

**The Minutes of the Regular Meeting
Of the HIBBING CITY COUNCIL
June 2, 2010**

TIME AND PLACE: A regular meeting of the Hibbing City Council was held on Wednesday, June 2, 2010 at 6:00 p.m. in the Hibbing City Hall Council Chambers.

ATTENDANCE: Present at roll call Mayor Richard M. Wolff, Clerk Patrick L. Garrity, Councilor Tim Harkonen, Councilor Darby Sater, Councilor Jack Lund, and Councilor Patty Shafer, Councilor Bigelow was absent. Also present were Police Chief Duane Gielen, Finance Director Sherri A. Renskers, City Engineer John P. Suihkonen, City Attorney Richard Sellman, and Admin.\Council Asst. Sharon Ross.

CALL TO ORDER: Mayor Wolff called the meeting to order at 6:02 p.m.

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

1. ADD, Consent Agenda: Accounts Payable dated 06/02/2010
2. ADD, Bids & Quotes: City Engineers Office, 2010 City Striping Quotes
3. ADD, Building and Housing Variance Request of Larry Warpula

I. APPROVE MINUTES:

- Councilor Lund, supported by Councilor Shafer moved to approve the updated minutes of the regular meeting of the Hibbing City Council of April 21, 2010. Motion CARRIED
- Councilor Harkonen, supported by Councilor Lund moved to approve the minutes of the regular meeting of the Hibbing City Council of May 5, 2010. Motion CARRIED
- Councilor Lund, supported by Councilor Harkonen moved to approve the updated minutes of the Retreat of the Hibbing City Council of May 18, 2010. Motion CARRIED
- Councilor Harkonen, supported by Councilor Lund moved to approve the minutes of the regular meeting of the Hibbing City Council of May 19, 2010. Motion CARRIED

II. CONSENT AGENDA: Councilor Harkonen, supported by Councilor Sater moved to approve the Consent Agenda Items #1 - #13. Motion CARRIED

1. Approve Accounts Payable dated:
 - 05/28/2010, checks #134876 - #134993, in the amount of \$177,632.37
 - 06/02/2010, checks #134994 - #135012, in the amount of \$405,210.73
2. Approve City Payroll for Pay period ending 05/21/2010, checks #151492 - #151600, in the amount of \$332,462.42.
3. Approve Proclamation in Celebration of Habitat for Humanity in Minnesota
4. Approve the Special Event Permit Application of Palmer's Tavern and Checco's Bar for the 3rd Avenue Block Party to be held Saturday, July 17, 2010.

5. Approve the Commercial Photographer's License Application of Consumer Programs Incorporated to operate at Walmart Picture Portrait Studio #12937, Hibbing.
6. Approve the Commercial Photographer's License Application of Flom Designs and Photography of 316 East Howard Street, Hibbing.
7. Approve the Transient Merchant License Application of TNT Fireworks to operate as a transient merchant in the parking lot of Walmart, 12080 Highway 169, from June 22nd through July 5th.
8. Approve the Transient Merchant License Application of Billie Jean's Happy Tails for a mobile pet grooming business for one year.
9. Approve the Special Event Permit Application of James Copple for the Iron Range Rocket Klub event for June 26, 2010.
10. Approve the Special Event Permit Application of James Copple for the Iron Range Rocket Klub event for July 31, 2010.
11. Approve the Special Event Permit Application of James Copple for the Iron Range Rocket Klub event for August 28, 2010.
12. Approve the Special Event Permit Application of James Copple for the Iron Range Rocket Klub event for September 18, 2010.
13. Set the next regular meeting for the City Council for Wednesday, June 16, 2010 at 6:00 p.m. in the City Hall Council Chamber.

III. PUBLIC FORUM:

IV. BIDS AND QUOTES:

1) City Engineer's Office – John P. Suihkonen, City Engineer

a. **State Aid Project 11th Avenue East and North Salmi Road**

Five bids were received for the State Aid Project for 11th Avenue East and North Salmi Road. The low bid was received from Casper Construction for \$662,291.00. The Engineers estimate for the project was \$725,254.00. Portions of this project will be funded by the Hibbing Public Utilities Commission for water main construction and City funds from the City Paving Budget for 24th Street and alley south of the Lincoln School.

Councilor Harkonen, supported by Councilor Lund moved to award the bid for the State Aid Project for 11th Avenue East and North Salmi Road projects to Casper Construction in the amount of \$662,291.00. Motion CARRIED

b. **2010 City Striping Quotes**

Two quotes were received for the 2010 City Striping Project to provide painting of the city street center lines and edge lines. The low quote received is below the engineer's

estimate. Mr. Suihkonen will provide a map to the Council to point out the streets that will be in this year's project.

Councilor Lund, approved by Councilor Shafer moved to award the contract for the 2010 City Striping Project to Twin City Striping in the amount of \$15,613.52. Motion CARRIED

V. DEPARTMENT AND COMMITTEE REPORTS:

1. Building and Housing Department – Pat Green, Building Official

a) Planning Commission Recommendation – Conditional Use Permit Petition of Jason Fisher

Mayor Wolff, supported by Clerk Garrity, based upon the unanimous recommendation of the Planning Commission moved to approve the Conditional Use Permit Petition of Jason Fisher, 4165 Kerr Location, Hibbing. Motion CARRIED

b) Planning Commission Recommendation – Conditional Use Permit Petition of Dr. Paul Masheimer

Councilor Harkonen, supported by Councilor Lund, based upon the unanimous recommendation of the Planning Commission moved to approve the Conditional Use Permit Petition of Dr. Paul Masheimer, for the Animal Care Clinic, 11524 Townline Road, Hibbing. Motion CARRIED

c) Planning Commission Recommendation – Waive Conditional Use Permit Petition Fee for new C.U.P. Petition of Eagle Eye Properties

Pat Green, Building Official gave explanation that the conditional use permit approved for Eagle Eye Properties in February 2010 included a condition requiring retrofitting the existing fixed awning on the building to comply with current water drainage regulations. The Assistant City Engineer reviewed the situation and recommended changes to the City Zoning Ordinance to be accurate for this climate. The Planning Commission will be conducting a hearing for a text amendment to change the drainage regulations for marquees and fixed awnings, and on the same date will hold a new hearing to change the conditions for the conditional use permit issued to Eagle Eye Properties. The Planning Commission feels that Eagle Eye Properties shouldn't have to pay an additional petition permit fee.

Councilor Harkonen, supported by Councilor Lund moved to concur with the Planning Commission Recommendation to waive the Conditional Use Permit Petition Fee of Eagle Eye Properties for a new hearing to revisit their Conditional Use Permit relative to the renovation of the former Golden Crest Nursing Home to an assisted living facility. Motion CARRIED

d) Variance Request – Larry Warpula

Pat Green, Building Official noted that on April 26, 2010, Mr. Warpula had a public hearing with the Planning Commission and he is now appealing their decision. His application was not completely filled out as he missed the area to include three hardships and he is requesting to have another hearing.

Councilor Shafer, supported by Councilor Harkonen moved to approve a public hearing for Mr. Larry Warpula to be conducted by the Hibbing Planning Commission – Board of Adjustments and Appeals and to hereby waive the variance permit fee. Motion CARRIED

2. **City Engineer's Office – John P. Suihkonen, City Engineer**

a) **2010 City Paving Program**

Mr. Suihkonen stated the City Paving Program budget is separated into three different portions including general fund capital improvements, state aid maintenance, and cemetery totaling \$420,000. The project cost for the 2010 City Paving Program is \$358,000. Mr. Suihkonen is recommending keeping the remaining funds for the Cemetery on their account for future road development that will be required.

Discussion held on the direction for this project. Councilor Lund asked if remaining dollars could be used for patching. Councilor Shafer requested a culvert to be placed in the cemetery by the Mann Theater. Mr. Suihkonen will review the culvert placement and report back to the Council for costs to repair or to contract out. Clerk Garrity suggested that if calling for bids that part of the contract could be used for patching in individual spots.

Clerk Garrity supported by Councilor Harkonen moved to authorize moving forward with the bid process for the 2010 City Paving Program with the estimated project cost of \$358,000 as submitted by the Engineering Department. Motion CARRIED

b) **Active Living Committee, Bike Route Recommendation**

Consideration from the Council is requested regarding a bike route system around the city. On behalf of the Active Living Committee, Melissa Gryzbowski is requesting approval of a bike route system in town and acceptance of a grant as part of this program to identify the route with signs for a grant amount of \$6,124.00. Melissa Gryzbowski was present and stated the trail will be close to 20 miles in distance. The intent to designate the bicycle route is to create a painted white line marking for safety. The grant money will cover signs and purchasing a stencil to mark the roadway and to also go toward the pamphlet showing the designated routes for educational promotions. Councilor Lund inquired if the routes will be on black top roads that are in good condition. The routes will be on the state aid system. Mayor Wolff congratulated Ms. Gryzbowski for receiving the grant.

Mayor Wolff, supported by Councilor Harkonen moved to approve the Northeast Minnesota Statewide Health Improvement Program designated bike routes in the City of Hibbing. Motion CARRIED

Councilor Lund, supported by Councilor Harkonen moved to accept the Northeast Minnesota Statewide Health Improvement Program Active Living Grant funds of \$6,124 applied for and received and to be used for the purchase of signs, paint, and stencils for the designated bike routes. Motion CARRIED

Mayor Wolff asked how we will measure the use. Ms. Gryzbowski stated there will be a contract evaluator doing actual physical trail counts. She will share the results with the Council. The designated routes will also be posted on our City website.

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

a) Memorial Building Arena Lease Agreement

Mr. Sellman stated this renewal of contract with the school district includes price index increases that are built into the lease agreement and also continues to include coverage by a firefighter/EMT.

Clerk Garrity, supported by Councilor Shafer moved to authorize a three year agreement extension between the City of Hibbing and ISD No. 701 for the Memorial Building Arena Lease. Discussion: Councilor Shafer inquired of the responsible party to pay for the firefighter/EMT wages. The school district pays the time as applicable for overtime. Motion CARRIED

b) Lawful Gambling: 10% Contribution Fund

Mr. Sellman was asked to review the 10% contribution fund and the state reporting. He stated the City is mandated to use the state figures and 10% contribution is provided for based on net profits. Converting to this reporting would charge organizations for a half year by waiving the first half of the year and start the billing on July 1, 2011. Mrs. Renskers stated the City Ordinance sets the reporting in the calendar year so asked if a motion would also change the ordinance. This method of reporting would allow the computation to be pulled up for the state report, multiply by 10%, and that would be the billed amount which would eliminate any additional spreadsheets used by the Finance Department. Mrs. Renskers commented that she doesn't see this as a cost effective approach with the level of revenue and stated that changing to fiscal year would be simpler but would still create the need to have to pull out the other elements of the spreadsheets. Mayor Wolff suggested to pilot the new reporting system and if it is not cost effective then to take action to eliminate it. Councilor Lund agreed.

Mayor Wolff, support by Councilor Lund moved to approve the changing of the reporting year for the Charitable Gambling fund to be based on a fiscal year starting with July 1, 2010 through June 30, 2011 and thus the first billing to be done in July of 2011.

Discussion: Councilor Lund commented that the other thing to consider is having a 10% contribution if it isn't cost effective. Mayor Wolff suggested to review the results of the pilot after July 1, 2011 and then to make the decision to maintain the 10% contribution or eliminate it.

Councilor Sater brought up the concern of conflict of interest. Mr. Sellman suggested that Councilor Sater stop by his office prior to this coming to vote. Councilor Sater also raised the question of the posting of the Gambling Commission vacancy that John Peterson applied for and was appointed. Mr. Sellman will research on what has transpired regarding the appointment process.

Mayor Wolff rescinded the motion until receiving Mr. Sellman's opinion and until all issues are resolved.

Clerk Garrity noted the Clerk's Office is understaffed and is also wondering if it makes sense to maintain this fund and also prefers to eliminate the 10% gambling contribution fund.

4. Mayor's Office – Rick Wolff, Mayor

a) **Summer Meeting Schedule**

Mayor Wolff commented that traditionally the Hibbing City Council has met once a month during the summer months of July and August and proposed a summer schedule to meet once a month in July and August. He noted that if accounts payable need to be authorized, that the Council would then go to the Finance Department for approval and signatures.

Clerk Garrity noted that the meeting in August would need to follow the primary election. Councilor Shafer asked for consideration of any special meetings that would need to be called to be held at 8:00 a.m.

Clerk Garrity, supported by Councilor Harkonen moved to set the summer meetings of the Hibbing City Council at 6:00 p.m. on Wednesday, July 21, 2010 and Wednesday, August 11, 2010. Motion CARRIED

VI. BOARDS & COMMISSIONS

1. Board of Trustees/Hibbing Public Library (1 Vacancy) Term to fill a resignation to 03/31/2012
Applicant, Lori Hendrickson

Mayor Wolff, supported by Councilor Shafer moved to appoint Lori Hendrickson to the Board of Trustees/Hibbing Public Library for a term through March 31, 2012. Motion CARRIED

VII. OTHER

- 1) Councilor Shafer mentioned that she has been receiving calls regarding the Centennial Fountain and why it isn't running. Mr. Suihkonen will contact the Public Works Department.
- 2) Councilor Harkonen expressed his well wishes to Lonnie Scipioni, a hard working and dedicated member of the Police Civil Service Commission, as he was severely injured in an accident over the weekend.

VIII. ADJOURNMENT

There being no further business brought before the Council, Councilor Lund, supported by Councilor Sater moved to adjourn the meeting at 7:00 p.m.

CITY OF HIBBING

Richard M. Wolff, Mayor

ATTEST: _____
Patrick L. Garrity, Clerk-Treasurer