

CHISHOLM CITY COUNCIL
REGULAR MEETING – SEPTEMBER 9, 2015

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, Cook, Rahja, Kevin Scaia, Todd Scaia and Mayor Jugovich

Absent: None

Also Present: Interim Administrator Jerry Bohnsack, Deputy Clerk Susan Schweiss, City Attorney Bryan Lindsay, Building & Zoning Official Steve Erickson, Consultant Engineer Jim Johnson, Emily Major of SEH, Police Chief Vern Manner, Recreation Director Tammy Nevalainen and Administrative Assistant Margaret Gornick

ADOPT THE AGENDA

Moved by Councilor Cook and supported by Councilor K. Scaia to adopt the Agenda with one deletion under Unfinished Business: C3) Ordinance No. 5, “Fire Wood” and one addition: C3) Iron Bound Studios, LLC Agreement

Voting Aye: All

Motion Carried

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC PARTICIPATION

Steve Fenlon of Midwest Health Care Capital gave an overview of the St. Francis Health Services bonding request.

Kelly Harris of Jim’s Sports Club Bar & Grill addressed the Council with a request to use the empty lot located at 114 W. Lake Street for an event on September 19, 2015.

REPORTS

Recreation Director Tammy Nevalainen reported on the summer leagues, volleyball leagues and Youth Flag Football. The Youth Center will be re-opening on September 21, 2015. A discussion took place regarding the lights that were repaired at the Football Field. She suggested invoicing the school for the cost of the repair to the lights (due to an old bird nest shorting out the lights) and the need for a contract agreement with ISD #695. Councilor T. Scaia suggested in fairness to other electrical companies in Chisholm that we keep an ongoing list of contractors so that all electrical contractors get a chance to perform work for the City. Tammy will look into the painting of the curbs at the Fieldhouse to create a visual aid to avoid any safety concerns. She reported the Federal ATV trail grant was received.

Building Official Steve Erickson updated the Council on 114 W Lake Street, the Demolition Program & the building located at 15 W Lake Street. The Council requested Steve and a committee to offer options at the next Council meeting.

Police Chief Manner reported the School Resource Officer has been busy directing traffic at the school along with his other duties.

Consulting Engineer Jim Johnson reported on a home owner on the 5th Ave NW project that called the Mayor regarding curb sections that were not replaced.

Moved by Councilor Campbell and supported by Councilor K. Scaia to replace the curb in question.

Voting Aye: All

Motion

He also reported on the 5th Ave. NW project. Speed limit and stop signs in other areas of town were discussed. The Consultant Engineer will work with Police Chief Manner on these items. A driveway on 3rd Ave NE and 7th Street (the bituminous crumbled) was discussed and will be replaced. Trees on the 10th Street NW project (near the pump house) will be replaced.

Interim Administrator Jerry Bohnsack felt the City staff, Council members and residents of Chisholm were very welcoming to him. He explained why he had the lights at the Football Field repaired before obtaining proper authorization from the Council. Each Council member will be provided with a copy of the City Purchasing Policy per the request of Councilor K. Scaia. He suggested the Mayor appoint a committee to meet with the School board.

Other – Councilor Campbell reported the Police Commission approved a Social Network Policy for the Police Department. Councilor K. Scaia suggested the City adopt the same Policy City wide.

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Councilor Cook reported the Kids Plus Movie Night at the Park was a success. Councilor Rahja attended the Chisholm Beautification Association meeting where they discussed the Bruce Mine Headframe, Councilor T. Scaia contacted the IRRRB on this and was told they are waiting on the IRRRB's attorney to respond.

Councilor Rahja reported there is a lighting issue at the East entrance to Chisholm near the Castle, she suggested to have this item included in the 2016 budget.

Councilor K. Scaia reported Student Government student Jostin Culbert was not in attendance at this meeting. He attended the Parks & Recreation Board meeting and they went over the 2016 budget. Movie Night in the Park was a success. He attended the Planning & Zoning meeting, they discussed the relocation of Highway 5. He emphasized the need for the community to get on board to voice their opinion.

Councilor T. Scaia attended the EDA meeting where they discussed the Iron Bound Studios agreement which is on the agenda. He welcomed a new business that recently purchased the formerly owned Super Duper Store in Chisholm.

Mayor Jugovich attended negotiations between the Personnel Committee and MAPE. He reported the EDA continues to work on numerous projects. Beyond the Yellow Ribbon Committee will be on the next Council agenda. The Field of Screams will be opening in October and is looking for volunteers. They are having their Kickoff event on Thursday, September 10, 2015 at the MN Discovery Center.

ACCEPT THE CONSENT AGENDA

Moved by Councilor Campbell and supported by Councilor K. Scaia to accept the Consent Agenda, including the List of Bills (request to pull Max Gray invoice), Communications, Minutes of the previous Special Council Meeting of August 5, 2015, August 11, 2015 5th Ave NW Public Hearing, August 11, 2015 Regular Council Meeting, August 17, 2015 Joint Airport Authority Meeting (with corrections), August 25, 2015 Budget Meeting (with corrections), Payroll and Overtime.

Voting Aye: All

Motion Carried

Unfinished Business:

RESOLUTION NO. 0815-79 ACCEPTING WORK/LIBRARY STEPS

This was an informational item at this time. No action taken.

RESOLUTION NO. 0715-73 ACCEPTING PROPOSED ASSESSMENTS
4TH ST. SW PROJECT

This was an informational item at this time.

RESOLUTION NO. 0815-78 ACCEPTING PROPOSED ASSESSMENTS
5TH AVE NW PROJECT

This was an informational item at this time.

JORDAN LOCATION – HIBBING FIRE DEPARTMENT AGREEMENT

This was an informational item at this time as it was approved at the August 11, 2015 Council meeting. The agreement is between Gene Zentz and the Hibbing Fire Department to hold training on property owned in Jordan Location.

JORDAN LOCATION – CHISHOLM FIRE DEPARTMENT AGREEMENT

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LEASE WITH OPTION TO PURCHASE – IRON BOUND STUDIOS, LLC

Moved by Councilor K. Scaia and supported by Councilor Cook to approve the Iron Bound Studio lease agreement with option to buy the City Hall building in Chisholm contingent upon the IRRRB or other funding secured in the amount of \$500,000 and the option premium for the term of the five (5) year lease commencing October 1, 2015. A Roll Call vote was taken.

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

Voting No: Councilor Rahja

Motion Carried

New Business:

RESOLUTION NO. 0915-84 CALL FOR PUBLIC HEARING ON PROJECT

Moved by Councilor T. Scaia and supported by Councilor Campbell to adopt Resolution No. 0915-84 to call for a Public Hearing to be held on Wednesday, October 14, 2015 at 5:30 p.m. at City Hall for a project by St. Francis Health Services of Morris, MN for the issuance of private activity bonds to finance health care facilities projects.

Voting Aye: All

Motion Carried

RESOLUTION NO. 0915-81 PERA – ZACHARY LIND

Moved by Councilor Campbell and supported by Councilor K. Scaia to adopt Resolution No. 0915-81 to enroll Zachary Lind in the Professional Employees Retirement Association (PERA).

Voting Aye: All

Motion Carried

GAMBLING APPLICATION

Moved by Councilor Campbell and supported by Councilor T. Scaia to approve the gambling application for St. Joseph's Catholic Church for a raffle to be held on October 25, 2015.

Voting Aye: All

Motion Carried

GAMBLING APPLICATION

Moved by Councilor Cook and supported by Councilor K. Scaia to approve the gambling application for St. Joseph's Catholic Church for a raffle to be held on January 26, 2016.

Voting Aye: All

Motion Carried

RECEIPT OF BIDS & AWARD OF CONTRACT FOR CONCRETE & BITUMINOUS MATERIAL CRUSHING

Moved by Councilor Cook and supported by Councilor K. Scaia to accept the bid of \$59,787.00 and award the contract to Ulland Brothers, Inc. of Virginia, MN for the 2015 boulder, concrete and bituminous materials for crushing for aggregate stockpiling.

Voting Aye: All

Motion Carried

RECEIPT OF BIDS & AWARD OF CONTRACT FOR SALT SAND

Moved by Councilor T. Scaia and supported by Councilor Campbell to accept the bid of \$4,830.00 and award the contract to Leustek Sand & Gravel Co. of Chisholm, MN for 700 cubic yards of salt sand for Public Works 2015 aggregate needs.

Voting Aye: All

Motion Carried

RECEIVE PROPOSALS/AWARD CONTRACT FOR CHISHOLM INDUSTRIAL PARK PHASE I ENVIRONMENTAL SITE ASSESSMENT

This was an informational item at this time.

RECEIPT OF BIDS/AWARD CONTRACT FOR HERITAGE MANOR TRAIL EXTENSION

This was an informational item at this time.

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QUOTES FOR REHAB/REPLACE OUTDOOR BASKETBALL COURT

This was an informational item at this time.

QUOTE FROM MESABI BITUMINOUS FOR STREET PATCHING

This was an informational item at this time.

3RD AVE NE PARTIAL PAYMENT REQUEST NO. 3

Moved by Councilor Campbell and supported by Councilor Cook to authorize payment No. 3 of \$39,010.35 to Jola & Sopp Excavating, Inc. of Eveleth, MN for the 3rd Ave NE project.

Voting Aye: All

Motion Carried

CERTIFICATE OF SUBSTANTIAL COMPLETION

Moved by Councilor Cook and supported by Councilor Campbell to accept the Certificate of Substantial Completion from Jola & Sopp Sopp Excavating, Inc. of Eveleth, MN for the 3rd Ave NE project.

Voting Aye: All

Motion Carried

4TH ST SW PAYMENT REQUEST NO. 3

Moved by Councilor T. Scaia and supported by Councilor Cook to authorize payment No. 3 of \$142,964.53 to Utility Systems of America of Eveleth, MN for the 4th Street SW project.

Voting Aye: All

Motion Carried

5TH AVE NW PARTIAL PAYMENT REQUEST NO. 2

Moved by Councilor Cook and supported by Councilor Rahja to authorize payment No. 2 of \$76,086.64 to Mesabi Bituminous of Gilbert, MN for the 5th Ave NW project.

Voting Aye: All

Motion Carried

RESOLUTION NO. 0915-85 REQUIRING THE USE OF DOMESTIC STEEL IN CITY OF CHISHOLM PROJECTS

Moved by Councilor K. Scaia and supported by Councilor Campbell to adopt Resolution No. 0915-85 to require the use of domestic steel in City of Chisholm projects.

Voting Aye: All

Motion Carried

RESOLUTION NO. 0915-82 DECLARING SURPLUS EQUIPMENT

Moved by Councilor T. Scaia and supported by Councilor Rahja to declare the Chisholm Volunteer Fire Department turnout gear as surplus equipment to be donated to a third world country rather than destroyed as the National Fire Protection Association 1851 states “official” life span of TOG is 10 years from the date of manufacture.

Voting Aye: All

Motion Carried

RESOLUTION NO. 0915-83 SUPPORT FOR RELOCATION OF HIGHWAY 84 VIA STATE HIGHWAY 73

Moved by Councilor T. Scaia and supported by Councilor Campbell to adopt Resolution No. 0915-83 to support the realignment of Highway of Highway 5 that utilizes Highway 84 and Highway 73 to funnel traffic through the City of Chisholm. The City of Chisholm through its Mayor and Administrator agree to perform such action as needed to support relocation of Highway through the City of Chisholm.

Voting Aye: All

Motion Carried

JIM'S SPORTS CLUB BAR & GRILL REQUEST

Moved by Councilor Campbell and Councilor K. Scaia to declare a City Wide Festival for Jim's Sports Club Bar & Grill to hold a special event on Saturday, September 19, 2015 from 2:00 p.m. – 1:00 a.m. September 20, 2015 to host a benefit for childhood cancer research. The request is to use the empty lot located at 114 W Lake Street for All Terrain Vehicle (ATV) parking purposes. Alcohol will be served inside a fenced area and Jim's will provide the clean-up of said property.

Voting Aye: All

Motion Carried

R & R ENTERPRISES OF CHISHOLM REQUEST

This was an informational item at this time.

CIGARETTE/TOBACCO APPLICATION FOR FREEDOM VALU CENTER

Moved by Councilor Campbell and supported by Councilor Cook to approve the cigarette/tobacco license for Freedom Valu Center in Chisholm, MN due to a change in ownership.

Voting Aye: All

Motion Carried

RESOLUTION NO. 0915-86 SUPPORT OF CHISHOLM DEEPWATER SOLAR
PROJECT & LETTER OF INTEREST

Moved by Councilor Cook and supported by Councilor T. Scaia to adopt Resolution No. 0915-86 in support of Solar Photovoltaic Energy Generating Projects in Chisholm, MN and to execute a non-binding letter.

Voting Aye: All

Motion Carried

SCHEDULE BUDGET MEETING

Moved by Councilor Cook and supported by Councilor K. Scaia to schedule a budget meeting on Thursday, September 17, 2015 at 5:30 p.m.

Voting Aye: All

Motion Carried

CHANGE MEETING DATE

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to change the Wednesday, November 11, 2015 council meeting date to Thursday, November 12, 2015 at 5:30 p.m. in observance of Veteran's Day.

Voting Aye: All

Motion Carried

RECESS TO EXECUTIVE SESSION
TO DISCUSS MAPE NEGOTIATIONS

Moved by Councilor Cook and supported by Councilor Campbell to recess the meeting to Executive Session at 7:42 pm. The Closed Session was called to order at 7:43 pm to discuss MAPE negotiations. Councilor Todd Scaia was not in attendance.

Voting Aye: All

Motion Carried

ADJOURN EXECUTIVE SESSION

Moved by Councilor Cook and supported by Councilor Rahja to adjourn the Executive Session at 7:56 pm and resume the regular Council meeting.

Voting Aye: All

Motion Carried

ADJOURN MEETING

Moved by Councilor Campbell and supported by Councilor Cook to adjourn the City Council meeting at 7:57 pm.

Voting Aye: All

Motion Carried

s// Michael A. Jugovich

Mayor

Attest:

s// Jerry Bohnsack

Interim City Clerk-Treasurer/Administrator