

**CITY OF GILBERT**  
**MINUTES OF REGULAR COUNCIL MEETING**  
**TUESDAY, OCTOBER 27, 2015**  
**COUNCIL CHAMBERS**

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

Present: Mayor Kutsi, Councilors Skalko, Pontinen and Bol.

Absent: Councilor Liimatta (w/notice); Public Works Operations Director Lautigar (w/notice)

Staff Present: City Attorney Michael Kearney, City Engineer Jamnick, Chief Techar, Library Director Miller and City Clerk/Treasurer Sakrison.

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

Motion by Skalko second by Bol to approve the agenda. All approved.

Charlie Erjavec gave a Realtor Area Overview sheet. Closed sales were down 31%. He just wanted to show that sales are down and he believes that is due to property taxes. Sales prices are lower than market values, which if continues will end up being a big problem. Asking the Council to try a 0% levy increase.

Al Olsen discussed why he has started coming to Council Meetings & Budget Meetings, he wanted to be informed and is a concerned citizen.

- He sees that there is a lack of reports from the City Office.
- He discussed the audit report and that it should have been made public. He did obtain an audit. He did ask the City Attorney if the audit he had a copy of was all public information. City Attorney Kearney agreed that yes it had been accepted by the City Council. It is a \$30,000 document and very thorough. The report shows deficiencies regarding City Hall internal controls. Water Fund ó operating losses, recurring. Stated there is no Council approved policy for electronic transfers. He did note that every city that is audited receives deficiencies.
- Olsen recognized a void that the city does need additional staff in the front office. He was not aware that Jeana Ocepek had resigned from the front office. (NOTE: Her resignation was acted on by the Council August 25, 2015.) He feels that it is urgent that the position gets filled.
- There is a lack of communication among city management, city hall & the public. The website needs to be updated to be used as a library for data.
- Citizens need to work together and get involved. People need to run for office. He commended Rob for running for Mayor because no one else had the interest. Encouraged people to file for office.
- Council is facing tough decisions.
- Also urged the Council to vote for 0% levy.

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Beth Milos stated that people have discussed with her, and reminded the Council that none of this is personal. Believes that when the council is elected the city pays their wages, and the public has a right to know what their wages are and what their job duties are. Mayor Kutsi stated that any information can be requested from the City Clerk and they can get the information they need, or contact the Mayor or any of the Councilors. She stated that people have discussed with her that their taxes have been raised and they don't see any improvements or where the money is going. Mayor Kutsi stated that 5% last year was to cover the fire truck purchase and 3% was to the city. Other varying tax rates need to be addressed to St. Louis County.

Motion by Skalko second by Mayor Kutsi to approve Pay Estimate #1 for T.H. 135 Water Main/Lower Florida Infrastructure for \$91,504.00 to Bougalis Inc. Approved.

Motion by Pontinen second by Bol to approve Resolution 2015-19 conveyance of real estate to Anton & Betty Udovich, subject to easements, restrictions and reservations of record, if any; and that the City Mayor and City Clerk are authorized and directed to execute a Warranty Deed and all other necessary and appropriate documents to effectuate such conveyance. Approved.

Motion by Skalko second by Pontinen to support denial of variance request from Mary Lou Sixberry for chain link fence at 203 Ore-Be-Gone Court. Approved.

Motion by Mayor Kutsi second by Skalko to take action on the Memorandum of Agreement with Law Enforcement Labor Services, Inc. Local #15 requesting agreement that the members may cash out accumulated comp time one additional time in addition to January 31. Approved.

Motion by Skalko second by Bol to accept Karl Oberstar Jr.'s resignation from the Gilbert Library Board. Approved.

Mayor Kutsi asked that a letter be sent to Mr. Oberstar thanking him for his service.

Motion by Skalko second by Pontinen to approve Sue Samargia to complete the Library Board Term expiring January 31, 2016 that was vacated by Karl Oberstar Jr. Approved.

Motion by Skalko second by Bol to approve the Safety Committee's request to submit the grant and authorize the matching funds in the amount of \$967.50 to be charged to the departments needing the safety equipment. Approved.

Motion by Pontinen second by Skalko to approve payment of \$1,978 to the League of MN Cities for membership dues for 2015-16. Approved.

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Habitat for Humanity has an interest in building a home in Gilbert. HFH asked if Gilbert would be interested in donating a lot. Public Works Operations Director Lautigar had previously suggested one of the Ore-Be-Gone lots, on Sherwood Forest Drive. An audience member mentioned that there may be a gas line running through the suggested lot. Beth Milos asked how a person would be able to afford the property taxes. Mayor Kutsi stated that the issue has been shared with HFH.

Motion by Bol second by Skalko to donate a lot to the North St. Louis County Habitat for Humanity organization. Approved.

Motion by Bol second by Pontinen to appoint Councilor Skalko to serve on the Coalition of Greater Minnesota Cities Environment Committee. Approved.

Motion by Skalko second by Bol to acknowledge the Financial Statements for the Housing and Redevelopment Authority of Gilbert for the fiscal year ended June 30, 2015. Approved.

Attorney Kearney stated that typically a budget is finalized prior to setting a levy.

Motion by Pontinen second by Bol that there be no increase in the tax levy for 2015 levy payable 2016. Councilor Skalko noted that there is a process and that we have until December to set the levy. Skalko wants to work through the process and set the levy in December. Mayor Kutsi would like to finalize the budget prior to setting the levy. Al Olsen noted that the St. Louis County already passed their levy at 0%. Olsen noted that he realized there is a lot of work to be done, but he thinks that a 0% can be set tonight and the work be done after. Councilor Bol stated that he believes it is prudent that it be set at 0%, but agreed that it could be taken slower. Councilor Pontinen asked why they are dragging their feet, just take one cut, sharpen their pencils. Roll Call: Pontinen ó Aye; Skalko ó Nay; Kusti ó Nay; Bol ó Nay. Motion Failed 3 ó 1.

Motion by Bol second by Skalko to set Budget Work Session Meeting for Wednesday, November 4, 2015 @ 6:30 p.m. Approved.

Councilor Skalko had a meeting regarding the cliffs with Chief Techar trying to pursue to keep them open, but will have to shut them down until they come up with a game plan. Councilor Bol noted that it would be a great asset but it would be a liability. John Shega, of Aspire Insurance, suggested to put signage up. Councilor Skalko noted that they will be coming up with a plan and report back to the Council.

Mayor Kutsi spoke with Jason Metsa regarding the sewage plant. There is a \$10,000 application fee to file for a variance whether it is approved or not. He left messages with Nolan & Tomassoni to see about getting the fee waived.

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Councilor Bol talked about the city website. The website is useless. Asked about using YouTube and link our council meetings to the website. Wants the minutes uploaded to the website so that people can access them as well as the agenda. The website needs to be improved. Steve Peterson noted that the city pays \$450/year for the website. Steve noted that the minutes are uploaded as they are approved, but they can be difficult to find, changes can be made but will cost more. The layout needs improvement. Aurora pays \$4,000/annually for their website. YouTube would have to break up meetings because of length of meetings, may have to subscribe to YouTube. Library Director Miller noted that the council meetings link is on the library website which is hosted by the Arrowhead Library System. The Library has a Google site, and one could be set up for the city also. Mayor Kutsi noted to do some research but to be sure that all the state guidelines are follows.

City Engineer Jamnick a Notice of Award was received back from the contractor for the East Industrial Park, it is scheduled for the IRRRB Board meeting on Friday, October 30, 2015.

Chief Techar noted that the city of Biwabik is looking at revamping the blight/nuisance ordinance. When they are done he will bring it back to Gilbert to look at. Purpose is to gain compliance and speed up the process.

Library Director Miller:

- Programming going well, good participation at events.
- November 13 is next Anima & Mongo Club Meeting.
- Lego club meetings Wednesdays thru November. (November 11 closed)
- Pinterest projects for the month was started. November 9 @ 5:30 p.m. will be Arm Knitting, only 4 spots left, need to call and register.
- Starting a Magic the Gathering card club on November 19, 2015.

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

Motion by Skalko second by Mayor Kutsi to acknowledge the EFGSD Recreation Board Minutes of September 16, 2015. All approved.

There will be an informational meeting held by the MPCA on October 29, 2015 at the Hibbing Memorial Building to share concerns regarding water infrastructure and clean water.

Motion by Skalko second by Bol to adjourn the meeting at 7:53 p.m.

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Debra Sakrison, City Clerk

ATTEST:

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Robert Kutsi, Mayor