

**CHISHOLM CITY COUNCIL  
REGULAR MEETING – AUGUST 11, 2016**

CALL TO ORDER

Mayor Michael A. Jugovich called the City Council Meeting to order in the City Hall Council Chambers at 5:30 p.m.

ROLL CALL

Present: Council Members Campbell (left meeting at 7:24 pm), Cook, Kevin Scaia, Todd Scaia and Mayor Jugovich

Absent: Councilor Rahja

Also Present: Administrator John Tourville, Deputy Clerk Susan Schweiss, City Attorney Bryan Lindsay, Consultant Engineer Jim Johnson, Emily Major, SEH; and Administrative Assistant Gornick.

ADOPT THE AGENDA

Moved by Councilor Cook and supported by Councilor K. Scaia to adopt the Agenda with two additions under new business: 7D 5) MGA Master Service Agreement & 8) Recess to Closed Session to discuss Ironbound Studios.

Voting Aye: All

Motion Carried

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC PARTICIPATION

Shaun Germolus of the Chisholm Hibbing Airport Authority (CHAA) discussed the proposed 2017 Airport Authority budget & tax levy packet. He invited the Council to attend the joint meeting with CHAA and the Hibbing Council members on Monday, August 15, 2016.

Jeff Sterle of Sterle & Company discussed the 2015 audit findings.

Dick Grabko of the Iron Range Rehabilitation & Resources Board (IRRRB) addressed the Council with a request for the City of Chisholm to assist the Housing & Redevelopment Authority (HRA) to apply for and receive IRRRB grant funds for a four duplex housing development project in the Nelson sub-division in Chisholm.

Michele & Jim Birdsall addressed the Council with a request to purchase Parcel ID 020-0020-00170.

Arthur Maturi expressed his concerns regarding the Firewood Ordinance and the citations that he has received.

Andrew Hanegmon of Iron Range Makerspace addressed the Council with an interest in building a relationship with the City of Chisholm to acquire a place in Chisholm to house equipment for an incubation facility. He is also looking at other cities on the Iron Range.

Kelly Harris, Manager of Jim's Sports Club addressed the Council with a request to host a BBQ, children's games and a band event on Friday, August 12, 2016 on the property adjacent to Jim's Sports Club.

REPORTS

Administrator Tourville thanked the Election Judges & city staff for their work during the Primary election. Councilor Cook requested the public to consider voting during the day if possible for the General election. He also mentioned the elderly turnout for voting was commendable. Councilor T. Scaia noted that absentee ballot voting is an option.

Other: Councilor Campbell attended the Police Commission meeting and reported on the hiring process for a new Police Officer.

Councilor Cook announced Kids Plus will be sponsoring the 5<sup>th</sup> annual Fun Walk/Run during Doc Moonlight Graham Days. Activities are planned at the Kiwanis Park during this event, he invited volunteers to help.

Councilor K. Scaia thanked Bruce Rudstrom and the Public Works staff for brushing & clearing trees from the Bridge of Peace area. He congratulated the Mayor on his win in the Primary Election. He invited the public to attend the Doc Moonlight Graham Days events. He reported the demolishing and reconstruction of the bocce ball courts will take place the end of September.

Councilor T. Scaia attended the Fire Department meeting, they have had 110 calls for the year. They are looking at locations to house their equipment due to the floor issues at the Fire Hall. He also attended the Fire Relief Association meeting and reported the pension fund is doing well. He invited Brandan Fiedler (candidate running for City Council) to the podium to discuss any concerns he may have with the Council regarding Ironbound Studios.

Mayor Jugovich reported most of the summer casual laborers are done for the season, he congratulated them on a job well done. Voter turnout for the Primary Election was 29.85% in Chisholm. He would like to see a better turnout for the General Election in November.

ACCEPT THE CONSENT AGENDA

Moved by Councilor Campbell and supported by Councilor T. Scaia to accept the Consent Agenda, including the List of Bills, Communications, Minutes of the previous City Council meeting of July 12, 2016 Regular Meeting, August 2, 2016 Working Session, Payroll and Overtime.

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
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**JAMES BRANDT PURCHASE AGREEMENT FOR VACANT LAND OWNED BY  
THE CITY OF CHISHOLM (LOTS 25 & 26, BLOCK 9)**

Moved by Councilor Campbell and supported by Councilor Cook to authorize the sale of City owned lots 25 & 26, block 9 located at 112-114 West Lake Street in Chisholm, MN for the sum of \$2500.00 to James G. Brandt. The Purchase Agreement is entered into with the premise of furthering economic development and tax basis in the City of Chisholm. Therefore, should the Buyer substantially complete his development plans on the subject real estate parcel within one year from the date of closing, he shall be returned the sum of \$2,499.00. The purchase agreement dated July 12, 2016 drawn up by Trenti Law Firm of Virginia, MN includes an Exhibit "A", dated July 11, 2016 which defines the proposed improvements to the lots to be made by James G.Brandt.

Voting Aye: Councilors Campbell, Cook, T. Scaia and Mayor Jugovich

Voting No: Councilor K. Scaia

Absent: Councilor Rahja

Motion Carried

**WATER TOWER PROJECT UPDATE**

This was an informational item at this time. Adam Salo with H.R. Green will present information at the August 23, 2016 council meeting regarding the liquidated damages on the water tower project.

**PROFESSIONAL SERVICES AGREEMENT AMI CONSULTING ENGINEERS  
CHISHOLM PUBLIC LIBRARY RAMP PROJECT**

Moved by Councilor Cook and supported by Councilor K. Scaia to enter into agreement with AMI Consulting Engineers of Superior, WI to provide professional engineering design and construction administration services for the Library Ramp Project for an amount not to exceed \$2,950.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0816-54 ORDER IMPROVEMENT/PREPARATION OF PLANS  
CHISHOLM PUBLIC LIBRARY RAMP PROJECT**

Moved by Councilor Cook and supported by Councilor Campbell to adopt Resolution No. 0816-54 to order improvement and preparation of plans for the Chisholm Library Ramp Project.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0816-55 APPROVE PLANS, SPECS & ADVERTISE FOR BIDS  
CHISHOLM PUBLIC LIBRARY RAMP PROJECT**

Moved by Councilor Cook and supported by Councilor K. Scaia to adopt Resolution No. 0816-55 to approve plans and specifications and advertise for bids for the Chisholm Library Ramp Project.

Voting Aye: All

Motion Carried

**PROFESSIONAL SERVICES AGREEMENT AMI CONSULTING ENGINEERS  
FIRE HALL GARAGE FLOOR IMPROVEMENT PROJECT**

Moved by Councilor T. Scaia and supported by Councilor Campbell to enter into agreement with AMI Consulting Engineers of Superior, WI to provide professional engineering design and construction administration services for the Fire Hall Garage Floor Improvement Project for an amount not to exceed \$1,800.00.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0816-56 ORDER IMPROVEMENT/PREPARATION OF PLANS  
FIRE HALL GARAGE FLOOR IMPROVEMENT PROJECT**

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to adopt Resolution No. 0816-56 to order improvement and preparation of plans for the Fire Hall Garage Floor Improvement Project.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0816-57 APPROVE PLANS, SPECS & ADVERTISE FOR BIDS  
FIRE HALL GARAGE FLOOR IMPROVEMENT PROJECT**

Moved by Councilor T. Scaia and supported by Councilor Cook to adopt Resolution No. 0816-57 to approve plans and specifications and advertise for bids for the Fire Hall Garage Floor Improvement Project.

Voting Aye: All

Motion Carried

**HABITAT FOR HUMANITY**

Moved by Councilor Campbell and supported by Councilor K. Scaia to enter into agreement with St. Louis County for an early entry authorization on the tax forfeited lots (parcel codes 020-0170-01930 & 020-0170-01950) for Habitat for Humanity for the purpose of building affordable housing.

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
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(CONTINUED)**

**ARCHITECTURAL RESOURCES, INC. FEASIBILITY STUDY FOR FIELD HOUSE PROJECT**

Moved by Councilor Cook and supported by Councilor Campbell to enter into agreement with Architectural Resources, Inc. of Hibbing, MN to perform a feasibility study for the Field House Project for an amount not to exceed \$4,500.

Voting Aye: All

Motion Carried

**O'NEIL BUILDING UPDATE**

This was an informational item at this time. St. Louis County is working on the abatement issues and would like to partner with the City to pursue Iron Range Rehabilitation & Resources Board (IRRRB) Commercial Demolition Grant Funds, if grant funds are awarded, the county will match the funds provided by IRRRB.

**MICHELE & JIM BIRDSALL REQUEST FOR LAND ACQUISITION  
ADJACENT TO PARCEL ID 020-0020-00170**

Moved by Councilor K. Scaia and supported by Councilor Campbell to accept the recommendation of the Planning & Zoning Commission regarding the request from Jim & Michele Birdsall to purchase city land adjacent to their property. The Planning & Zoning Commission's recommendation is to vacate the street adjacent to the Birdsall's lot and within the proposed lot adjacent to parcel ID 020-0020-00170. Moved by Councilor K. Scaia and supported by Councilor T. Scaia to authorize the sale of this property to Jim & Michele Birdsall for the price of \$100.00 plus fees associated with the transfer of the property.

Voting Aye: All

Motion Carried

**ORDINANCE NO. 6, 3<sup>RD</sup> SERIES, FIRST READING, AMENDING CITY CODE, SECTION  
153.30, ZONING CODE/LAND USE REGULATIONS**

Moved by Councilor K. Scaia and supported by Councilor Campbell to adopt the first reading of Ordinance No. 6, 3<sup>rd</sup> Series amending City Code Section 153.30 to opt out of MN Statutes, Section 462.3953, which defines and regulates Temporary Family Health Care Dwellings.

Voting Aye: Councilors Campbell, K. Scaia, T. Scaia and Mayor Jugovich

Voting No: Councilor Cook

Absent: Councilor Rahja

Motion Carried

**RESOLUTION NO. 0816-58 YEAR END ADJUSTING ENTRIES FOR 2015**

Moved by Councilor T. Scaia and supported by Councilor Cook to adopt Resolution No. 0816-58 Authorizing the Year-End Adjusting Entries for the Year ended December 31, 2015 for the following funds:

101	General Fund
303	Debt Service Fund
401	Capital Improvement Fund
601	Water Fund
602	Sewer Fund
603	Refuse Fund
901	General Fixed Assets
902	General Long Term Debt Fund

Voting Aye: All

Motion Carried

**SCHEDULE BUDGET MEETING**

Moved by Councilor Campbell and supported by Councilor Cook to schedule a budget meeting on Tuesday, August 30, 2016 at 5:30 p.m. to discuss capital improvements.

Voting Aye: All

Motion Carried

**SCHEDULE JOINT MEETING WITH CHISHOLM HIBBING AIRPORT AUTHORITY (CHAA)**

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to schedule a joint meeting date on Monday, August 15, 2016 at 6:00 p.m. to meet with the Chisholm Hibbing Airport Authority and the City of Hibbing City Council at the Range Regional Airport to take action on the proposed 2017 CHAA budget and tax levy.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0816-59 AUTHORIZING THE CITY OF CHISHOLM TO MAKE  
APPLICATION TO & ACCEPT FUNDS FROM THE IRRRB FY17 DEVELOPMENT  
INFRASTRUCTURE GRANT PROGRAM FOR THE CHISHOLM HOUSING &  
REDEVELOPMENT AUTHORITY HOUSING DEVELOPMENT PROJECT**

Moved by Councilor K. Scaia and supported by Councilor Campbell to adopt Resolution No. 0816-59 to authorize the city to make application to and accept funds from the IRRRB FY17 Development Infrastructure Grant Program for the Chisholm Housing and Redevelopment Authority excluding any bonding for the project. Councilor K. Scaia amended his motion to include the application and labor for the grant process to be performed by the IRRRB, HRA and their consulting staff (not the City of Chisholm staff).

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
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(CONTINUED)**

**GAMBLING APPLICATION – ST. JOSEPH'S CATHOLIC CHURCH**

Moved by Councilor Cook and supported by Councilor K. Scaia to approve the gambling permit for St. Joseph's Catholic Church for a raffle on January 27, 2017.  
Voting Aye: All

Motion Carried

**PUBLIC ACCESS TELEVISION CONTRACT**

Moved by Councilor Campbell and supported by Councilor K. Scaia to accept the contract with Independent Contractor Terry Hartikka of Mesabi Community Television for Public Access Televising of City Council and ISD #695 school board meetings for an annual fee of \$10,600.00.  
Voting Aye: All

Motion Carried

**MASTER SERVICE AGREEMENT FOR TRENTI LAW FIRM & THE STATE JUDICIAL BRANCH**

Moved by Councilor Cook and supported by Councilor K. Scaia to approve the Master Service Agreement with the State Judicial Branch at no cost to the City of Chisholm to allow City Attorney Bryan Lindsay and his staff at Trenti Law Firm to access documents maintained in court files.  
Voting Aye: All

Motion Carried

**RECESS TO CLOSED SESSION TO DISCUSS IRONBOUND STUDIOS**

Moved by Councilor Cook and supported by Councilor K. Scaia to recess the regular Council meeting to Closed Session to discuss Ironbound Studios. After a brief break, moved by Councilor T. Scaia and supported by Councilor Cook, Mayor Jugovich called the Closed Session to order at 7:29 pm.

Voting Aye: Councilors Cook, K. Scaia, T. Scaia and Mayor Jugovich  
Absent: Councilors Campbell & Rahja

**ADJOURN CLOSED SESSION / RECONVENE REGULAR COUNCIL MEETING**

Moved by Councilor Cook and supported by Councilor K. Scaia to adjourn the Closed Session at 7:43 pm. Moved by Councilor Cook and supported by Councilor K. Scaia to reconvene the regular council meeting at 7:44 pm.

Voting Aye: All

Motion Carried

**IRONBOUND STUDIOS**

Moved by Councilor T. Scaia and supported by Councilor Cook to instruct City Attorney Lindsay to send a letter to Ironbound Studios as of August 19, 2016 with specific language that City Attorney Lindsay deems appropriate.

Voting Aye: All

Motion Carried

**ADJOURN REGULAR COUNCIL MEETING**

Moved by Councilor Cook and supported by Councilor K. Scaia to adjourn the regular council meeting at 7:45 pm.

Voting Aye: All

Motion Carried

s// Michael A. Jugovich  
Mayor

Attest:

s// John W. Tourville  
City Clerk-Treasurer/Administrator