

COUNCIL PROCEEDINGS

CITY OF VIRGINIA, MINNESOTA, JULY 12, 2005

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 Raplinger, Lind, Baranzelli, Lindberg, Politano, Peterson, Mayor Luoma
Gentilini – 7

Absent: None

Councillor Lindberg removed Item 3 from the Consent Agenda.

Moved by Peterson and supported to approve the Consent Agenda, as follows, with the exception of Item 3:

1. Approval/correction of minutes of Regular Meeting held June 27, 2005.
2. Adoption of Finance Resolution No. 05013.
3. Approve travel request for Bill Hebl and Anthony Gielen, Police Department, September 19 - 20, 2005, St. Paul, MN.
4. Approve Transient Merchants License for Bob Cummings, TAP Enterprises, to hold one-day tool sale at the Miner's Memorial Building on July 19, 2005.
5. Approve Transient Merchants License for Homier Distributing, to hold two-day tool sale at the Miners Memorial Building, August 19 and August 20, 2005.
6. Adopt Resolution No. 05105 to enter into contract with the State of Minnesota, Department of Transportation, to provide public transportation service in the City of Virginia for the year 2006.
7. Approve variance requests, as recommended by the Planning and Zoning Commission:
 - A. Lance Tveiten – 85 Midway Drive
 1. Approve a 10' variance to the required 30' front yard setback (Plat covenants) in order to move a 22' x 18' garage 20' from the front property line.
 2. Approve the placement of an accessory structure in the front yard.
 - B. James J. Horvat – 504 8 ½ Street South
 1. Approve a 6' variance to the required 8' side yard setback in order to construct a 24' x 24' garage 2' from the West property line, contingent upon the placement of gutters to direct drainage from the roof.
 2. Approve a 1' variance to the required 5' alley setback in order to construct a garage 4' from the East property line.
 - C. Tod Urban – 824 3rd Street South

1. Deny a 4' variance to the required 8' side yard setback in order to construct a 28' x 28' garage 4' from the East property line.
2. Approve 3' variance to the required 5' side yard setback in order to construct a 28' x 28' garage 2' from the existing structures.

Motion carried.

Regarding Item 3, Councillor Lindberg stated the travel request for the police officers has no cost to the City and questioned who is paying the expenses for the conference. Councillor Politano stated the Minnesota Bureau of Criminal Apprehension is covering the costs of the course.

Moved by Lindberg and supported to approve Item 3, travel request for Bill Hebl and Anthony Gielen, Police Department, September 19 - 20, 2005, St. Paul, MN. Motion carried.

Moved by Lindberg and supported to approve holding a public hearing at 12:00 Noon on Tuesday, July 26, 2006, as part of the requirements for the Community Development Block Grant for the reconstruction of the 300 blocks of 4th, 5th, 6th and 7th Streets South. Motion carried.

Moved by Lindberg and supported to adopt Resolution No. 05106, approving Change Order No. 3 to decrease the contract of Mesabi Bituminous, Inc., by the amount of \$770.12, for the City Center Park – Phase II, C.P. 6-03. Resolution adopted unanimously.

Steve Trudeau, Kraus-Anderson Construction Company stated the total bid package for Phase 4 was \$375,000 under budget and the total project to date is approximately \$150,000 under budget. Items that did not receive a bid for the Phase 4 portion of the Health Care Facilities Redevelopment Project will be rebid.

Moved by Peterson and supported to adopt Resolution No. 05107, awarding bids for Phase 4, Health Care (2004 Medical) Facilities Redevelopment Project. Resolution adopted unanimously.

Mayor Luoma Gentilini stated the Planning and Zoning Commission is recommending denying the request to rezone a portion of Parcel No. 90-193-1010 along Highway 135, from M-O (Mining/Open Space) to R-1 (Single Family Residential), in order to allow Markus Hoche and Sherri Teasck to build a residential home. The Planning and Zoning Commission indicated the area is more conducive to commercial or industrial use and the City is landlocked. Sherri Teasck requested the City Council to ask the Planning and Zoning Commission to reconsider their request. Ms. Teasck stated they are considering purchasing the 41.7 acres from J & S Excavating, of which 40 acres are in the City of Virginia and the remaining 1.7 acres are in the City of Gilbert. The adjoining land in Gilbert could be zoned either commercial or residential, according to the City of Gilbert. Councillors Lindberg and Lind stated they would like to visit the site prior to making a decision. Ms. Teasck also stated they could request a variance, instead of rezoning the property, but this was not addressed at the Planning and Zoning Commission meeting. City Attorney Butorac stated the City may not want to tie up 40 acres of commercial land for one residential home.

Moved by Peterson and supported to table the rezoning of a portion of Parcel No. 90-193-1010, until the City Councillors visit the site, and to refer the matter to the Buildings/Grounds Committee. Motion carried.

Mayor Luoma Gentilini reported on the Committee of the Whole meeting held on July 5, 2005, to discuss the joint purchase of an ambulance with the Virginia Regional Medical Center. A motion was made at a Committee of the Whole meeting on July 5, 2005, to allow the City of Virginia to partner with the Virginia Regional Medical Center for a one time purchase of an ambulance, at a cost of \$50,000, and the motion failed on a tie vote. Councillor Lindberg stated the City of Virginia receives \$356 for each ambulance run and feels the other cities may follow Virginia's leadership by contributing funding to purchase a new ambulance. Mayor Luoma Gentilini stated all parties agreed on the ambulance agreement, which indicates the Hospital will purchase the ambulances. Councillor

Raplinger stated the City is supportive of the hospital and fire/ambulance service, even though he is not in favor of sharing the cost to purchase a new ambulance. Councillor Peterson stated the City is ultimately responsible for the hospital and the City Council needs to recognize the City's responsibility to help the hospital with the purchase of the ambulance, due to their financial situation.

Moved by Politano and supported to approve sharing in the cost to purchase a new ambulance, at a cost of \$50,000 to the City of Virginia, as a one time deal.

Ayes: Councillors Baranzelli, Lindberg, Politano, Peterson – 4

Nays: Councillors Raplinger, Lind, Mayor Luoma Gentilini – 3

Motion failed, as a 5-2 vote is required to approve a monetary expenditure.

Councillor Politano reported on the Finance Committee meeting held on July 5, 2005.

Moved by Politano and supported to donate one 2006 individual season golf pass to the Chicagami Children's Development Center for the fundraising event to be held on August 20, 2005.

Motion carried.

Moved by Gentilini and supported to adopt Resolution No. 05108, to designate City of Virginia's December 31, 2004, General Fund Balances. Resolution adopted unanimously.

Moved by Politano and supported to adopt Resolution No. 05109, approving transfer to Northland Office/Target Tax Increment Financing District 2B Debt Service Fund. Resolution adopted unanimously.

Moved by Politano and supported to accept the report on the monthly telephone charges and direct City Hall staff to prepare quarterly recaps of the telephone charges. Motion carried.

Moved by Politano and supported to set a fee of \$75.00 for the use of City parking lots and to require proof of liability insurance for each event, which must be submitted to the City Clerk's Office ten days prior to the event. Clean up of the parking lot will also be required. Motion carried.

Moved by Politano and supported to authorize Park and Recreation Department employees to proceed with a survey to identify low to moderate income households in the 300 blocks of 4th, 5th, 6th and 7th Streets South, as part of the requirements for the Community Development Block Grant. Motion carried.

Moved by Politano and supported to adopt Resolution No. 5110, approving a loan with the Virginia-Eveleth Economic Development Authority for an economic development project in Progress Park. Resolution adopted unanimously.

Moved by Politano and supported to approve the reduced golf rate of \$7.00 for nine holes for the City Employee Golf Outing, which will be held on August 18, 2005. Motion carried.

Moved by Politano and supported to authorize the purchase of 150 two-hour (25 cents per hour) parking meters, at a cost of \$145.00 each, and authorize the Public Safety Director and Parking Monitor to configure a plan to designate rows in City parking lots for parking permits only. Motion carried

Councillor Peterson reported on the Buildings/Grounds Committee meeting held on July 5, 2005.

Moved by Peterson and supported to allow the Engineering Department to obtain estimates to place pilings on Lots 1 & 7, Block 2, Northern Heights Addition. Motion carried.

Moved by Peterson and supported to adopt Resolution No. 05111, authorizing execution of agreement with St. Louis County for the placement of County roll off recycling containers for collection of recyclable materials. Resolution adopted unanimously.

Moved by Peterson and supported to table the communication regarding Lots 15 & 16, Fairview Addition, to the next Building and Grounds meeting and direct the Engineering Department to review the item. Motion carried.

Moved by Peterson and supported to request that the Engineering Department obtain costs for soil borings for Fairview Addition, Phase III, and obtain estimates to move the power line. Motion carried.

Moved by Peterson and supported to place Lots 1, 2 & 3, Block 1, Northern Heights Addition for sale, at the same price per square foot as the remaining lots, contingent upon the Engineering Department approving the soil borings, and to authorize City staff to advertise the lots. Motion carried.

Councillor Peterson reported on the Buildings/Grounds Committee meeting held on July 12, 2005.

Moved by Peterson and supported to approve the proposed site at the Southside Park for the proposed enclosed tennis court project by the Tennis For All Committee and to fund \$90,000 of the project, in order to build two additional courts.

Moved by Raplinger and supported to table the previous motion, until input is received from the Finance Committee.

Ayes: Councillors Raplinger, Lind, Politano, Mayor Luoma Gentilini - 4

Nays: Councillors Baranzelli, Lindberg, Peterson - 3

Motion carried.

Moved by Peterson and supported to request the Finance Committee to consider the funding request from the Tennis for All Committee, in the amount of \$90,000, to build two additional tennis courts at the Southside Park. Motion carried.

Moved by Peterson and supported to authorize Lead Engineer Hennis to meet with Ray Luoma and come to an agreement regarding the former railroad property across the alley from 707 7th Street South, in order to allow Mr. Luoma to build a garage, and to bring the recommendation back to the Buildings/Grounds Committee. Motion carried.

Moved by Peterson and supported to approve the City's participation in widening and extending the road around the Alpine Village student housing project, at a cost not to exceed \$10,000, and to authorize Lead Engineer Hennis to work with Dominic Elioff of the College Foundation, contingent upon Mesabi Bituminous accepting tailings in lieu of a cash payment. Motion carried.

Moved by Peterson and supported to refer Mediacom's proposed rate increase to the next Buildings/Grounds Committee meeting and invite a Mediacom representative to the meeting. Motion carried.

Moved by Peterson and supported to approve reimbursing Iron Trail Motors, in the amount of \$2,222.78, to repair the storm sewer line. Motion carried.

Moved by Peterson and supported to adopt Resolution No. 05112, authorizing the City Attorney to move forward with eminent domain proceedings on the Vainik (Virginia Boat) property. Resolution adopted unanimously.

Moved by Peterson and supported to authorize City Attorney to draft an ordinance regarding burning within the City limits, specifically fire pits. Motion carried.

Mayor Luoma Gentilini reported on the Personnel Committee meeting held on June 30, 2005.

Mayor Luoma Gentilini requested tabling the hiring of the Human Resource/Safety Director until it is determined if funds are available to fund the position at full-time or part-time and recommended referring the item to the next Personnel Committee meeting. Councillor Politano stated the position is included in the 2005 budget, at six-tenths time.

Moved by Lind to table the hiring of the Human Resource/Safety Director, until it is determined if funds are available to increase this position to full time. Motion died for lack of support.

Moved by Raplinger and supported to offer the Human Resource/Safety Director position at six-tenths (60%) time.

Ayes: Councillors Raplinger, Baranzelli, Lindberg, Politano, Peterson – 5

Nays: Councillor Lind, Mayor Luoma Gentilini – 2

Motion carried.

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

Moved by Politano and supported to adopt Resolution No. 05113, hiring Sherry Erickson as Human Resource/Safety Director, with salary and benefits based on six-tenths (60%) time. Resolution adopted unanimously.

Moved by Lindberg and supported to accept the resignation from Darin Alto from the Planning and Zoning Commission and to advertise the vacancy. Motion carried.

Mayor Luoma Gentilini reported on the Personnel Committee meeting held on July 5, 2005.

Regarding the Police grievance, Councillor Peterson stated the Police Union was supposed to resolve the language covering funeral leave in their last contract negotiations and suggested referring the matter to an arbitrator to resolve it. City Operations Director Tourville recommended paying the employee to resolve the grievance and negotiating a Memorandum of Understanding to clear up the funeral leave contract language until it is changed in the next negotiation session. City Attorney Butorac stated the grievance would be moved to a mediation session if it is not resolved. If it cannot be resolved at that point, then it would go to an arbitrator, at a cost of approximately \$5,000.

Moved by Raplinger and supported to approve the payment of 36 hours of funeral leave to Officer Tom Smith to resolve the grievance regarding funeral leave (20 hours of discretionary funeral leave, plus 16 hours of travel time for a funeral over 200 miles away).

Ayes: Councillors Raplinger, Lind, Baranzelli, Mayor Luoma Gentilini – 4

Nays: Councillors Lindberg, Politano, Peterson - 3

Motion failed, as requires a 5-2 vote to make an expenditure.

Moved by Politano and supported to approve the payment of 36 hours of funeral leave to Officer Tom Smith to resolve the grievance regarding funeral leave.

Ayes: Councillors Raplinger, Lind, Baranzelli, Politano, Mayor Luoma Gentilini – 5

Nays: Councillors Lindberg, Peterson – 2

Motion carried.

Moved by Raplinger and supported to authorize City Operations Director Tourville to pursue a Memorandum of Understanding with the Police Union, in order to clear up the funeral leave language in the union contract.

Ayes: Councillors Raplinger, Lind, Baranzelli, Lindberg, Politano, Mayor Luoma Gentilini – 6

Nays: Councillor Peterson – 1

Motion carried.

Councillor Lind reported on the Liquor Committee meeting held on July 5, 2005.

Moved by Lind and supported to allow the lease of the vacant lot at 220 Chestnut Street South, in the amount of \$75.00, for the Dog Days of Summer BBQ & Blues event, contingent upon the applicant providing proof of insurance coverage and submitting a plan to fence in the lot and a plan to monitor the event, which will be reviewed by the Police Department. Motion carried.

Moved by Lind and supported to not increase the fees for On-Sale Liquor Licenses and 3.2 On Sale Liquor Licenses for 2006. Motion carried, with Councillor Peterson abstaining.

Councillor Lind reported on the Virginia School Board meeting held on July 11, 2005:

1) Hired Phil Johnson as interim Superintendent for the 2005-2006 school year. 2) Hired Angie

Williams as Dean of Students. 3) Congratulated John Vukmanich and the Virginia Marching Blues for their award in the recent competition in Minneapolis.

City Operations Director Tourville suggested that the Library Commission and City Council work together on getting the Library partially open to the public. He is estimated that the entire Library will reopen by the end of November 2005.

Councillor Peterson stated the remote meter readings are about ninety percent complete in the Midway Addition and will be installed in other areas of the City, where steam has been abandoned.

City Clerk/Finance Director Lackner reported on the following items: 1) Randy Johnson of McGladrey & Pullen will review the 2004 City audit at 9:30 A.M. on Tuesday, July 19, 2005; 2) City staff is currently working with Walker, Giroux and Hahne on the 2004 VEEDA audit; 3) Working with Iron Range Resources on the loan for the Progress Park project; 4) Staff is working on tax increment reports, which are due July 31, 2005.

City Operations Director Tourville will be attending the Iron Range Economic Alliance meeting on July 26, 2005.

Councillor Raplinger stated the Multiple Sclerosis Bicycle Ride will come through Virginia on July 26-27, 2005, with the proceeds going to the MS program. Also, the Mesabi Trail Bicycle Tour will be held on August 13, 2005, from Giants Ridge to Ironworld.

Mayor Luoma Gentilini reported that a reception will be held at Ironworld for the biomass project on August 13, 2005, and the Iron Range legislative delegation and Hibbing and Virginia City Councils and Public Utilities employees are encouraged to attend.

Moved by Lindberg and supported to adjourn to 6:30 P.M. on Tuesday, August 9, 2005, in the Council Chambers, City Hall. Motion carried.

CAROLYN LUOMA GENTILINI
Mayor

(CORPORATE SEAL)

LOIS ROSKOSKI
Deputy City Clerk