

**CITY OF GILBERT**  
**MINUTES OF REGULAR COUNCIL MEETING**  
**TUESDAY, DECEMBER 23, 2014**  
**COUNCIL CHAMBERS**

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

Present: Mayor Skenzich, Councilors Skalko, Kusti and Schutte.

Absent with Notice: Councilor Nemanick.

Staff Present: City Attorney Bonnie Thayer, City Engineer Jamnick, Police Chief Techar, Public Works Operations Director Lautigar, and City Clerk/Treasurer Sakrison.

Mayor Skenzich led the audience in the Pledge of Allegiance to the Flag.

Motion by Schutte second by Kusti to approve the agenda with the additions of items 4.B.2 – Final Alaska Avenue/DeCare Project Pay Application and 5.C.1 – Authorize Application to Open Gravel Pit. All approved.

No Public Input.

Motion by Schutte second by Skalko to approve the December 8, 2014 minutes for the Truth in Taxation Public Hearing. All Approved.

Motion by Schutte second by Kusti to approve the December 9, 2014 Regular Council meeting minutes. All Approved.

Motion by Schutte second by Skalko to authorize Planning & Zoning Administrator Erik Wedge to send out two letters, (1) Peterson Petting Zoo, and (2) Sortedahl violation. All Approved.

Motion by Schutte second by Mayor Skenzich to table approval of Pay Estimate #7 for the 2013 Street/Infrastructure project until after the 1.6.2015 meeting scheduled with Utility Systems of America. All approved.

Motion by Schutte second by Skalko to approval Final Payment Estimate 8 for the Alaska Avenue/DeCare Site Improvements project to Mesabi Bituminous for \$10,000.00. This releases the retainage. There was discussion about the cracks at the top of the street, that area was overlaid not new construction but it should be fine per Engineer Jamnick. All approved.

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Mayor Skenzich gave an overview of the Development Agreement with Mesabi Bituminous. IRRRB has turned the grant into a “Block Grant” so the city of Gilbert will distribute. Once the city receives permission to work with the money, a negotiation was made with Mesabi Bituminous for an additional \$65,000 out of the grant to construct a building; then \$20,000 once the building is substantially completed as a forgivable loan if Mesabi Bituminous meets all the criteria requirements including 15 years in business with 11 FTE employees paying prevailing wages. Along with this, six acres of property on the same side of the road as Mesabi Bituminous would be transferred to Mesabi Bituminous, putting it back on the tax roll. Mesabi Bituminous is also looking at purchasing some additional lands, if this happens the city would receive the point on the west side of Lake Ore-Be-Gone at no cost. Mesabi Bituminous is also entering into a Land Use Agreement with the city to develop two parcels of property into gravel pits that they would manage. Skalko asked if there would be a projection of a development after this. Jammick stated that restoration plans will have to be filed with St. Louis County. Skalko also asked how the road development would work. Jammick noted that he will have update costs & concept plans.

Motion by Mayor Skenzich second by Schutte to approve the Development Agreement with Mesabi Bituminous. Roll Call – Aye – Skalko, Skenzich, Kutsi & Schutte. 4 – 0 Approved.

Motion by Schutte second by Kutsi to approve Resolution No. 2014-25 Authorizing Conveyance of Real Estate. Roll Call – Aye – Skalko, Skenzich, Kutsi & Schutte. 4 – 0 Approved.

Motion by Kutsi second by Schutte to approve the renewal of the liquor license for on-sale, off-sale and Sunday liquor for 2015 for Sailer & Lindholm LLC dba Wandering Pines Eatery Pub. All approved.

Motion by Schutte second by Skalko to approve Resolution 2014-24 Authorizing the City of Gilbert to Issue Certificates of Indebtedness for the Fire Department in favor of The First National Bank of Gilbert. All approved.

Motion by Kutsi second by Skalko to ratify and approve the Election of Officers for the Gilbert Volunteer Fire Department; Chief - Todd Devich, Asst Chief - Jeremy Skenzich, Captain - Marc Kwiatkowski, Safety Officer - Mark Heitzman, Sec’t - Dean Spragg, Treasurer - David Marolt, and Trustees - Casey Omersa, Anthony Nemanick & Mike Thelen. All approved.

Motion by Schutte second by Skalko to approve contracting with Louis Russo to prepare the Pay Equity report for the City of Gilbert that is due January 31, 2015. All approved.

Motion by Schutte second by Kutsi to approve engaging Walker, Giroux & Hahne LLC to audit the financial statements of the city of Gilbert for the year ended December 31, 2014 and to authorize the Mayor to sign the engagement letter. All approved.

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Motion by Schutte second by Skalko to approve transferring from the following funds to the Project Fund 501. As Special Assessments are paid, repayment to the Electric Fund will occur and the Water & Sewer Funds will make annual transfers of \$25,000 each for four years. (Fund 101 – General Fund: \$43,000 {Special Assessments Paid 2014}; Fund 601 – Water Fund: \$50,000; Fund 602 – Sewer Fund: \$50,000 and Fund 604 Electric Fund: \$300,000. All approved.

Motion by Schutte second by Kutsi to approve authorizing a transfer from the Electric Fund to the General Fund, not to exceed \$100,000 for 2014, if it is needed. All approved.

Motion by Kutsi second by Skalko to approve Gilbert St. Joseph Knights of Columbus Council 5031 to conduct Bingo at St. Joseph’s Catholic Church located at 515 Summit Street, Gilbert, MN on March 1, March 29, October 4 & November 1 all 2015. All approved.

Motion by Schutte second by Skalko to approve Jack Bradach’s request to attend the MN Rural Water Association Technical Conference for March 3 – 5, 2015 and to authorize the registration & lodging. All approved.

Motion by Schutte second by Kutsi to authorize advertisement for a Confidential Administrative Assistant. All approved.

Motion by Schutte second by Kutsi to approve request to adopt the 2015 Gilbert Fee Schedule as presented. All approved.

Motion by Schutte second by Kutsi to approve the NESC Broadband Internet Services Agreement for a term of 36 months at \$365.70 rate per month and to authorize the \$2,500 installation charge. All approved.

Councilor Skalko thanked outgoing members.

Councilor Kutsi also thanked outgoing members.

City Engineer Jamnick updated that the Mesabi Trail location is being realigned at the north end of Broadway Street.

Motion by Schutte second by Skalko to authorize City Engineer Jamnick to make application to St. Louis County to open a new gravel pit. All approved.

Motion by Kutsi second by Schutte to approve the Mutual Aid Agreement with the East Range Police Department. The term is indefinite, until one of the parties withdraws. All approved.

Police Chief Techar also thanked Mayor Skenzich and Council Schutte for being on the Council and working with him.

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Public Works Operations Director Lautigar updated that the new water plant pump is working well.

Motion by Schutte second by Skalko to approve bills and payroll subject to audit by Mayor and Clerk. All approved.

Motion by Schutte second by Skalko to acknowledge the Gilbert Public Library Board Minutes of November 3, 2014 and the EFGSD Joint Powers Recreation Board of November 12, 2014. All approved.

Mayor Skenzich thanked City Engineer Jannick for being the historian for projects. He thanked Police Chief Techar and Public Works Operations Director Lautigar for all their work. When you care for a city that you've lived in your whole life you try and do the best you can to promote the City of Gilbert. He also thanked the Mayor of Virginia Louis Russo that helped out a lot. Lastly he thanked the people of Gilbert for electing him.

Motion by Kutsi second by Skalko to adjourn the meeting at 7:07 p.m. 3 – Ayes, 1 - Nay.

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Michael Skenzich, Mayor

ATTEST:

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Debra Sakrison, City Clerk