

CITY COUNCIL

7:00 P.M.

September 15, 2008

Present: Scott M. Johnson
David Gustafson
Pat Kelley
Steven Marolt

Absent: Amber Dow

Lana Fralich, City Administrator
Gerald Morris, Asst. City Attorney

Also attending: Damian Dischinger, Richard Adams with Minnesota Towers, Jack Swanson

Mayor Johnson called the meeting to order at 7:00 p.m.

CONSENT AGENDA – Motion Kelley, second Marolt to approve the Consent Agenda item 3 (minutes of September 2, 2008, regular Council Meeting; September 2, 2008, Special Budget Workshop Meeting; and September 8, 2008, Special Council Meeting). THE MOTION CARRIED

PUBLIC PRESENTATION – MN Towers, RICK ADAMS – Mr. Adams has been working with Wayne Johnson, City Attorney, for almost two years on the easement and feels he is making progress. They are trying to negotiate a lease with T-Mobil on the site and get the title cleaned up. A new title search needs to be run just before a lease is signed, to make sure taxes are paid and there are no leans, just as a precautionary measure.

Wayne Johnson had reported to Mr. Adams that they were going to draw up the deed and mail it to Russ Conroy, County Attorney by end of July. However, an appraisal needs to be done before a deed is drawn up, which they had hoped would have been done sooner.

Russ Conroy has now turned things over to Tom Martinson, County Land Commissioner, and Mr. Martinson suggested Mr. Adams do a license agreement, which will cover the situation until the City can dedicate as a public road.

Mr. Adams analyzed the road situation again and narrowed down the access. He did this to:

1. Stay away from property to the south that is owned by the gas station.
2. Try to stay away from corner of the land that city owns by the shop, which he was unable to do.
3. To clean up the description.

Two copies of the license agreement have been submitted, one to Mr. Johnson and one to the County. The County signed theirs last week.

Mr. Adams provided a copy of the license agreement that the County has signed that is identical to the one he would like the City to sign except for the overlying land description.

The County Commissioner has signed the license agreement and Russ Conroy has looked at it.

Russ Conroy suggested the license agreement is needed because the land is torens and it is hard to get an easement recorded on it. A license agreement will be in place until the road is dedicated as a public road.

Mr. Adams also brought a copy of the resolution that was passed by the City in November of 2006 to give them the easement on the property. With the resolution being passed they were just supposed to work out the details of the easement. The City had already signed the easement for this but the description wasn't right. Mr. Adams is just asking the City to sign the license agreement for the part the City owns which will suffice for Minnesota Towers for title problems until the state gives the land to the City.

Mr. Morris has been kept generally apprised as to what is going on. Mr. Morris reviewed the file and did note there is a letter from the Examiner of Titles stating that because the property is Torens title significant transactions have to be looked at closely. There was also a letter from David Adams, the examiner, stating he reviewed the title including properties owned by the City affected by this easement and he feels there should be no problems.

Mr. Morris has viewed the license agreement and states it is only a temporary device for MN Towers so that they have documentary evidence that they have access to the tower and Mr. Morris has no objection to the agreement as the Council deems appropriate. Mr. Adams has obtained the license agreements over other properties that the City does not own.

The license agreement terminates upon either the expiration of the lease agreement with the LeBlanc Brothers or upon dedication of the roadway as a public road.

Kelley motioned to approve the signing of the license agreement between MN Towers, Inc. and the City, seconded by Marolt. THE MOTION CARRIED

PETITIONS, REQUESTS, & COMMUNICATIONS

THANK YOU FROM SONJA SMERUD – Letter from Sonja Smerud thanking the City for helping in acquiring the Rocky Taconite pins to take with her overseas.

NOTICE OF PUBLIC HEARING – Letter from Minnesota Power regarding Public hearing for proposed rate increase.

LEAGUE OF MINNESOTA CITIES OSHA SAFETY ASSISTANCE TRAINING SERIES – Mayor Johnson received information on the meeting being offered October 29, 2008 in Mt. Iron.

NOTICE FROM LAKE COUNTY HWY DEPARTMENT – TH 61 reconstruction, Two Harbors to Grand Marais. Al Goodman, highway engineer, has invited the City to attend this meeting on Thursday, October 18, 2008 from 5:30-7:30 p.m., Beaver Bay Community

Center. Two Harbors, Grand Marias and the two county boards were also invited. Mayor Johnson will plan to attend.

LEAGUE OF MINNESOTA CITY REGION MEETINGS – Legislative update, alternative review sources, sewer maintenance. The closest meeting is in Hibbing October 21, 2008. Mrs. Fralich mentioned that this was discussed at the last council meeting and it was approved for her to attend.

LEAGUE OF MINNESOTA CITIES – 2008 Minnesota League Cities Legislators of the Distinction. The League of Minnesota Cities Board of Director recognized 32 legislators state wide for their action in leadership on a wide variety of legislative issues of importance to cities across Minnesota. They did ask Mayor Johnson to acknowledge a letter they sent to Senator Tom Bakk. Mayor Johnson highlighted a few sections of the letter: “As you know the League pursues flexible, responsible and tolerable municipal authority to provide local solutions to our residence with a wide variety of services including safe drinking water, police, fire protection, quality parks and recreation among others..... and our members pursue these principals to the goal of fostering and encouraging engaged citizen participation in local government in communities across Minnesota.” “We appreciate your overall authorities to address city tax concerns including approval of taconite aid, offset elimination, modification to start a tax increment and authorization for governments to issue Bonds and spend revenue recapture authority for cities.”

Mayor Johnson feels our two legislatures have done well by us.

DEPARTMENTS

CITY ADMINISTRATOR

Two contracted positions have been advertised, one for an animal control officer and the other for the janitorial services. In the process of preparing contracts there was a question regarding appropriate language in the contract and there are some questions that have been brought to Mrs. Fralich’s attention regarding the contract, whether it is an employee or if it is actually an independent contractor. Therefore Mrs. Fralich is asking that the Council table these two positions until the City is able to further review for appropriate language in the contract.

The humane society has been contacted to see if they can cover picking up any animals and the administrative office will take care of cleaning within this building until someone is hired.

Marolt made a motion to hold off on hiring for the janitorial service and animal control officer position until a decision is made whether the city will go with an independent contract or if we decide not to go forward with this position. Applications who have applied have been notified. Gustafson seconded. **THE MOTION CARRIED**

Mrs. Fralich stated that during election time there is a list of election judges and alternate judges. We are required to make sure that party lines are kept in balance at all times. Unfortunately there were a couple of instances where the actual election judges were not

able attend the night of the election so an emergency person, Jeanne McCurdy, was called and was trained the night before so she would be available.

Marolt motioned to have Jeanne McCurdy be added to the election judge list and be paid for her training and serves as an alternate if necessary, seconded by Kelley. **THE MOTION CARRIED**

Mrs. Fralich stated there are going to be some small meetings conducted regarding individual airports throughout the state. MnDOT Aeronautics representative Cathy Huebsch along with Tracy with federal aviation will be coming to Duluth and they have requested that someone from the City meet with them specifically for our airport. Mrs. Fralich requests that she be able attend that meeting on October 2, 2008 at 9:00 a.m.

Gustafson motioned to send the City Administrator along with one member of the airport commission as long as there is no time expense, Marolt seconded. **THE MOTION CARRIED**

CITY ATTORNEY – None

OLD BUSINESS – None

NEW BUSINESS – None

Mrs. Fralich stated SEH came up a week and half ago and they are getting close to making their final documentation and were able to look at placement of the existing restrooms as there was some concern where they were going to be placed. They were able to come up with a better alternative using the existing bathrooms. The plan would be to leave one side of the bathroom as is and make those handicap accessible. On the other side they would take the area of both bathrooms, convert to the two required family bathrooms then allow for a male and female handicap accessible, so there would be four individual units on the one side along with the family requirement. This would be less expensive than having to create plumbing elsewhere in the building.

SEH is also looking at not building the loading dock. Mrs. Fralich has discussed this with the funding sources and there is no jeopardy in regards to loosing any of the funding by not building the loading dock. What they are looking at doing is extending the canopy area of the one door and then allowing for the interior doors to be replaced along one side so there is a true traffic lane for warehousing on the one side of the building. This would save quite a bit of money. It would allow the truck traffic to drive in and drive out. This should be a much more workable building for everyone. SEH has done some measurements but final costs have not been sent.

SEH also felt that there was some room to do some additional energy efficiencies with possibly some windows along the north side. Mrs. Fralich has checked into some additional funding should we be able to put some energy efficiencies in there, possibly half of the windows could be replaced. Mrs. Fralich has not received any type of commitment for any additional funding but it is something SEH and Mrs. Fralich are working on. Contract for bid will most likely be in late October. Construction would hopefully start in November and be complete by March of '09.

The county board did okay their commitment to the building project.

CLAIMS – Motion Kelley, second Marolt to approve payment of \$96,913.08 unpaid claims and \$55,926.31 paid claims as presented. THE MOTION CARRIED

Motion Marolt, second Gustafson to adjourn at 7:30 p.m. THE MOTION CARRIED

Scott M. Johnson, Mayor

Lana Fralich, City Administrator