

## COUNCIL PROCEEDINGS

### CITY OF VIRGINIA, MINNESOTA, FEBRUARY 19, 2008

Regular meeting of the City Council of the City of Virginia, Minnesota, was called to order by Mayor Peterson at 12:00 Noon in the Council Chambers, City Hall.

#### Roll Call:

Present: Councillors Baribeau, Littlewolf, Ralston, Lindberg, Damm, Russo, Mayor Peterson - 7

Absent: None

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

1. Approval/correction of minutes of Regular Meeting held February 12, 2008.
2. Adoption of Finance Resolution No. 08004 – Schedule of Bills.
3. Authorize Public Works Department to call for proposals for the Public Works Department supplies for the period May 1, 2008 through May 1, 2009.
4. Adopt Resolution No. 08049, approving Lawful Gambling Premises Permit Application for Community Charities of Minnesota at the Plaza Bowl.

Motions carried and Resolutions adopted unanimously.

George Eilertson, Northland Securities, recommended the sale of approximately \$3,770,000 in General Obligations Bonds for various City projects and stated the sale is proposed for March 25, 2008.

Nick Skarich, Northland Securities, stated the bond will include the refunding of 1998B Public Utility bond, at an estimated savings of \$62,000, improvements to the Miners Memorial ice arena, tennis court reconstruction and repairs to the City Hall cupola.

Moved by Lindberg and supported to adopt Resolution No. 08050, providing for the issuance and sale of approximately \$3,770,000 General Obligation Bonds, Series 2008A and retaining Northland Securities as the financial advisor. Resolution adopted unanimously.

Moved by Lindberg and supported to adopt Resolution No. 08051, authorizing the sale of Lot 2, Block 2, Northern Heights Addition, to John and Paulette Ditzler, in the amount of \$1.00, contingent upon the purchaser meeting the Northern Heights Addition covenant requirements and the lot being sold as is. Resolution adopted unanimously.

Moved by Lindberg and supported to adopt Resolution No. 08052, accepting the feasibility report for C.P. 1-08, 6<sup>th</sup> Avenue West, 8<sup>th</sup> Street South to 3<sup>rd</sup> Street South and to set a public hearing at 6:30 P.M. on April 8, 2008. Resolution adopted unanimously.

Mayor Peterson recommended the reappointment of Shelly Saukko-Grahek to the Housing and Redevelopment Authority.

Moved by Russo and supported to reappoint Shelly Saukko-Grahek to the Housing and Redevelopment Authority for a five year term ending November 22, 2012. Motion carried.

City Attorney Butorac stated the Southside Park Petition Committee filed an appeal to the rezoning of the property known as 318 12<sup>th</sup> Street South, which was rezoned on January 15, 2008. City Attorney Butorac stated the City Council is the Board of Appeals and must set a public hearing to hear the appeal. Per the City Code, the City must provide a ten day notice of the public hearing and the City Council must make a decision within thirty days after the hearing. City Attorney Butorac recommended that the public hearing be held during the March 25<sup>th</sup> City Council meeting.

Moved by Lindberg and supported to accept the proposal from Kate and Jeff Elliott to purchase Lot 2, Block 2, Fairview 2<sup>nd</sup> Addition, in the amount of \$30,000.00, with the resolution to be adopted at the March 11, 2008, City Council meeting. Motion carried.

Moved by Lindberg and supported to accept the proposal from Greg Miller and Janet Vosen to purchase Lot 3, Block 2, Fairview 2<sup>nd</sup> Addition, in the amount of \$30,000.00, with the resolution to be adopted at the March 11, 2008, City Council meeting. Motion carried.

Moved by Lindberg and supported to set the Local Board of Appeal and Equalization from 10:00 A.M. until 12:00 Noon on April 22, 2008. Motion carried.

Mayor Peterson stated the City Council received a written legal opinion from City Attorney Butorac regarding the youth foyer project. Mayor Peterson also stated he has received letters from the legal counsel representing the Arrowhead Economic Opportunity Agency, implying they would seek relief if the youth foyer project fails. Mayor Peterson stated the City Council has not taken action regarding the project and recommended that the City obtain an outside legal opinion from Kennedy and Graven, Attorneys.

Councillor Lindberg stated the option agreement with the AEOA was poorly written and did not include an out for either the AEOA or the City of Virginia. Councillor Lindberg expressed concern regarding the use of taxpayers' money for a government entity to sue another government entity.

Moved by Russo and supported to retain Kennedy & Graven, Attorneys, to provide a second legal opinion on the youth foyer project.

Ayes: Councillors Baribeau, Ralston, Lindberg, Russo, Mayor Peterson - 5

Nays: Councillors Littlewolf, Damm – 2

Motion carried.

Councillor Damm expressed concern regarding the treatment of the AEOA by the newspaper and the City regarding the youth foyer project.

Councillor Lindberg reported on the Finance Committee meeting held as a Committee-of-the-Whole on February 19, 2008.

Councillor Lindberg stated the requirements for the SAFER grant will be reviewed by the Personnel Committee at a meeting in March.

Moved by Lindberg and supported to adopt Resolution No. 08053, entering into a contract with Road Machinery & Supplies Co. for the purchase of one Felling FT10 IT Trailer, in the total amount of \$6,161.03. Resolution adopted unanimously.

Moved by Lindberg and supported to authorize the Public Works Department to purchase a hydraulic compactor, which would be shared with the Department of Public Utilities. Motion carried.

Moved by Lindberg and supported to request the Public Works Department to prepare a plan and cost analysis for providing blacktopping services in-house for review. by the Street and Alley Committee. Motion carried.

Moved by Lindberg and supported to table the request to replace the 1999 Dial-a-Ride bus and request that the City Clerk/Finance Director, City Operations Director and Team Leader meet with the Arrowhead Economic Opportunity Agency regarding the bus service and make a recommendation to the Finance Committee regarding the bus purchase and possible increase in Dial-a-Ride user fees. Motion carried.

Moved by Lindberg and supported to request the Buildings and Grounds Committee to prepare a plan and guidelines for the VEDA loan program for existing businesses and request the City Operations Director to survey the business community to determine their interest in the program. Motion carried.

Moved by Lindberg and supported to authorize Grande Ace Hardware and the vendors carrying the City of Virginia garbage bags to reduce the price for the thirteen-gallon bags with twist ties from \$10.00 per roll to \$5.00 per roll, plus tax, effective March 1, 2008. Motion carried.

Moved by Lindberg and supported to delete requirement to obtain a license for a bowling alley. Motion carried.

Moved by Lindberg and supported to increase the license fee to \$20.00 per year for male and female animals and \$10.00 for spayed or neutered animals for the year 2009. Motion carried.

Moved by Lindberg and supported to increase the special assessment search fees from \$10.00 to \$25.00. Motion carried.

Moved by Lindberg and supported to request the Street/Alley Committee to review the building permit fees and the building inspector position. Motion carried.

Moved by Lindberg and supported to request that the City Clerk/Finance Director obtain information on license fees for tobacco and solicitors from other communities for a future Finance Committee meeting. Motion carried.

Moved by Lindberg and supported to allow the City of Eveleth to use one of the City of Virginia's Zamboni's, due to the breakdown of their equipment. Motion carried.

Councillor Russo reported on the Personnel Committee meeting held on February 19, 2008.

Councillor Russo stated the Library staff, City Operations Director and Human Resources/Safety Director will develop a cost estimate and job description for an additional full time cleaning/clerical position for the Library for the Personnel Committee.

Councillor Russo stated the Library Director will work with the Human Resource/Safety Director to post a clerical position that will be vacant as of April 30, 2008.

Moved by Russo and supported to appoint Dale Cremers to the Team Coordinator position. Motion carried.

Moved by Russo and supported to authorize the Human Resources/Safety Director to proceed with the hiring to replace the current vacancy at the Fire Department and begin the process to expand the eligibility list for future hires. Motion carried.

Moved by Russo and supported to appoint Councillor Baribeau to the Local Area Advisory Committee for the Off-Highway Vehicle Recreation Area, with Mayor Peterson appointed as the alternate. Motion carried.

See 2008 Resolution for Resolution Nos. 08049 – 08053 and Finance Resolution No. 08004.

Moved by Lindberg and supported to adjourn until 6:30 P.M. on Tuesday, March 11, 2008, in the Council Chambers, City Hall. Motion carried.

(CORPORATE SEAL)

STEVE PETERSON  
Mayor

LOIS ROSKOSKI  
Deputy City Clerk