

**CHISHOLM CITY COUNCIL  
SPECIAL MEETING – APRIL 1, 2020**

**CALL TO ORDER**

Mayor John Champa called the City Council Meeting to order at 5:32 p.m. The meeting was held via Zoom video teleconference instead of in person due to the COVID-19 coronavirus pandemic and Minnesota Governor Walz's Executive Order to "Stay at Home".

Mayor Champa explained that as of Friday, March 27, 2020 the council was going to be using a different format for this meeting but it fell through. Administrator Bill Manney, Deputy Clerk Eileen Zah & Terry Hartikka with Mesabi Community TV worked together on this format using Zoom video teleconferencing. Deputy Clerk Eileen Zah was the host for the teleconference. He thanked them for their hard work on putting this together. Mayor Champa asked those in attendance on the teleconference to use the mute feature when others are talking. He advised the council members that all votes would be done by roll call vote and to please specify their name when talking. Administrative Assistant Margaret Gornick was asked to take roll call vote after each action item on the agenda.

**ROLL CALL**

Present: Council Members Tracy Campbell, Adam Lantz, April Fountain, Travis Vake, Jim Varda, and Mayor John Champa

Absent: None

Also present: City Clerk-Treasurer/Administrator Bill Manney, Deputy Clerk Eileen Zah, City Attorney Bryan Lindsay, Building Official Mandy Galli, Consultant Engineer Jim Johnson, Fire Chief Bob Brown, Library Supervisor Katie Christenson, Police Chief Vern Manner, Public Works Supervisor Larry Folstad, Recreation Director Tammy Nevalainen, Administrative Assistant Margaret Gornick, Marie Tolonen with the Chisholm Tribune Press & Terry Hartikka with Mesabi Community TV.

**ADOPT THE AGENDA**

Moved by Councilor Campbell and supported by Councilor Varda to adopt the Agenda as presented.

Voting Aye: All

Motion Carried

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**PUBLIC PARTICIPATION**

None

**REPORTS**

Councilor Fountain stated this format for holding a council meeting is new to them and she asked people to please bear with them. She wished her husband Reggie Fountain a happy 35<sup>th</sup> birthday. She talked about Minnesota Governor Tim Walz's Executive "Stay at Home" order that was put in place due to the COVID-19 coronavirus pandemic. She described what the "Stay at Home" order means to the citizens of Chisholm. The Governor's order directs Minnesotans to limit their movement outside of their homes, beyond essential needs. By limiting these social interactions, we decrease the chance of transmission of COVID-19 and help our healthcare sector prepare for increased demands. More information is available at mn.gov. The City of Chisholm is working with many different people, communities and agencies to secure the health, safety and awareness of our citizens. She said they are doing the best that they can with the resources that they have available and will continue to communicate with the citizens to let them know what is going on in the community. She encouraged people to use the curbside/delivery options that our local businesses are offering during this time. She asked people to feel free to contact the City council members, City Administrator or Mayor Champa by email if they have any questions. She thanked Bill, Eileen and Margaret for being transparent & on top of things and for distributing information on COVID-19.

Councilor Vake reported there is a new men's softball team to join the men's softball league. As of right now, there are five men's teams. They would like one more team to cap it at six teams. He will have more information when summer begins.

Mayor Champa mentioned the format that was used for tonight's council meeting via teleconference and explained that it is different than meeting in person but seemed to work for the Department Supervisor's meeting which was held today at 10:00 a.m. He said the COVID-19 coronavirus seems to be moving into our area and he hopes that people are listening to the Governor's request to "Stay at Home" and are trying to isolate themselves a little bit to try to keep the virus on the outside of our area.

Building Official Mandy Galli said things are going well with her working from home. She will have something on the agenda for the Planning Commission at their first meeting in May and hopes that they will be able to meet. Councilor Vake asked about the status of the house on 3<sup>rd</sup> Avenue/4<sup>th</sup> Street NW that has problems with pigeons. Mandy explained Account Specialist's of Cloquet is doing the abatement work at this time. The owner wants to clean up the property and rehab the house. The abatement must be done whether the house is remodeled or torn down.

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Public Works Supervisor Larry Folstad said he and his crew are adjusting to the constantly changing work environment and work rules due to COVID-19. He and his staff are doing what they can to keep their distance from each other by not driving in the same vehicles or sitting at the same table for their meetings and trying to keep at least six feet from each other. They will have the street sweeper out tomorrow and they will also be grinding stumps. The new sewer truck that he ordered was delivered on Monday. He ordered a white truck and they delivered a red truck. He talked to Chris Manner in the sewer department and Chris was ok with keeping the red truck. The price for the red one is the same as a white one. The truck plants are shut down at this time. He will have the utility work body added to the truck and fitted as to the specifications. He asked the council members and the public to talk to their friends, neighbors and relatives to encourage people to apply for the casual labor positions. The City is accepting applications through April 15, 2020 & will be hiring up to sixteen people to fill these positions.

Fire Chief Bob Brown reported the department has been very busy, they have had 45 calls year to date and 14 last month. On Monday night they received a call where a fire started in the kitchen area of a dwelling. He mentioned the top three things that cause fires: 1) how you keep warm, 2) preparing food and 3) open flames. He returned to Minnesota last Friday, and is now on day 5 of the recommended 14-day quarantine due to the COVID-19 coronavirus pandemic. After the quarantine, he will be going back to his high-risk activities with the Fire Department and the Chisholm Ambulance Service. He has been trying to limit activities with his staff. His department is working with a skeleton crew. They are adjusting when offering mutual aid. This has proven to be quite challenging. He is receiving good information from Bill & Margaret at City Hall. He received an email from the Red Cross, they will be stopping their programs that partnered with the Fire Department to install smoke detectors for people in need. His department has been holding weekly teleconference meetings with the Chisholm Ambulance Service staff. He also participated in teleconference calls with Five Bugles for the Public Safety Facility Building while he was gone. He feels the people that are most at risk at this time are the staff of the Police Department and Chisholm Ambulance Service when they go on calls that may be COVID-19 related. He feels it is important to take care of family and staff. He mentioned keeping physical distancing instead of social distancing at this time.

Library Supervisor Katie Christenson put a link on Facebook for the public to watch tonight's council meeting live. The Arrowhead Library System (ALS) is working on scheduling a teleconference next week with the library directors in our area. Library staff members Debbie & Michelle attended a webinar for COVID-19. Books which are made of course materials seem to be ok and seem to have a very weak survival rate for transmitting COVID-19. They are discussing curbside pickup for patrons to check out books from the library. She will have more answers next week.

Police Chief Vern Manner reported spirits remain good in his department and everyone is healthy. They have two new hires that are done with field training now, which is decreasing overtime and allowing his officers to have some time off. The new hires are doing good. Everyone is practicing social distancing while still providing service. Their call volume is increasing with people staying home now and wanting someone to talk to. It is nothing that they can't handle. Councilor Varda asked how things are going with Buhl and Vern reported things are going very well with Buhl. The number of parking tickets issued has gone down as anticipated, once the public was educated. His department has received a few calls here & there. He has been in contact with the City Administrator of Buhl almost daily. He will include a written report to the council in one of the next council agenda packets. Mayor Champa asked for a review of services with Buhl to be done by June 2020 to reevaluate the price of services offered to them by the Chisholm Police Department. Recreation Director Tammy Nevalainen reported she has started to empty the skating shack building. The power and gas have been turned off to prepare for Public Works to do the demolition. Public Works will reclaim and reuse as much of the materials from the old building as they can. The playgrounds in Chisholm have been closed due to the Governor's Executive Order to "Stay at Home". Posters have been put up at the playgrounds and Larry P. put caution tape around them to make it more visible to the community to not use the playgrounds. The parks in Chisholm remain open at this time. She extended the date to receive applications for the summer recreation aide positions through April 7, 2020. Soccer registration has been extended through April 6<sup>th</sup>. She is not sure if soccer will take place this season due to the COVID-19 pandemic. She will notify people that have sent in registration payments for soccer once this has been determined.

City Attorney Bryan Lindsay replied to Mayor Champa's question of whether the new Smoke Depot store in Chisholm can be open 24 hours per day per their request. Bryan will look at the Governor's 20-20 Executive Order which they would be subject to. He will review the Executive Order and also look at any statutes or ordinances that may pertain to this type of business. He will report back to the council on his findings.

Administrator Bill Manney thanked Deputy Clerk Eileen Zah & Terry Hartikka with Mesabi Community TV for their help in putting together the teleconference and making this meeting possible. He explained there is a lot going on with COVID-19 and he is sending information daily to the council and department supervisors to keep them informed. He is here to help in any way that he can. He said there is a correction to the memorandum that he sent to everyone on Sunday regarding the IRRRB Redhead Mountain Bike Trail. The IRRRB had sent some conflicting information to him & Mayor Champa. The IRRRB is looking at amending the Joint Powers Agreement (Amendment No.1) for work and items that need to be completed on or before they open the trail on June 12, 2020. City Attorney Lindsay & Administrator Manney are reviewing the Amendment. Bill will get back to the council on this. Councilor Lantz asked Bill to make sure the signage for safety issues is in place before the trail is open. He received a request from the Chisholm Curling Club to postpone the raffle that was scheduled for April, 16, 2020 at Tom & Jerry's Bar (due to COVID-19). The raffle will take place at Tom & Jerry's on July 9, 2020 instead. Police Chief Manner said the Curling Club has been in contact with the MN Gambling Control Board and they will redo the gambling permit application to reflect the date change.

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**ACCEPT THE CONSENT AGENDA**

Moved by Councilor Varda and supported by Councilor Campbell to accept the Consent Agenda, including the List of Bills, Minutes of the previous March 11, 2020 Regular Meeting, Payroll and Overtime.

Voting Aye: All

Motion Carried

**LED STREET LIGHT GLOBES PROJECT UPDATE**

Public Works Supervisor Larry Folstad presented information and gave an update to the council regarding the LED street globe project. The cost of the project was \$17,000.00 to upgrade to LED lights and will pay for itself in 25 months, with an annual savings on electricity of almost \$8,000.00. Other benefits of the LED bulbs are not having to hire an electrician with a boom truck to change the old bulbs that needed to be replaced. This was an informational item at this time.

**2019 LED LAMPS, POSSIBLE REBATES & FUTURE PROJECTS**

Public Works Supervisor Larry Folstad advised the council that there may be rebates from Minnesota Power. He submitted rebates for 316 bulbs. He is currently working on crunching numbers and compiling a written justification to see how much it would cost to convert to LED lights at the Sr. Citizen's Center. Other possible upgrades to LED lamps are the Ironman Statue (a boom truck would need to be rented to change the bulb and to check the wiring on the helmet of the Ironman). Ryan from Independent Electric has some background information from previous work done on the Ironman. Larry will contact him to find out the details. He asked the council for any other LED lighting projects that they would like to have done. He recommended going after high usage areas first. The future projects are not in the budget at this time. The City is under contract with Minnesota Power. They conducted an audit of the globes and their plans were to switch to LED before the COVID-19 pandemic. He received a quote for \$4,700.00 from Minnesota Power for the semaphore signal lights on the corner of Lake Street & 1<sup>st</sup> Ave. This was an informational item at this time.

**ACCEPT POLICE OFFICER MATT NELSON'S RESIGNATION**

Moved by Councilor Campbell and supported by Councilor Fountain to accept Police Officer Matt Nelson's letter of resignation, effective March 20, 2020 and to thank him for his dedication and many years of service.

Voting Aye: All

Motion Carried

**SHORT, ELLIOTT & HENDRICKSON (SEH), INC. FEE AMENDMENT NO. 1  
FOR 3<sup>RD</sup> St NW/4<sup>th</sup> St NW INFRASTRUCTURE REPLACEMENT PROJECT**

Moved by Councilor Fountain and supported by Councilor Campbell to approve fee Amendment No.1 to the Professional Services Agreement dated November 26, 2019 from SEH, Inc. for the 3<sup>rd</sup> Street NW/4<sup>th</sup> Street NW Infrastructure Improvement Project, for a maximum cost not to exceed \$4,500.00.

Voting Aye: All

Motion Carried

**CHANGE ORDER NO. 6 FOR THE 8<sup>TH</sup> ST NW  
INFRASTRUCTURE REPLACEMENT PROJECT**

Moved by Councilor Campbell and supported by Councilor Fountain to approve Change Order No. 6 for the 8<sup>th</sup> Street NW Infrastructure Replacement Project for the amount of \$4,613.00. Extra work was performed by the utility subcontractor in the spring of 2019 to excavate the street, insulate two (2) frozen water services (the main valve did not get turned on by City staff and this caused a frozen waterline) and to backfill/restore the street prior to application of the final bituminous wearing course surfacing.

Voting Aye: All

Motion Carried

**FINAL PAY APPLICATION NO. 8 FROM MESABI BITUMINOUS, INC.  
FOR THE 8<sup>TH</sup> ST NW INFRASTRUCTURE REPLACEMENT PROJECT**

Moved by Councilor Fountain and supported by Councilor Vake to approve final Pay Application No. 8 in the amount of \$21,038.95 from Mesabi Bituminous, Inc. for the 8<sup>th</sup> Street NW Infrastructure Replacement Project. The one-year warranty period will commence.

Voting Aye: All

Motion Carried

**RESOLUTION NO. 0420-31 ACCEPT BEARVILLE TOWNSHIP DONATION FOR LIBRARY**

Moved by Councilor Fountain and supported by Councilor Varda to adopt Resolution No. 0420-31 to accept the monetary donation of \$100.00 from Bearville Township and to earmark the funds for the Chisholm Public Library. Library Supervisor Christenson will send them a thank you letter.

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
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**IRONBOUND STUDIOS - AMOUNT PAYABLE TO CURE DEFAULT**

Moved by Councilor Campbell and supported by Councilor Fountain to direct Administrator Manney to send a bill to lease tenant, Ironbound Studios, for the past due and open items due to the City of Chisholm for the amount of \$62,925.49. This includes their past due rent, past due loan payments to the Chisholm Development Association, past due Minnesota Energy payments and repairs that were done to the fire suppression system in the basement of City Hall. Per St. Louis County, Ironbound Studios also has real estate taxes that are delinquent. Ironbound Studios said they were going to contact St. Louis County directly to set up a payment plan. The default period is 30 days into the 60 days to cure the default.

Voting Aye: All

Motion Carried

**IRONBOUND STUDIOS - REQUEST 60 DAY EXTENSION TO CURE DEFAULT**

Moved by Councilor Campbell and supported by Councilor Vake to deny the request from Ironbound Studios representative Steven Sanders, to extend Ironbound Studios right to cure the default for an additional 60 days beyond the last day of the cure period due to the COVID-19's impact on Ironbound Studios. The date for Ironbound Studios right to cure the default started on February 21, 2020. City Attorney Lindsay will send a letter to Ironbound to notify them that the request was denied.

Voting Aye: All

Motion Carried

**COMMITTEE TO NEGOTIATE CONFIDENTIAL ADMINISTRATIVE  
ASSISTANTS CONTRACTS FOR RACHEL ANDRIA & MARGARET GORNICK**

Moved by Councilor Campbell and supported by Councilor Vake to appoint City Attorney Lindsay, Police Chief Manner, Administrator Manney and Council Member Fountain to serve as committee members to negotiate Administrative Assistants Rachel Andria and Margaret Gornick's employment contracts.

Voting Aye: All

Motion Carried

**LOCAL BOARD OF APPEAL & EQUALIZATION MEETING**

The Local Board of Appeal and Equalization Meeting is scheduled for Tuesday, April 14, 2020 from 4:00 p.m. – 5:00 p.m. The format for this meeting is yet to be determined. Two of the following three people that are trained: Mayor Champa, Councilor Campbell & Councilor Varda will need to be in attendance at the meeting and a quorum is also needed. All written appeals must be submitted to Administrator Manney by 2:00 p.m. on Tuesday, April 14, 2020. This meeting will take place at 4:00 p.m. with St. Louis County representatives and the format of this meeting is yet to be determined but may be done via teleconference. This was an informational item at this time.

Voting Aye: All

Motion Carried

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)  
CHISHOLM DEVELOPMENT ASSOCIATION (CDA)  
LINE OF CREDIT PROGRAM**

Moved by Councilor Fountain and supported by Councilor Campbell to approve the EDA/CDA's Line of Credit Program to assist Chisholm businesses adversely affected by COVID-19 with payments for some of their essential business expenses. The Line of Credit would be up to \$4,000.00 of qualifying expenses which would include real estate taxes, insurance & public utility payments at a zero (0%) percent interest rate for up to one year. After one year, the interest rate would then be at a rate of 1.50% with monthly payments commencing on May 1, 2021 based on a 15-year amortization schedule.

Voting Aye: All

Motion Carried

**EDA/CDA CURRENT LOAN DEFERRAL**

Moved by Councilor Lantz and supported by Councilor Campbell to authorize the EDA/CDA to suspend monthly loan payments for businesses that currently have loans in existence for a period of six months (from April - September 2020) due to COVID-19.

Voting Aye: All

Motion Carried

**ECONOMIC DEVELOPMENT COORDINATOR POSITION**

Administrator Manney updated the council on the Economic Development Coordinator position. We received eight more applications for this position. The hiring process was put on hold due to the current COVID-19 coronavirus pandemic. Each applicant was notified of this and told they would be contacted when the hiring process resumes. The hiring committee for this position may interview the candidates via Zoom Video Teleconference. This was an informational item at this time.

**RESOLUTION NO. 0420-32 TO DECLARE/EXTEND LOCAL EMERGENCY**

Moved by Councilor Campbell and supported by Councilor Varda to adopt Resolution No. 0420-32 to declare a local emergency and to extend the local emergency until April 22, 2020. This resolution is follow-up to Mayor Champa's previously declared local emergency effective March 17, 2020 and made by motion at the March 17, 2020 council meeting.

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
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RES. NO. 0420-33 CENTRAL IRON RANGE  
SANITARY SEWER DISTRICT (CIRSSD) LEGISLATIVE UPDATES

Moved by Councilor Vake and supported by Councilor Lantz to adopt Resolution No. 0420-33 to authorize the CIRSSD to make the following Legislative change updates: 1) remove the Town of Balkan; 2) change the name of Ironworld to the Minnesota Discovery Center and 3) to clarify the CIRSSD board member selection.

Voting Aye: All

Motion Carried

ACCEPT EDA/CDA BOARD MEMBER ALIDA CASEY'S RESIGNATION

Moved by Councilor Lantz and supported by Councilor Vake to accept the resignation of Alida Casey from the EDA/CDA board effective March 6, 2020 and to send a thank letter to her for her service.

Voting Aye: All

Motion Carried

APPOINT LLOYD SHOW TO THE PLANNING COMMISSION

Moved by Councilor Campbell and supported by Councilor Fountain to appoint Lloyd Show to the Planning Commission for a three-year term. This appointment will replace David Rappuchi and fill his vacant position. A letter will be sent to Commissioner Rappuchi to thank him for his years of service.

Voting Aye: All

Motion Carried

COMMITTEE FOR CALENDAR PARKING

Moved by Councilor Campbell and supported by Councilor Lantz to appoint Councilor Vake, Public Works Supervisor Folstad, Police Chief Manner, Consultant Engineer Johnson and Fire Chief Brown, (and any other City staff or person(s) needed that is deemed by the committee) to serve as committee members to review the calendar parking ordinance.

Voting Aye: All

Motion Carried

CHISHOLM DOWNTOWN REVITALIZATION GROUP (CDRG) REQUEST

Moved by Councilor Fountain and supported by Councilor Varda to grant the request of the CDRG to utilize the two utility boxes and to develop artistic utility wraps for the utility boxes located on the corner of Lake Street and Highway 73 next to the Firehall (utility box 1) and located the corner of Lake Street & 1<sup>st</sup> Avenue NW (utility box 2).

Voting Aye: All

Motion Carried

CDRG LETTER OF COMMITMENT FOR ARROWHEAD REGIONAL  
ARTS COUNCIL (ARAC) GRANT FOR UTILITY ART WRAP PROJECT

Moved by Councilor Campbell and supported by Councilor Vake to send a letter of commitment from the City of Chisholm to show their support as a community partner to the ARAC grant selection committee for the Utility Art Wrap Project and to appoint Council Member Fountain to serve as a City representative to take part in the art selection process.

Voting Aye: All

Motion Carried

SUSPEND (CANCEL) APRIL 8, 2020 REGULAR CITY COUNCIL MEETING

Moved by Councilor Campbell and supported by Councilor Vake to suspend the April 8, 2020 regular council meeting and to allow Administrator Manney to pay bills in between meetings.

Voting Aye: All

Motion Carried

MISCELLANEOUS ITEMS

1. Mayor Champa requested the Campground Purchase & Lease Agreements to be put on the next agenda.
2. Councilor Fountain would like to invite Joe Sertich of Longyear Ambulance, Chisholm Ambulance Operation Manager Roland Shoen and the ambulance crew to a council meeting to discuss their plans for Chisholm regarding the COVID-19 pandemic. Mayor Champa or Administrator Manney will contact them.
3. Councilor Vake would like to schedule a meeting for a question/answer session & 5-year capital improvement plan with Consultant Engineer Jim Johnson. This item will be put on the next agenda.

ADJOURN MEETING

Moved by Councilor Campbell and supported by Councilor Vake to adjourn the special meeting at 7:32 p.m.

Voting Aye: All

Motion Carried

/s/John A. Champa

Mayor

Attest:

/s/ William Manney  
City Clerk-Treasurer/Administrator