

**THE MINUTES OF THE REGULAR MEETING
OF THE HIBBING CITY COUNCIL**
June 16, 2010

TIME AND PLACE: A regular meeting of the Hibbing City Council was held on Wednesday, June 16, 2010 at 6:00 p.m. in the Hibbing City Hall Council Chamber.

ATTENDANCE: Present at roll call Mayor Richard M. Wolff, Clerk Patrick L. Garrity, Councilor Jack Lund, Councilor Patty Shafer, Councilor Tim Harkonen, Councilor Frank Bigelow, and Councilor Darby Sater. Also present were City Engineer John P. Suihkonen, Police Chief Duane Gielen, and Administrative\Councilor Sharon Ross. Finance Director Sherri Renskers was present at 6:02 p.m.

CALL TO ORDER: Mayor Wolff called the meeting to order at 6:00 p.m.

ADDS & DELETES: Mayor Wolff read into the record the revisions to the original agenda

- **ADD/REVISE:** Consent Agenda Item #10, Community Festival listing additional establishment
- **ADD:** Consent Agenda Item #12, Declaring HPD Surplus
- **ADD:** Consent Agenda Item #13, Authorizing Letter of Commitment
- **ADD:** Finance Department, Federal Election Assistance for Individuals with Disabilities Grant
- **ADD:** City Engineer's Office, St. Louis County Project Approval

I. APPROVE MINUTES:

- None At This Time

II. CONSENT AGENDA:

Councilor Bigelow, supported by Councilor Lund moved to approve Consent Agenda Items #1 through #13. Discussion: Clerk Garrity asked a question on Item #12 if the police vehicles listed as surplus for auction had been reviewed for other department allocation. Chief Gielen reported that one of the 2008 vehicles was to be transferred to the Assessor's Office and in turn will place their 2004 model on the auction list and the other 2008 model requires a new transmission. Motion CARRIED

1. Approve Accounts Payable dated:
 - 06/11/2010, checks #135013 - #135135, in the amount of \$247,543.64
 - 06/11/2010, checks #135136 - #135179, in the amount of \$291,751.10
2. Approve City Payroll for Pay period ending 05/21/2010, checks #151606 - #151612, in the amount of \$852.57.
3. Approve City Payroll for Pay period ending 06/04/2010, checks #151613 - #151727, in the amount of \$368,654.50.
4. Acknowledge resignation from Steven Rossini, Wastewater Treatment Plant as of June 5, 2010.

5. Authorize the hire of Joseph Rosc for the Lead Maintenance position in the Wastewater Treatment Plant upon successful completion of the pre-employment physical exam.
6. Approve the Election Judge list for the 2010 Primary and General Elections.
7. Approve Raffle Request of the Mesaba Country Club for a drawing to be held September 18, 2010.
8. Approve request of North St. Louis County Habitat for Humanity to waive building fees for the 11th Habitat house in Hibbing to be located at 1520 East 12th Street.
9. Approve the Special Event Application of the Great River Energy Mesabi Trail Tour 2010 for August 6th and 7th.
10. Approve the Community Festival License for the Hibbing Jubilee Street Dance on July 10, 2010 for the following establishments: Mr. Nick's Corner Bar, Zimmy's, Sportsman's Restaurant and Taverna, and Corey Mayer Catering, and **ADD: The Brickyard.**
11. Set the next regular meeting for the City Council for Wednesday, July 21, 2010 at 6:00 p.m. in the City Hall Council Chamber.

#12 **ADD ITEM.** Declare Hibbing Police Department vehicle list as Surplus Property to be sold by auction.

#13 **ADD ITEM.** Authorize City Administrator to send a letter of commitment regarding a three year commitment for services provided at the Memorial Building for the Hibbing Historical Society.

III. PUBLIC FORUM:

IV. BIDS AND QUOTES:

V. PUBLIC INFORMATION MEETING

1. **MS4 Annual Storm Water** – *Jesse Story, Assistant Engineer*

Jesse Story presented to the Council and to the public the Annual Storm Water Permit Report. This is an annual requirement by the EPA and MPCA. During 2009, there were five active storm water permits. The cost for manpower and equipment was \$535,000 which included beaver dam removal and culvert replacement. Mr. Story stated that there will be an audit done within the next two years. The public can help by picking up after pets, reporting illegal dumping, taking advantage of the new recycling center, and not dumping into the storm sewer.

Councilor Lund requested a copy of the annual report along with the breakdown of the cost of equipment and manpower. Mayor Wolff suggested publishing this information on the city website as well.

VI. DEPARTMENT AND COMMITTEE REPORTS:**1. Hibbing Police Department – Duane Gielen, Chief****a) Resolution Authorizing Safe and Sober Grant**

Chief Gielen reviewed a letter submitted by Sergeant Jeff Ronchetti regarding participation with the Minnesota Department of Public Safety for a Safe and Sober Grant.

Councilor Lund, supported by Councilor Sater moved to adopt **RESOLUTION NO. 10-06-01 AUTHORIZING EXECUTION OF AGREEMENT WITH THE MINNESOTA PUBLIC DEPARTMENT OF SAFETY FOR TRAFFIC SAFETY ENFORCEMENT PROJECTS** (Resolution herein incorporated and on file in the Council Office). Motion CARRIED

2. Finance Department/Clerk's Office – Sherri A. Renskers, Finance Director**a) Resolution establishing an Absentee Ballot Board**

Councilor Harkonen, supported by Councilor Shafer moved to adopt **RESOLUTION NO. 10-06-02 AUTHORIZING A MUNICIPAL ABSENTEE BALLOT BOARD** (Resolution herein incorporated and on file in the Council Office). Motion CARRIED

b) Federal Election Assistance for Individuals with Disabilities Grant

Mrs. Renskers reported that yesterday she received notification the City was awarded the federal election assistance for individuals with disabilities grant in the amount of \$6,000 to be used for the wiring and installation of two automatic doors at two polling places. The original application was to cover four polling places to be upgraded for automatic doors for handicapped accessibility. Mrs. Renskers is asking the City Council to approve which two of the four polling places would be covered by the grant or if the City would want to provide \$8,000 for the remaining two.

The four precincts needing the automatic doors are, Kelly Lake Community Center Precinct 1 with 414 registered voters, not a city owned facility, Maple Hill Community Center Precinct 4 with 577 registered voters, is not city owned, Stuntz Fire Hall Precinct 6 with 455 registered voters and is city owned, and Kitzville Community Center with 582 registered voters and is not city owned.

According to the guidelines of the grant, the automatic door openers need to be ordered and installed by August 1st. The total cost of this project for all four polling places is \$14,000, which would include \$6,000 from the grant, and \$8,000 from the City. The City contribution could be from mining effects tax and could be a joint community project.

Clerk Garrity noted that this is handicapped accessibility and the City has set aside money for matching grants and it would make sense assuming Kelly Lake and Kitzville stays as a voting place. Councilor Lund agrees and commented that not only would the City be receiving approximately 50% funding for the project and but also noted that it is important that our disabled voters have the right and ability to enter the polling places. Councilor Lund also pointed out that the Kitzville Community Center is the only building available as a polling place in Precinct 8. Meetings have been held at the community center and some want to turn the building over to the city and plus the land is city land that the building is on there is also a playground for the children in the community.

Councilor Lund Jack, supported by Clerk Garrity moved to authorize the funding of automatic door openers for the following polling places: Kelly Lake Community Center, Maple Hill Community Center, Stuntz Fire Hall, and the Kitzville Community Center. The total project cost will be in the amount of \$14,000 of which two of the automatic door openers will be covered by \$6,000 received from the Federal Election Assistance for Individuals with Disabilities Grant and \$8,000 from the City of Hibbing. Motion CARRIED

3. **City Engineer's Office - John P. Suihkonen, City Engineer**

a) Bridge Proposals

Two proposals have been received for the continuation of the bridge replacement program. The first proposal is for the culvert replacement at the south end of Kelly Lake for a cost of \$16,844.00. The second proposal is for the hydraulic analysis at the bridge on the west end of the Koivu Road for a cost of \$6,908.00. All of the proposed work will need to be completed prior to receiving funding for the actual bridge replacement. The City is responsible for design costs and the City share of the replacement cost has been around \$50,000 to \$60,000 on a \$200,000 contract.

Clerk Garrity, supported by Councilor Harkonen moved to award the Rainey Road Bridge No. 89787 Replacement Project to L.H.B in the amount of \$16,844.00. Motion CARRIED

Clerk Garrity, supported by Councilor Harkonen moved to award the Bridge L6064 Hydraulic Analysis to L.H.B. in the amount of \$6,908.00. Motion CARRIED

b) Engineering Service Adjustments: S.E.H. SWTP Maintenance Project

On June 14, 2010 the South Wastewater Treatment Plant Maintenance Project was advertised for bids. Upon review of the plans, there are additional items required by the MPCA that will need to be included in the project. Mr. Suihkonen is requesting authorization from the Council for the additional engineering services totaling \$23,000 to keep this project on schedule for a July bid opening.

Councilor Bigelow, supported by Clerk Garrity moved to authorize the engineering service adjustments for the South Wastewater Treatment Maintenance Project in the amount of \$23,000.00. Motion CARRIED

c) St. Louis County Project Approval

St. Louis County is proposing to replace two corrugated culverts with concrete box culverts on Townline Road. Since the project is within the City limits, state aid rules require the Council to adopt a resolution to that affect.

Councilor Bigelow, supported by Councilor Harkonen moved to adopt **RESOLUTION NO. 10-06-03 STATE AID FOR LOCAL TRANSPORTATION RESOLUTION APPROVING COUNTY PROJECT WITHIN MUNICIPAL CORPORATE LIMITS** (Resolution herein incorporated and on file in the Council Office). Discussion: Clerk Garrity asked to have the public informed of the detour and to include it on our City website. Motion CARRIED

4. City Attorney's Office – Richard Sellman, Attorney

a) Ordinance Revision related to Pawnbrokers

The ordinance relative to Pawnbrokers was revised to state that any item purchased or accepted in trade by a licensee must not be sold or otherwise transferred for seven days from the date of transaction.

Councilor Harkonen, supported by Councilor Bigelow moved to adopt **ORDINANCE NO. 374, 2nd SERIES AMENDING CITY CODE CHAPTER 6, SECTION 6.30 "PAWNBROKERS" AND BY ADOPTING BY REFERENCE, HIBBING CITY CODE CHAPTER 1 AND SECTION 6.99 WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS.** (Ordinance herein incorporated and on file in the Council Office) Motion CARRIED.

b) Consider for Approval the Preliminary Design for Solar Energy Project at Hibbing Public Library and Recycling Center

Approval is requested for the Renewable Energy Grant from Iron Range Resources for the installation of solar panels at the Public Library and the new Recycling Facility to be matched by the City's contribution of \$179,000 of other energy efficient projects at the public library, \$10,000 for preliminary engineering and \$20,000 in in-kind services.

The city engineering obligation of \$10,000 is to not exceed \$8,000 for preliminary engineering work at the library and recycling center and \$2,000 for structural report of the library roof.

Mayor Wolff, supported by Councilor Lund moved to authorize signatures of the Mayor and Clerk to the Solar Panel Project Agreement at the Public Library and Recycling Facility. Motion CARRIED

c) Lawful Gambling: 10% Contribution Fund

Mr. Sellman and Councilor Sater met regarding the potential conflict of interest issue. Councilor Sater had been the gambling manager during the original discussions of the 10% Charitable Gambling and since that time he is no longer the post commander, an officer of the VFW, or gambling manager and has received no pay except for color guard and that is paid though the state. In Mr. Sellman's opinion, Councilor Sater does not have a conflict of interest.

Councilor Lund's concern is if it is worthwhile for the city to collect this money as it is not cost effective considering the time spent by the Finance Department and the small amount of money collected. Mayor Wolff commented that if the state forms for filing are used that it would make the process simpler. Mayor Wolff also agreed that the amount of money received isn't significant but also wonders where is the charitable part of this? Mayor Wolff recommended using the state reporting system to see if it makes any difference and then would support the elimination of the fund. Councilor Lund stated that the Council has been discussing this item for over a year and time could be better spent on other items.

Councilor Lund made a motion to eliminate the 10% gambling contribution fund as of July 1, 2010 at 12:01 a.m.

Clerk Garrity commented that he has always been against the idea of the charitable gambling fund. He stated that the economy has been poor as the revenue is not there anymore and there have to be ways that the community members can raise funds for youth organizations and scholarships.

Mayor Wolff believes that all community members should be benefiting and from that prospective the amount of money is insignificant.

Councilor Sater expressed his opinion that statements from the gambling commission has been untrue and wrong information had been given to the council for decisions. He stated that organizations that are the back bone of the community shouldn't have this challenge.

Clerk Garrity expressed a comment of personal privilege of the issue of the conflict of interest. His father was a veteran and his mother was a member of the auxiliary. We should be extremely proud of our Veterans organizations. The fact is that they are raising money and that is their right and this is extremely unfair to imply this is unethical and shouldn't be a conflict. Clerk Garrity supported the elimination of the 10% charitable gambling fund.

Mayor Wolff stated that his objection is not with the process or with the organizations but with the nature of gambling all together.

Mr. Sellman noted that the 10% gambling contribution fund is in City ordinance and the elimination of this would require an ordinance to remove it.

Councilor Lund explained his reasoning for this motion to eliminate the fund as of July 1st at 12:01 a.m. because that is the year end for the state.

Councilor Lund, supported by Clerk Garrity moved to eliminate the 10% gambling contribution fund as of July 1, 2010 at 12:01 a.m. Opposed was Mayor Wolff. Motion CARRIED

5. **City Administrator's Office – Brian Redshaw, City Administrator**

a) 2011 Iron Range Getaway Guide

Mr. Redshaw presented this item on behalf of HEDA Coordinator Duane Northagen. An advertisement for Hibbing has been published in the Iron Range Getaway Guide for the last 13 years. During the budget cuts, the \$1,000 that would have covered the cost of this quarter page ad had been eliminated from the Economic Development budget. Mr. Redshaw is asking for council direction in this matter.

Clerk Garrity stated that every department's budget was looked at and cuts were made but did not state specifically cut this certain item.

Clerk Patrick L. Garrity, supported by Councilor Jack Lund moved to approve the request for continuation of the City of Hibbing advertisement (*as previously published in the Iron Range Getaway Guide*) with the expenses to be covered by funds from within the current

Economic Development budget. Discussion: Councilor Shafer mentioned that upon doing some research she found that the Hibbing Daily Tribune publishes a community booklet and that a quarter page advertisement would cost \$270 and a full page ad would be \$850 and she suggested that Mr. Northagen could research other avenues for advertisements. She also noted that the municipal golf course is not even advertised in our yellow pages. Motion CARRIED

6. **Mayor's Office – Rick Wolff, Mayor**

a) Early Retiree Reinsurance Program

The Early Retiree Insurance Program is being offered by the Federal government. This program would allow employers to apply for healthcare claim reimbursement dollars for paid claims incurred between \$15,000 - \$90,000 for retirees on the health plan over 55 years of age and not yet eligible for Medicare. Human Resources Director Theresa Tourville has the program application complete and is ready to submit it once the announcement is made by the US Department of Health and Human Services.

Human Resources Director Tourville also noted that the program funds would need to be used directly for reducing costs for health care. Mrs. Tourville is asking for authorization to submit the application and then to use the funds if received to offset employee costs, to submit banking numbers with the application and authorization for the Human Resources Director to work with Blue Cross Blue Shield. At this point the application and supporting documents are ready to be submitted but the announcement of where to send the application is yet to be made. The Department of Health and Human Services is expected to release the final application document and address to submit the application is anticipated to be revealed between June 21st and 30th. Because the monies allocated will be issued on a first-come-first served basis, she has also given copies of the documents to Sharon Ross, Administrative Council Assistant and to Chris Magnusson Accounts Payable Clerk/Website Technician to create a team for quick response.

Mayor Wolff, supported by Councilor Bigelow made motion to approve the following:

- Authorization for Human Resources Director Theresa Tourville to submit the Early Retiree Reinsurance Program application to the Department of Health and Human Services,
- Authorization for Human Resources Director Theresa Tourville to work with Blue Cross Blue Shield in compliance with HIPPA, on the documentation of actual costs for items and services for reimbursement on the Early Retiree Reinsurance Program application to the Department of Health and Human Services,
- Authorization to submit banking routing numbers on the Early Retiree Reinsurance Program application through the Department of Health and Human Services, and
- Authorization to approve funds, if received, from the Early Retiree Reinsurance Program application through the Department of Health and Human Services, and to be used to offset any health insurance increases beginning in 2011 for both employer and employee portion of the premium for all employees and retirees.

Motion CARRIED.

7. **Council Report** – Councilor *Darby Sater*

a) **Kelly Lake Beach Update**

The Kelly Lake pump has been replaced and Parks & Recreation Director Gaasland has reported that the water quality is the best it has ever been. Councilor Sater stated that there are volunteers from the Kelly Lake Beach Club that are willing to work on getting the beach in good condition and all that is needed is a life guard.

Clerk Garrity mentioned that this issue of the pump was discussed at a recent retreat and the Council agreed that pump was going to be replaced to create safe waters. During an earlier retreat in March, the Council asked departments to cut back on their expenses and Parks and Recreation did cut back on their summer staff but now we need to find the dollars to support a lifeguard for public safety.

Clerk Garrity, supported by Councilor Sater moved to authorize the hiring of lifeguards for the Kelly Lake Beach. Discussion: Mr. Redshaw mentioned that Mr. Gaasland was directed by Council to make a \$30,000 reduction in the Parks & Recreation budget. Mayor Wolff agreed that the department heads were asked to tighten their belts and suggested that the money to cover the cost of lifeguards could be shifted from elsewhere in the budget as this is a priority for safety. Mayor Wolff also mentioned that because of the budget issues the city is facing the public will need to be aware that items such as lawns may not be mowed or other areas in parks and recreation might not be able to be funded. Motion CARRIED

VII. ADJOURNMENT

There being no further business brought before the Council, Councilor Bigelow, supported by Clerk Garrity moved to adjourn the meeting at 7:03 p.m.

Richard M. Wolff, Mayor

ATTEST: _____
Patrick L. Garrity, Clerk-Treasurer