

**VIRGINIA CITY COUNCIL**

**COUNCIL PROCEEDINGS**

**CITY OF VIRGINIA, MINNESOTA, March 8, 2016**

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

Roll Call:

Present: Councillors Littlewolf, McReynolds, Jorgensen, Sipola, Baranzelli, Baribeau, Mayor Cuffe, Jr. - 7

Absent: None

Mayor Cuffe, Jr. led the Pledge of Allegiance.

Moved by Councillor Baribeau and supported by Councillor Sipola to approve the

Consent Agenda items 1-4 as follows:

1. Approval/correction of minutes of the Regular Meeting held February 23, 2016.
2. Adoption of Finance Resolution No. 16-005 – Schedule of Bills.
3. Adopt Resolution No. 16057 accepting the Joint Powers Agreement with State of Minnesota to utilize the criminal justice data communications network. Resolution adopted unanimously.
4. Adopt Resolution No. 16058 accepting the Master Subscriber Agreement for Minnesota Court Data Services. Resolution adopted unanimously.

Motion carried.

Ayes-7

Nays-0

Moved by Councillor Jorgensen and supported by Councillor Sipola to table and move the request of the application for the renewal of Optional 2 A.M. Liquor License for the Mirage LLC d/b/a Mirage Bar, located at 509 Chestnut Street to the next Finance Committee meeting, until further information can be gathered from the Police Department. Motion carried.

Moved by Councillor Jorgensen and supported by Councillor Baranzelli to adopt Resolution No. 16059, reappointing Gary Carlson to the Virginia Charter Commission. Resolution adopted unanimously.

Moved by Councillor Baribeau and supported by Councillor McReynolds to adopt Resolution No. 16060, reappointing of Councillor Don Sipola to the Virginia Charter Commission. Resolution adopted unanimously.

Ayes, Councillors Littlewolf, McReynolds, Jorgensen, Baranzelli, Baribeau, Mayor Cuffe, Jr. (6)

Nays-0

Abstain, Councillor Sipola (1)

Mayor Cuffe Jr. reported on the Planning and Zoning Commission meeting held on March 7, 2016,

Moved by Councillor Sipola and supported by Councillor Baribeau to approve a Conditional Use Permit for Spectrum Health Companies, Virginia MN: to own and operate a 36 unit assisted living facility at the former Horace Mann School site legally described as Lots 9-13, Block 4, Anderson's Addition to Virginia and Lots 12-27, Block 5, Anderson's Second Addition to Virginia. Motion carried.

Councillor Littlewolf stated there were concerns brought up at the Planning and Zoning Public Hearing by the neighbors and asked if any of the audience wanted to voice any concerns regarding this proposed development. One of the property owners, Ms. Nessie Strand came forward, who resides on 10<sup>th</sup> Street South. Ms. Strand stated that this neighborhood is a very close knit community and although she didn't feel the facility is a terrible idea, she felt there should be more time for the neighbors to talk and to decide the pros and cons. Ms. Strand asked if the facility and its residents would function and feel like a real community or was this development going to be a business type atmosphere going into their community?

Property owner, Ms. Nikki Johnson also came forward, who resides near 5<sup>th</sup> Avenue.

Ms. Johnson also stated that she was not directly opposed to the development. She questioned if other building sites in Virginia were considered rather than right in the middle of their neighborhood? One of her concerns was having employees back and forth to the development two shifts a day. Ms. Johnson also questioned if there was a need for this type of facility in Virginia or do the current assisted living facilities already have several vacancies? She also inquired if this for profit development was receiving tax free incentives to build in our town.

Councillor Sipola addressed some of Ms. Johnson's concerns and stated that the minutes from the Planning and Zoning Public Hearing held on March 7, 2016, determined that this development was reasonable use of vacant property. Based on the Planning and Zoning Commission duties and responsibilities, the Council has a reasonable basis to move forward. Councillor Sipola also pointed out that there was an active school on this lot before, and it once was a busy area with a lot of traffic and lit up playground areas.

Councillor Baranzelli added that parking concerns were addressed at the Planning and Zoning meeting and compared this development to Edgewood Vista stating that, "this isn't the type of facility that you will be bothered by."

Councillor Sipola pointed out that this property has been available for some time and no one has requested to build single family homes in this area. Most of the new single family home construction has been in the Fairview Addition.

Councillor Baribeau weighs in and reminded the audience that the required ten day notice was given for the Public Hearing and proper notices had been sent to all residents within 350 feet of the property. Councillor Baribeau then noted that the parking for the facility will be off street, with a drop off located on the property. Councillor Baribeau also confirmed that Mr. Monacelli did view four other potential sites with City Administrator John Tourville, and clarified that the City is not

doing any tax abatement for this project. The City however will assist the company in obtaining a grant for infrastructure work.

Councillor Littlewolf noted that the school was demolished in 2007 and at that time, the City went out for housing proposals. The housing project did not move forward due to the housing market crash in 2008, not due to lack of support from the neighborhood. Councillor Littlewolf expressed concerns to allow more time for the neighbors to discuss it further amongst themselves and be given an opportunity to discuss their concerns with Spectrum Health. Councillor Littlewolf asked if the development agreement would contain language requiring Spectrum Health to facilitate a meeting to discuss the feel and integrity of the neighborhood. Councillor Littlewolf also questioned if Spectrum had taken into consideration the neighborhood concerns, and have they considered other sites with the City Administrator, and questioned if the City had a need for this type of facility. Councillor Littlewolf requested that careful steps be taken moving forward and that Spectrum be mindful of the concerns of this neighborhood.

Councillor McReynolds also agrees that it is important to hear the neighborhood concerns and thanked them for coming forward to voice them. She suggested that the selling of the sites for single family housing, might have been done by doing a better job on advertising these lots. Councillor McReynolds then requested the Mayor to outline the next steps and timeframe of this development.

Councillor Jorgensen did thank Ms. Nessie Strand and Ms. Nikki Johnson for their input and spoke about how he has respect for this neighborhood due to also growing up in it and would not make a decision to move forward if he felt it didn't have a low impact on the neighborhood.

Councillor Baribeau announced that he fully supports this development and clarified that development agreements are initiated with the City Attorney and the City Administrator. He also confirmed the developer was shown the current inventory of available City land.

Mayor Cuffe Jr. stated that the next step will be to have the City Attorney and Interim City Administrator work with Spectrum Health in creating a project development agreement. Once this is available, the City Council will review it. Mayor Cuffe Jr. stated he felt that Spectrum Health is a professional organization that offers high quality assisted living services and memory care. He also confirmed that this site is the developer's first choice.

Councillor Littlewolf then stated that she can support this development, but is still requesting Mr. Monacelli to discuss the concerns of the neighborhood. Councillor Littlewolf asked Mr. Monacelli what the exterior of the building would look like and would the facility be an active part in the community.

Mr. Monacelli, from Spectrum Health Companies stated that he did present pictures at the Public Hearing of other Spectrum facilities located in neighboring towns to give a good example of what the completed project would look like. Mr. Monacelli stated that as a result of the comments made at the Public Hearing, he has since met with the architect on how to incorporate the nostalgia of the old school and the neighborhood. Mr. Monacelli stated that he would like to choose a color that would best match the neighborhood and is looking into the possibility of raising the roof lines to conform to the neighborhood's two story type homes. He stated he was willing to listen to the neighbors' concerns and will try to work them into the design as much as possible.

Councillor Littlewolf still questioned if this is the right fit and the right time to move forward with this development. She questioned if a market study was completed for the region or specifically just Virginia.

Mr. Monacelli stated that Spectrum wants to make a concerted effort to expand in northern Minnesota. He did admit that Spectrum has other opportunities; however they wanted to make this development a priority for 2016. He would like to begin construction once the road restrictions are lifted. He said he is willing to meet with the neighbors and listen to their concerns however they have

already spent considerable time. He confirmed that four other locations in Virginia were viewed and the Horace Mann site was the best choice. He also noted that time is of the essence and Mr. Monacelli urged the Council to consider the time they have already placed in the current site.

Councillor Baribeau reported on the Finance Committee-of-the-Whole meeting held on March 1, 2016.

Moved by Councillor Baribeau and supported by Councillor Jorgensen to adopt Resolution No. 16061, accepting the quote from Compudyne to migrate the Exchange, Domain Controller and Finance Servers to a data center environment with a 36 month agreement at \$1,430.00 per month and the non-recurring fee of \$12,400.00 for the migration/installation of services. Resolution adopted unanimously.

Moved by Councillor Baribeau and supported by Councillor Jorgensen to authorize the City Attorney and Interim City Administrator to negotiate a development agreement with Spectrum Health Companies, Virginia, MN, to develop the former Horace Mann site. Motion carried.

Moved by Councillor Baribeau and supported by Councillor McReynolds to adopt Resolution No. 16062, requesting legislation to require MnDOT to create a full service interchange at Cuyuna Drive or north of Cuyuna Drive to provide appropriate southbound access to Highway 53. Resolution adopted unanimously.

John Fedo came forward to thank the Council for their assistance in a resolution of support for an interchange at Cuyuna Drive or north of Cuyuna Drive and announced that there will be a meeting with MnDOT on March 14, 2016, at 10 AM at the Kiewit site where he requests a City Official to attend.

Moved by Councillor Baribeau and supported by Councillor McReynolds to approve the travel request for Fire Department employees, Adam Metsa, Frank Roark, Jon Carlson, Dustin Erickson, Joel Martinson, and Ross Gramling to attend the FDIC Conference on April 19-23, 2016, in

Indianapolis, IN, at a cost of \$6,857.88, to include all meals and shared occupancy during travel to be paid by the City of Virginia. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Sipola to authorize the Finance Director to cancel the Fire Department credit card that is in the name of Mikell Ruedebusch and reissue a new credit card in Chief Allen Lewis's name. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Jorgensen to adopt Resolution No.16063, accepting the contract with U.S. Bank Payment Solutions in the amount of \$3,801.00 for the purchase of the Point of Sale (POS) System for the Golf Pro-Shop. Resolution adopted unanimously.

Moved by Councillor Baribeau and supported by Councillor Sipola to authorize the Park and Rec Director to negotiate new terms of Paul Checco's restaurant manager contract. Motion carried. Councillor

Moved by Councillor Baribeau and supported by Baranzelli to approve Librarian Stephanie Wichlacz's travel request to attend the Collection/Professional Development Conference on April 8-9, 2016, in Walker, MN, at a cost of \$435.52. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Jorgensen to adopt Resolution No. 16064, approving Change Order No. 3 with Mesabi Bituminous in the amount of \$9,200.00 for the Waschke development site. Resolution adopted unanimously.

Moved by Councillor Baribeau and supported by Councillor Sipola to approve Mesabi Bituminous pay estimate No. 3 in the amount of \$8,740.00 for the Waschke development site. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Sipola to adopt Resolution No. 16065, approving Change Order No. 1 with Hoover Construction in the amount of \$2,070.00 for the Joy Global Site Grading. Resolution adopted unanimously.

Moved by Councillor Baribeau and supported by Councillor McReynolds to approve Hoover Construction pay estimate No. 3 in the amount of \$298,696.72 for the Joy Global site. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Jorgensen allowing the City Administrator to sign off on the Certificate of Substantial Completion in regards to Hoover Construction on the Joy Global site. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Sipola approving the travel request of Mel Claviter to attend the Collections System Conference on March 21-23, 2016, in Brooklyn Park, MN, at a cost of \$977.55. Motion carried.

Moved by Councillor Baribeau and supported by Councillor McReynolds authorizing the City Clerk to advertise for applications from City of Virginia residents for participation as a member of the Comprehensive Plan Advisory Committee (CPAC). Motion carried.

Moved by Councillor Sipola and supported by Councillor McReynolds to have all future travel requests be placed on the Consent Agenda. Motion carried.

Councillor Baribeau reported on the Street and Alley Committee meeting on March 1, 2016.

Moved by Councillor Baribeau and supported by Councillor Baranzelli to approve the request for the Department of Public Utilities to complete a survey for a street lighting recommendation on the south alley and west end of the 700 Block of 16th Street North. Motion carried.

Moved by Councillor Baribeau and supported by Councillor Littlewolf to refer purchasing a sidewalk plow from the 2016 budget to the Finance Committee meeting on March 15, 2016. Motion carried.



Kris Johnson presented the new City of Virginia website. She did an overview of the home page and how to access documents such as minutes, agendas, calendars, licenses and the City's Code. Citizens can for register for the free E-Notify option located on the website, which will send an email or text alert whenever a change is placed on the specific section of the City's website. It is encouraged that citizens register for the emergency alerts section of our webpage. If you have any questions or need assistance with navigating the website or E-Notify registration please contact Kris Johnson at City Hall.

Councillor Baribeau will be requesting the City Clerk to forward all email items regarding RAMS to Council members so they will be able to review RAMS agendas and minutes.

Councillor Littlewolf reported that there will be a Building and Grounds Committee meeting on Tuesday March 15, 2016, at 1 PM. She suggested that this be a Committee of the Whole in order to review the proposed International Property Maintenance Code and the proposed Chicken Ordinance. She feels having all the Council present along with the City Attorney, will be helpful in moving forward with these two items.

Councillor McReynolds updated the Council on the Rutabaga Project letter of support. The goal of the project is to get communities involved in healthy food resources. For further information regarding this project, please contact Brian Bloom at AEOA, (218) 735-6854.

Mayor Cuffe Jr. provided an update on the following:

- Magic Circus on Ice, 2016 Virginia Ice Skating show will be held at the Miners' Memorial Building on March 11, 2016, at 7:00 p.m. and March 12, 2016, at 4:00 p.m.
- Representative Jason Metsa introduced a House of Representative File No. 2555 for \$3.4 million funding gap for the Highway 53 Reconstruction project.

Moved by Councillor Baribeau and supported by Councillor Baranzelli to approve the request of the Dream Machines Motor Club to hold the 2016 Fuzzy Dice Cruise on August 19 & 20, 2016, downtown Virginia and allow the use of the entire lot for the swap meet. This approval is with the exception of item No. 6 on their request. Motion Carried.

Moved by Councillor Baranzelli and supported by Councillor Sipola to refer the item No. 6 on the request of the Dream Machines Motor Club 2016 Fuzzy Dice Cruise event to the next Finance Committee for further discussion. Motion carried.

Meeting adjourned at 8:13 PM, with the next regular City Council meeting to be held at 6:30 PM on Tuesday, March 22, 2016.

(CORPORATE SEAL)

LARRY CUFFE JR.  
Mayor

PAMELA LABINE  
City Clerk