

**CHISHOLM CITY COUNCIL  
REGULAR MEETING – JULY 12, 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, Cook, Rahja, Kevin Scaia, Todd Scaia and Mayor Jugovich

Absent: None

Also Present: Administrator John Tourville, City Attorney Bryan Lindsay, Building Official Steve Erickson, Consulting Engineer Jim Johnson, Emily Major, SEH; Library Supervisor Christenson, Police Chief Manner and Recreation Director Nevalainen

ADOPT THE AGENDA

Moved by Councilor Campbell and supported by Councilor Cook to adopt the Agenda with one deletion: 7D) 2017 "All Class Reunion" and one addition under new business: G11) Schedule Working Session regarding Fire Department.

Voting Aye: All

Motion Carried

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC PARTICIPATION

Mark Wangenstein, chair of the "2017 All Class Reunion" committee addressed the Council with requests for the 2017 "All Class Reunion" which is scheduled for August 8th – 13th, 2017. Discussion took place regarding fireworks, vendors and security provided by the Police Department. Mr. Wangenstein was asked to invite Fire Chief Bob Brown & Police Chief Vern Manner to the committee meetings and to also involve the local businesses.

Anne Varda requested two (2) items to be discussed with the Council. She is in support of Andrew Hanegmon of Iron Range Members Space and would like to see the Council find a space in Chisholm for his business. She will provide a letter of support for Mr. Hanegmon. Mayor Jugovich responded to her request and advised her that he already brought Mr. Hanegmon on tour of the City Hall space that is available.

Her second request was in regards to the lack of handicap access to the school and the playground, located at 3<sup>rd</sup> Avenue SW & 3<sup>rd</sup> Street SW. She has brought her concerns to the School Board, City Administrator Tourville and Building & Zoning Official Steve Erickson.

Consultant Engineer Jim Johnson addressed her concerns regarding the curb that was not replaced during the reconstruction project that took place last year at the school. After discussion with the Council, they felt the Public Works staff could take care of this request.

REPORTS

Building Official Steve Erickson responded to questions from the council regarding the status of vacant properties throughout town and the demolition program.

Library Supervisor Christenson reported on the Children's Summer Reading Program; the "Meet Up & Chow Down Program"; the Doc Moonlight Graham Days Event that the Library will sponsor and the increased Library Aides hours.

Police Chief Manner reported Officer William Purdy is working on issuing & serving citations for residents with long grass & weeds not being maintained on private property per City Ordinance § 94.26. He is also working on blight issues. The Police Department has not performed a yellow bag violation sweep since the June 14, 2016 council meeting. July 16, 2016 marks the 30<sup>th</sup> anniversary date of the tragic homicide of Nancy Daugherty.

Recreation Director Nevalainen reported on the Kids Plus movie nights in "Kiwaniis Park" and the need for the light to be shut off during the movie, Public Works will take care of this. She gave an update on the Summer Recreation Program and felt the length of the 6 week program (four (4) days per week) was sufficient. Her staff is encouraging healthy eating for the attendees and inviting the kids to the "Meet Up & Chow Down Program" Monday – Thursday in "Kiwaniis Park" or at the Library if the weather is bad.

Administrator Tourville informed the Council that the election judge positions have been filled for the Primary election that will be held on, Tuesday, August 9, 2016. He has been working with the Deputy Clerk and other staff on the budget process and waiting to hear the amount of local government aid and anticipate this information by August 1, 2016.

Other: Councilor Campbell announced there are areas throughout town that are available to adopt. The area by the Iron Man statue is available. Please contact City Hall at 254-7900 if you are interested in adopting an area.

Councilor Cook attended the Kids Plus meeting and reported on the schedule of events that they have planned for this summer. He also thanked Anne Varda for her public participation regarding her support of Andrew Hanegmon & the Iron Range Makers Space concept of business incubation.

Councilor Rahja announced the Chisholm Chamber has ½ raffle tickets available for sale for the event that will take place on July 21, 2016 at the T & T Dom.

Councilor K. Scaia reported the restoration of the bocce ball courts will begin the end of September. He announced the Primary Election will be on Tuesday, August 9, 2016 and he would like the public to vote for the right candidate.

Councilor T. Scaia attended the Fire Department meeting, they had 14 calls in June. He thanked the volunteers for their service and gave kudo's which he received from another Fire Department regarding Chaplain Steve Breitbarth (recently retired Pastor) who assisted with the recent tragedy in Taconite. He reported the Fire Relief Association is currently overfunded. He will be working

**CHISHOLM CITY COUNCIL  
REGULAR MEETING – JULY 12, 2016  
(CONTINUED)**

with the committee that was involved with the Comprehensive Plan and the IRRRB to make revisions to the plan by the end of 2016.

Mayor Jugovich reported the City Wide Drop Off was going on this week at the Public Works garage. He attended the Fire Relief Association meeting. He thanked Steve Erickson for his involvement with the "GreenStep Cities Program" in which Chisholm received a certificate for their participation in 2016. He attended the Hibbing Public Access candidates for St. Louis County Commissioner forum.

**ACCEPT THE CONSENT AGENDA**

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to accept the Consent Agenda, including the List of Bills, Communications, Minutes of the previous City Council meeting of June 14, 2016 Regular Meeting, Payroll and Overtime.

Voting Aye: All

Motion Carried

**AMENDED RESOLUTION NO. 0616-50 APPOINTMENT OF ELECTION OFFICIALS & JUDGES**

Moved by Councilor Campbell and supported by Councilor Rahja to amend Resolution 0616-50 which was adopted by the Council on June 14, 2016 for appointment of election officials and judges to serve at the 2016 Primary and General Elections. (Darcy Lucas was removed from her appointment per her request).

Voting Aye: All

Motion Carried

**AMI CONSULTING ENGINEERS – CHISHOLM PUBLIC LIBRARY RAMP PROJECT**

Moved by Councilor Cook and supported by Councilor Rahja to direct Administrator Tourville, Consultant Engineer Jim Johnson and Building Official Steve Erickson to work with Library Supervisor Christenson in obtaining requests for proposals (RFP's) and scope of work from contractors for the Library Ramp Project. AMI Consulting Engineers provided a Condition Analysis Report for demolition and repair of part of the existing ramp, & installation of a new ramp cost is approximately \$9,000. AMI will be asked to prepare plans & specifications for the making of such improvements.

Voting Aye: All

Motion Carried

**QUOTES FOR PAINT/REPAIR OF LIBRARY ENTRYWAY**

No action was taken on the two bids that were presented to the Council. The Council directed Administrator Tourville to work with Library Supervisor Christenson in obtaining new requests for proposals (RFP's) that include the scope of work from contractors for the painting and repair of the Library entryway and to follow the sealed bid opening process. Library Supervisor Christenson will address this at the next Council meeting.

Voting Aye: All

Motion Carried

**LUMBER & AGGREGATE QUOTE FOR RECONSTRUCTION OF BOCCE BALL COURTS**

Moved by Councilor K. Scaia and supported by Councilor Campbell to approve the purchase of 100 yards of Red Ball Diamond Aggregate for the amount of \$5,100.00 from Bryan Rock Products, Inc. of Shakopee, MN. The motion included the purchase of seventy five (75) treated 4" x 12" x 16' S4S, T.40ACQ (treated lumber) from Land O Lakes Wood Preserving of Tenstrike, MN for the amount of \$5,996.00. The total cost of supplies for this part of the restoration of the Chisholm Memorial Park Bocce Ball Courts is \$11,996.00.

Voting Aye: All

Motion Carried

**RECEIPT OF BIDS & AWARD CONTRACT  
FOR RECONSTRUCTION OF BOCCE BALL COURTS**

Moved by Councilor K. Scaia and supported by Councilor T. Scaia to award the contract to E.H. Lawrence Co. Inc. in the amount of \$7,980.00 for the reconstruction of the Chisholm Memorial Park Bocce Ball Courts. Start of work will take place no later than September 14, 2016 and completion date by October 21, 2016. The Public Works staff will perform the demolition work.

Voting Aye: All

Motion Carried

**PORTABLE RADIOS PURCHASE FOR THE POLICE DEPARTMENT**

Moved by Councilor Campbell and supported by Councilor K. Scaia to approve the purchase of two (2) portable radios and accessories for the Chisholm Police Department from Motorola Solutions, Inc. for the amount of \$8,621.26.

Voting Aye: All

Motion Carried

**GAMBLING APPLICATION - CHAMBER OF COMMERCE**

Moved by Councilor Cook and supported by Councilor Rahja to approve the gambling license application from the Chamber of Commerce for a bingo event to be held on August 10, 2016 at Valentini's Supper Club.

Voting Aye: All

Motion Carried

**CHISHOLM CITY COUNCIL  
REGULAR MEETING – JULY 12, 2016  
(CONTINUED)**

AMI CONSULTING ENGINEERS EVALUATION FOR FIRE HALL CONCRETE FLOOR REPAIR

Moved by Councilor T. Scaia and supported by Councilor Campbell to direct Administrator John Tourville, Building Official Steve Erickson & Consultant Engineer Jim Johnson to work with AMI Consulting Engineers of Superior, WI., to request plans and specifications and to advertise for bids for the repair of the Fire Hall concrete floor. The estimate from AMI for repairs/replacement of the north half floor is approximately \$60,000. Engineering fees to provide construction drawings & specifications and site visits is approximately \$2,500. Discussion took place whether or not the floor should be at a 40,000 pound capacity for heavy vehicles if this is a short term solution and the City finds another site to house the Fire Department vehicles.

Voting Aye: All

Motion Carried

CEMETERY COLUMBARIUM

Moved by Councilor Campbell and supported by Councilor Cook to purchase a Nelson Columbarium Unit (48 niche - double depth interior size 12"x12"x14") from Murphy Granite of Canada (currently in finishing stages) that will hold two (2) urns for the amount of \$11,500 (or \$119.80 per urn placement). The all granite unit color is morning rose and the price quoted will include delivery, installation and the cost of a crane to set the unit in place. Administrator Tourville will contact Murphy Granite, Inc. to see if they will accept 50% down to hold the unit and the remainder to be paid upon delivery. He will work with Consultant Engineer Jim Johnson on a timeline for completion and bring this back to the council at the August 11, 2016 meeting.

Voting Aye: All

Motion Carried

HABITAT FOR HUMANITY

Moved by Councilor Campbell and supported by Councilor K. Scaia to direct Administrator Tourville to contact St. Louis County to negotiate a price to purchase the tax forfeited lot (parcel code 020-0170-01930-01950) that did not sell at the St. Louis County Land Auction on June 9, 2016. The City of Chisholm would then transfer lot ownership from the County to the City and in turn transfer it to Habitat for Humanity for the purpose of building affordable housing.

Voting Aye: All

Motion Carried

AGGREGATE STOCKPILE ACCESS & KEYS

After discussion took place, the Council directed Administrator Tourville to budget for and request quotes for keyless entry access to City owned buildings and the aggregate stockpile. No action taken.

H R GREEN CHANGE ORDER NO. 2 LOGO FOR WATER TOWER

HR Green change order No. 2 for the painting of the logo (Chisholm) on the stem of the Water Tower was presented to the Council for discussion purposes and did not require Council approval per Administrator John Tourville.

H R GREEN PAY APPLICATION NO. 2 FOR OSSEO WATER TOWER REHABILITATION

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to authorize payment of \$103,434.00 to Osseo Construction Company, LLC for work performed on the rehabilitation of the Water Tower and to withhold \$50,000 of the \$153,434.00 requested until the remaining work is satisfactorily performed. The \$50,000 is being withheld due to punch list items that are not completed and six additional weather days encountered during the project which extended the completion date beyond the contract limits. This resulted in extra costs to the City.

Voting Aye: All

Motion Carried

H R GREEN PAY APPLICATION FOR PROFESSIONAL SERVICES  
FOR WATER TOWER REHABILITATION

Moved by Councilor Cook and supported by Councilor Campbell to authorize payment of \$25,715.37 to HR Green for professional services through May 27, 2016 for the rehabilitation of the Water Tower and to request a detailed report for Administrator Tourville and City Attorney Lindsay to review.

Voting Aye: All

Motion Carried

H R GREEN - LAKEVIEW ADDITION FLOW MONITORING & PLANNING

Moved by Councilor Cook and supported by Councilor T. Scaia to authorize payment of \$9,958.00 to HR Green for the Lakeview Addition (Sewershed A) Flow Monitoring and Planning for professional services through May 27, 2016). Administrator Tourville passed this information on to the Public Works Department.

Voting Aye: All

Motion Carried

H R GREEN - LAKEVIEW ADDITION FLOW MONITORING REPORT

Informational item, no action taken.

**CHISHOLM CITY COUNCIL  
REGULAR MEETING – JULY 12, 2016  
(CONTINUED)**

RESOLUTION NO. 0716-52 ESTABLISHING FIRE ESCROW ACCOUNT

Moved by Councilor T. Scaia and supported by Councilor Cook to adopt Resolution No. 0716-52 to establish a Fire Escrow Account pursuant to MN statute § 65A.50 to authorize the City of Chisholm to establish a trust or escrow account to receive a portion of insurance settlement proceeds from a claim on real property located in the city that is damaged by fire or explosion.  
Voting Aye: All Motion Carried

RESOLUTION NO. 0716-53 APPOINTMENT OF ELECTION OFFICIALS & JUDGES

Moved by Councilor Campbell and supported by Councilor K. Scaia to adopt Resolution No. 0716-53 for appointment of election officials and judges to serve at the 2016 Primary and General Elections.  
Voting Aye: Councilors Campbell, Rahja, K. Scaia and Mayor Jugovich  
Abstained: Councilor Cook Motion Carried

LONGYEAR LAKE 5K RUN / WALK REQUEST

Moved by Councilor Cook and supported by Councilor K. Scaia to grant the request from Chisholm's Kids Plus to hold the 5<sup>th</sup> annual Longyear Lake 5K Fun Run/Walk and children's half mile race and to place barricades on Lake Street at the intersection of Central Ave N and at the East end of the Causeway. Block off times will be 7:00 am – 11:00 am on Thursday, August 13, 2016. The request includes using one dozen traffic cones from the City to be used along the race route.  
Voting Aye: All Motion Carried

LEAGUE OF MN CITIES LEGISLATOR OF DISTINCTION FOR 2016  
RECOGNIZED SENATOR DAVID TOMASSONI

Informational item, no action taken.

RESCHEDULE AUGUST 9, 2016 COUNCIL MEETING DUE TO PRIMARY ELECTION

Moved by Councilor Cook to reschedule the August 9, 2016 Council meeting to Wednesday, August 10, 2016. After discussion took place, Councilor Cook rescinded his motion.

Moved by Councilor Cook and supported by Councilor Campbell to reschedule the August 9, 2016 Council meeting to Thursday, August 11, 2016 at 5:30 p.m. due to the Primary election on August 9, 2016.  
Voting Aye: All Motion Carried

SCHEDULE WORKING SESSION TO DISCUSS FIRE DEPARTMENT

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to schedule a working session on Tuesday, August 2, 2016 at 5:30 pm to discuss the Fire Department.

RECESS TO CLOSED SESSION  
TO DISCUSS IRON BOUND STUDIOS AND POTENTIAL LITIGATION

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to recess the regular Council meeting to Closed Session at 7:23 pm. After a brief break, moved by Councilor Cook and supported by Councilor K. Scaia to have Mayor Jugovich call the Closed Session to order at 7:30 pm to discuss two items: 1) Iron Bound Studios and 2) Potential Litigation.  
Voting Aye: All Motion Carried

ADJOURN CLOSED SESSION / RESUME REGULAR COUNCIL MEETING

Moved by Councilor K. Scaia and supported by Councilor Campbell to adjourn the Closed Session at 7:50 pm. Moved by Councilor Cook and supported by Councilor K. Scaia to resume the regular council meeting at 7:51 pm.  
Voting Aye: All Motion Carried

IRONBOUND STUDIOS, LLC

Moved by Councilor T. Scaia and supported by Councilor K. Scaia to direct City Attorney Lindsay to prepare the notice of default and termination of lease agreement documents for IronBound Studios, LLC.  
Voting Aye: All Motion Carried

ADJOURN REGULAR COUNCIL MEETING

Moved by Councilor Cook and supported by Councilor Campbell to adjourn the regular council meeting at 7:52 pm.  
Voting Aye: All Motion Carried

s// Michael A. Jugovich  
Mayor

Attest:

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