) Public Utilities Commission is requesting the City Council to waive the sewage charge on the 10 water units per month or 40 aggregate units from December 1 through March 31 for customers on the Water Freeze Prevention Program.
- 3) Accepted the recommendation of the City Council to reduce the general rate increase for steam to 3.82 percent, effective July 1, 2003.

Moved by Russo and supported to waive the sewage charge of 10 water units per month or 40 aggregate units from December 1 through March 31 for customers on the Water Freeze Prevention Program. Motion carried.

Councillor Peterson commended City Department Director Leoni and the Public Utilities staff for the great job on the Water Freeze Prevention Program.

Mayor Luoma Gentilini stated a letter was received from Police Chief Waldron commending Betty and Brittany Udovich, citizens, and Peggy Nelson, St. Louis County Rescue Squad, for their help in apprehending two juveniles causing damage to vehicles parked at the Land of the Loon Festival.

Moved by Politano and supported to send a letter of commendation to Betty and Brittany Udovich and Peggy Nelson for their assistance in apprehending the juveniles causing damage during the Land of the Loon Festival. Motion carried.

Mayor Luoma Gentilini reported on the following items:

- Fourth of July celebration was a great success. Donations were received Northern State Bank, Queen City Federal, Wells Fargo, Target, US Bank, Credit Union and McDonald's.
- Councillor Baribeau stated he received a comment from out-of-town visitors that the Virginia fireworks were the best they had ever seen.
- Received a thank you from Sara Kleppe and Tim Flaherty, Coalition of Greater Minnesota Cities, for their tour of the City of Virginia.
- National Night Out is being planned for 6:30 P.M. on August 5, 2003, at the Miners Memorial Building.
- City of Virginia received a commendation from the Minnesota Pollution Control Agency for outstanding operation, maintenance and management of the Wastewater Treatment Plant for the years 2001 and 2002.

Moved by Baribeau and supported to adjourn until 6:30 P.M. on Tuesday, July 22, 2003, in the Council Chambers, City Hall. Motion carried.

CAROLYN LUOMA GENTILINI

Mayor

(CORPORATE SEAL)

LOIS ROSKOSKI

Deputy City Clerk