

**CITY OF GILBERT
MINUTES OF REGULAR COUNCIL MEETING
TUESDAY, NOVEMBER 22, 2011
COUNCIL CHAMBERS**

Mayor Bellerud called the meeting to order at 6:30 p.m.

Present: Mayor Bellerud, Councilors Gentile, Nemanick and Omersa.

Absent: Councilor Garrity

Staff Present: City Attorney Lindsay, City Engineer Jamnick, City Clerk Darrow and Administrative Secretary Devich.

Mayor Bellerud led the audience in the recitation of the Pledge of Allegiance.

Motion by Omersa second by Nemanick to approve the following additions to the agenda:

1. Minnesota Housing Finance Agency Resolution.
2. Water Plant replacement part approval.

All approved.

Motion by Gentile second by Omersa to table minutes of Regular Council Meeting of November 9, 2011. All approved.

Motion by Omersa second by Gentile to approve minutes of Police Commission Meetings of September 13, October 4 and October 26, 2011. All approved.

Motion by Omersa second Nemanick to approve minutes of Gilbert Cemetery Board Meeting of November 3, 2011. All approved.

No public input.

Councilor Nemanick encouraged storeowners to keep the front of their establishments shoveled and cleared of snow for customers and to help the City.

Motion by Omersa second by Nemanick to approve payment of bills and payroll subject to audit by Mayor and Clerk (check no. 11019-11067). All approved.

Motion by Gentile second by Omersa to approve Payment Estimate No. 4 for \$4,281.25 to Mesabi Bituminous for the Lake Ore-Be-Gone Recreation Area Improvements project. All approved.

Motion by Nemanick second by Omersa to approve Resolution Approving State of Minnesota Joint Powers Agreements with the City of Gilbert on behalf of its City Attorney and Police Department. All approved.

Councilor Omersa stated she is not prepared to vote on the City Clerk's contract tonight and would like to set up a meeting to collectively meet and discuss the contract as a

CITY OF GILBERT
MINUTES OF REGULAR COUNCIL MEETING
TUESDAY, NOVEMBER 22, 2011
COUNCIL CHAMBERS

Council including Councilor Garrity who is absent tonight because of an ATV/OHM Trail Board meeting regarding a grant for the trail. Councilor Gentile stated he does not have a problem with the contract but will agree to a meeting if members of the council have questions and want to further discuss the contract.

City Attorney Lindsay stated the Council has the option of tabling the contract and setting a special meeting to discuss it or moving the contract to the end of the agenda and the council can enter a closed session for negotiations.

Motion by Gentile second by Omersa to table City Clerk contract approval. All approved.

Fire Chief Omersa stated as a taxpayer in Gilbert he would like to know if the Clerk's contract is for only the Council to review prior to approval or is it public information because he has not seen the proposed contract. Mayor Bellerud replied the contract is public information and is available at the City Clerk's Office.

City Clerk Darrow explained the City converted the general accounting system to the Banyon Accounting System early this year and is recommending Council approval to switch the utility billing system from Jayhawk to Banyon. Darrow noted the conversion would require a new computer for the Water and Light Clerk.

Motion by Nemanick second by Gentile to approve purchase of the Banyon Billing Software system and PC computer and to also have Banyon present information on the conversion and provide training in December or January. All approved.

Clerk Darrow stated the Water Plant currently uses fuel oil for heating the plant. The City has received bids for an alternative heating source. The City has also received \$10,000 towards the removal of the existing system. Darrow explained the City received two proposals for electric heating and for a boiler system in which the water would be the heat source and would recycle back into the system. Further discussion followed.

Motion by Nemanick second by Gentile to approve the annual contract with Colosimo, Patchin, Kearney & Brunfelt, Ltd for City Attorney services for 2012. All approved.

The Council expressed their appreciation to Attorney Brian Lindsay and the Trenti Law Firm for the excellent service received and noted the reason for switching attorneys is based on cost, not performance.

Clerk Darrow updated the Council on the budget process noting the levy was set high because of the uncertainty but the budget committee is looking at lowering the initial increase by 9%.

CITY OF GILBERT
MINUTES OF REGULAR COUNCIL MEETING
TUESDAY, NOVEMBER 22, 2011
COUNCIL CHAMBERS

Motion by Gentile second by Omersa to authorize the City Clerk to publish a fact sheet on the City of Gilbert 2012 Budget in the Gilbert Herald and on the website. All approved.

Motion by Gentile second by Omersa to allow the Gilbert Police Department to place a soda machine in City Hall with the proceeds to go to the Police Department. All approved.

Clerk Darrow noted the Public Works Operations Director hired two rink attendants for the 2011/2012 season.

Clerk Darrow explained the AEOA is applying for funding and is seeking support letters from the surrounding cities.

Motion by Nemanick second by Omersa to approve Resolution supporting funding application by the Arrowhead Economic Opportunity Agency, Inc. proposing to apply for Rental Rehabilitation Deferred Loan Pilot Program to serve the cities on the Iron Range. All approved.

City Engineer Jamnick stated the City received the following two quotes to replace needed valve at the Water Plant:

Dakota Pump & Control Inc.	\$7,667.75
Magney Construction Inc.	\$7,755.47

Motion by Gentile second by Omersa to approve quote from Dakota Pump & Control Inc. to remove and replace valve at the Water Plant for cost of \$7,667.75. All approved.

City Attorney Lindsay explained the Council can move into a closed meeting to discuss contract negotiations and evaluation of the City Clerk but if there is simply questions on the contract that can be done during the open meeting.

Councilor Omersa stated she would prefer to set a meeting for the whole Council to meet and discuss the terms of the City Clerk's contract. Omersa explained she is not comfortable with the language in the contract pertaining to reimbursement of the cost of the City health insurance in lieu of taking the health insurance benefit and would like to further research it. City Attorney Lindsay stated the wording regarding the reimbursement of health insurance and VEBA premium can be clarified to IRS guidelines. Omersa replied she would like to review the re-wording before approving the contract.

Mayor Bellerud stated the Council must make a decision on the Clerk's contract before December 1st because the open enrollment timeline for the VEBA insurance ends at the end of November and if the Council isn't going to agree to reimburse the cost of insurance then the Clerk will take the health insurance. Bellerud also noted he would not

CITY OF GILBERT
MINUTES OF REGULAR COUNCIL MEETING
TUESDAY, NOVEMBER 22, 2011
COUNCIL CHAMBERS

be available to meet until December 1st because he will be going out of town for the Thanksgiving holiday.

City Clerk Darrow stated the following highlights of the proposed contract: The term of the contract is for 2012, 2013 and 2014. There is a 0% pay increase for years 2012, 2013 and 2014. The Council may increase salary by no more than 2% based on performance at the mid-year point of each year. If the Clerk waives health care, the Clerk shall receive a health care reimbursement at 5% less than what AFSCME and LELS employees receive for each year of the contract. The city shall also consider a reimbursement of unused health care from 2011 based upon a significantly reduced rate of existing city contracts. If the Clerk opts out of the health care reimbursement, the Clerk is entitled to the same health care as AFSCME and/or LELS employees. If the contract is not renewed by the end of 2014, the approved contract shall remain in effect. Vacation time shall be based upon a pay period accrual basis. Termination of the Clerk shall be based upon a just-cause provision.

Councilor Omersa also voiced concern with the vacation per pay period accrual being different than how the other employees accrue vacation with the City and questioned how it will work with the current system set-up. Councilor Gentile stated he is willing to approve the contract but is also willing to give other Council members a few more days if necessary. Further discussion followed.

Mayor Bellerud vacated the chair and made a motion to approve the proposed City Clerk Contract as reviewed and presented and including rewording of the health insurance reimbursement according to IRS guidelines. Motion was supported by Councilor Gentile with Councilor Nemanick voting in favor and Councilor Omersa voting against. Motion carried 3-1.

Motion by Nemanick second by Gentile to adjourn the meeting at 7:25 p.m. All approved.

Mayor

ATTEST:

City Clerk

The aforementioned is a summary of the action items from this meeting. To listen to the full transcript of this meeting, please contact City staff at 218.748.2232.