CITY OF GILBERT
MINUTES OF REGULAR COUNCIL MEETING
TUESDAY, JANUARY 24, 2012
COUNCIL CHAMBERS

Mayor Bellerud called the meeting to order at 6:34 p.m.

Present: Mayor Bellerud, Councilors Garrity, Gentile, Nemanick and Schutte.

Absent: None

Staff Present: City Attorney Brunfelt, City Engineer Jamnick, Police Chief Skelton and City Clerk Darrow

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

Mayor Bellerud mentioned that there were two additions to the agenda. They included:
Lake Ore Be Gone Lot Sale- Lot 14
IT service contract for Northern Minnesota Consulting & Technical Services

Motion by Schutte second by Garrity to approve the minutes of the Regular Council Meeting of January 10th, 2012. All approved.

Motion by Nemanick second by Gentile to approve the minutes of the Gilbert Police Commission Meeting and Cemetery Board meeting. All approved.

The Mayor asked if there was any public comment. No public comment was taken.

Councilor Garrity asked the City Attorney to look into the development requirements for the first phase of Lake Ore Be Gone. After discussion, the Council directed the City Attorney and City Clerk to look into the development standards of the first phase of Lake Ore Be Gone as well as several vacant properties throughout the City. The Clerk and Attorney will report back to the Council on these findings at a later meeting in February.

Councilor Nemanick inquired about the bill from Northern Minnesota Consulting & Technical Services as well as the lighting costs at the campground. He indicated that the City may be better off fencing the campground and turning off the lights at the campground during the winter months. His concern was due to the energy costs of running the lights during the winter. After discussion, there was a motion by Councilor Schutte and a second by Gentile to direct the City Clerk and Operations Director to have an electrician turn off several lights within the campground. All approved.

Councilor Garrity inquired about the costs of Fort & Company bill and asked if this bill was for work done from previous months. Motion by Schutte and seconded by Gentile to approve payment of bills and payroll (Checks 6045-6107) subject to audit by Mayor and Clerk. All approved.

City Clerk Darrow introduced the Energy Audit and Qualified Energy Bond issue. Bruce Kimmel from Elhers and Andy Imig from Arrowhead Energy were on hand to discuss the purpose of the bond. City Clerk Darrow presented a brief powerpoint on the aspects of the

bond and the projects within the bond. Bruce Kimmel described the process of securing or sub-allocating funds through St. Louis County. Once received, the City would be able to utilize these funds for energy projects at close to 0% interest. Clerk Darrow and Andy Imig mentioned that in 2011, the City of Gilbert completed an energy audit of all city buildings and identified priority projects which ultimately will reduce energy costs. Included in this study were the city hall building, the public works building, the recreation center and warming house, the community center and library, the water plant and wastewater plant. Key energy reduction projects included the following:

- Boilers, plumbing and controls for the community center and library
- Community center and library zone heating
- Updated lighting (High Bay tube t-8 light fixtures) for the public works building, city hall and community center
- Library air source heat pump
- Fire Department on demand system
- Updated exhaust ventilation for the Fire Department hose tower
- Updates and/or redesign of the warming house
- Sewer Plant blower system
- Updated heating source for the water plant
- Updated doors and windows throughout city buildings

Councilor Nemanick inquired between the GO Bond and the Qualified Energy Bond if the city's overall debt service would be too great. Clerk Darrow indicated that the purpose of the GO Bond was to refund the 2008 bond and create funds for public works projects. Our annual payments for that refunding, in large part is due to the refunding of the 2008 bond. With regard to energy projects, the city will need to complete these projects any way and could potentially save an estimated $33,000+ in energy savings per year. After discussion, the Councilor Nemanick made a motion move forward with the Qualified Energy Bond, and Councilor Schutte seconded the motion. All approved.

Motion by Nemanick and seconded by Schutte to approve the Memorandum of Understanding between the St. Louis County Sheriff's Office and the City of Gilbert. All approved.

Clerk Darrow mentioned that Roy Breeden had expressed an interest in serving on the Joint Recreation Board. Teresa Jandrey has volunteered to serve on the Joint Recreational Board. Motion by Councilor Nemanick and seconded by Gentile to appoint Teresa Jandrey to serve on the Joint Recreational Board as a representative of the City of Gilbert for a period of three years. All approved.

Clerk Darrow mentioned that the City Council interviewed eight candidates for the Maintenance II position on January 17th, 2012. After discussion, the City identified three finalists. After discussion, the City Council recessed this issue until five minutes after the regularly scheduled Council meeting. Motion by Councilor Garrity and seconded by Nemanick to recess this issue. The motion was passed by a 4-1 vote with Councilor Gentile voting no.

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City Clerk Darrow indicated that with the impending temporary leave of one of the wastewater operators there is a need to temporarily hire another person to fill that position. The City had attempted on two separate occasions to get union approval on the temporary hire so as to not exceed the maximum number of shifts allowed under the current bargaining unit contract. As of the meeting, the union did not respond to the City's request. Motion by Schutte and seconded by Gentile to table this issue until February. All approved.

The City of Gilbert is part of a $725,000 EPA grant for the purpose of brownfield cleanup. Activities funded through this grant include site preparation, site selection criteria development, outreach materials, implementation and other eligible activities. These funds could be utilized to assist in the site preparation for the heavy industrial area to the east of Lake Ore Be Gone. Motion by Garrity and seconded by Gentile to approve the MOU agreement between Central Iron Range Initiative and the Iron Range Brownfield Assessment Area Coalition. All approved.

Clerk Darrow mentioned that the City Council approved the Chief of Police contract in the fall of 2011. Since LELS is receiving a 3% increase in 2012, we are recommending that the Chief's salary for 2012 be increased by 3% effective January 1, 2012. Motion by Garrity and seconded by Gentile to approve the pay increase of the Police Chief by 3% effective January 1, 2012. All approved.

The Chief of Police, Mark Skelton informed the Council of his resignation effective April 30th, 2012. Chief Skelton read his resignation letter to the public and thanked the City for the opportunity to serve as Chief. Motion by Garrity and seconded by Gentile to accept the resignation of Chief of Police Mark Skelton. The City with hold an open house to wish Chief Mark Skelton the best in retirement towards the end of April. The open house announcement will be published in the local paper. All approved.

The Mayor temporarily stepped down and made a motion to post the Chief of Police position internally. Councilor Schutte seconded the motion. All approved.

Clerk Darrow indicated that The City's 2011 audit will occur during the month of April. The City has begun work on closing out the 2011 year. We have budgeted funds for 2012 for Walker, Giroux and Hahne and Fort and Company. We have begun the process of closing out the year and will provide the City with updates on this process during the months ahead. Motion by Nemanick and seconded by Gentile to set the 2011 audit during the month of April and utilize Walker, Giroux and Hahne and Fort and Company to assist with the audit preparation. All approved.

Clerk Darrow presented to the Council a review of electrical projects for 2012. As part of the Enterprise Fund updates for 2012, we have designated approximately $70,000 worth of projects for 2012. These projects include the following:

- Electrical study and mapping $15,000 MP

• Campground electrical updates	$10,000	Bid
• Replace circuits north and south of Broadway	$30,000	MP
• Cable Replacement	$10,000	MP
• Highway 135 Light pole Replacements	$ 5,000	MP

Darrow indicated that the Water and Light Board is recommending (MP) be awarded the electrical study, circuit replacement, cable replacement and Highway 135 light pole replacement. The campground electrical updates will be sent out for bids with the work being completed in April. These projects will be completed over the next three months, however the City will not need to make a final payment until the end of May. Councilor Garrity requested that MP provide the City with a schedule and project costs as part of this approval.

Motion by Garrity and seconded by Schutte to award the following projects to Minnesota Power for the amounts not too exceed:

• Electrical study and mapping	$15,000	MP
• Replace circuits north and south of Broadway	$30,000	MP
• Cable Replacement	$10,000	MP
• Highway 135 Light pole Replacements	$ 5,000	MP

All approved.

The campground project will be awarded through a bid process in the amount not too exceed $10,000. Funds to cover these costs have been identified through our enterprise funds. Payment to Minnesota Power will take place no later than May 31st, 2012.

City Clerk Darrow indicated that in January we switched payroll providers with funds automatically taken out of the First National Bank of Gilbert. Because of this change, we will no longer be in need of our Wells Fargo Account. We are recommending approval of closing our Wells Fargo account and transfer any and all remaining funds into our general fund at the First National Bank of Gilbert . Motion by Gentile and seconded by Garrity to close the account at Wells Fargo and transfer all funds to the First National Bank of Gilbert. All approved.

City Clerk Darrow during Clerks news and notes congratulated Wastewater Operator Terah for obtaining her Class C license. Clerk Darrow also requested that the City formally approve the posting of the Pay Equity Report. After discussion, Council member Nemanick made a motion to post the Pay Equity Report and Councilor Garrity seconded the request. All approved.

The Mayor indicated that there were two additions to the agenda. City Clerk Darrow indicated that the City sold Lot 14 of Lake Ore Be Gone. After discussion, Councilor Gentile made a motion to approve the sale with Councilor Schutte seconding the motion. All approved.

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The City Clerk presented the IT service contract to the Council. City Clerk Darrow requested that this item be tabled to all allow additional review as the contract arrived shortly before the Council meeting. All approved in tabling this issue.

At 7:35 the Mayor requested a five minute recess.

At 7:40, the City Council had discussion on the hiring of the Maintenance II position. Councilor Nemanick made a motion to hire Patrick Horoshak for the position. The motion was seconded by Councilor Garrity. The motion failed by a vote of 2-3 with Councilor Garrity and Nemanick voting yes and Councilor Gentile, Schutte and the Mayor voting no. After discussion, Councilor Gentile made a motion to hire Eric Garman for the Maintenance II position. The motion was seconded by Councilor Schutte. The motion was approved with the Mayor, Councilor Gentile and Councilor Schutte voting yes and Councilor Nemanick and Garrity voting no.

Motion by Omersa second by Gentile to adjourn the meeting at 7:58 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.