

**THE MINUTES OF THE REGULAR MEETING OF THE
HIBBING CITY COUNCIL
Wednesday January 18, 2023**

TIME AND PLACE: A Regular meeting of the Hibbing City Council was held on Wednesday, January 18, 2023 in the City Hall Council Chamber.

CALL TO ORDER: Mayor Pete Hyduke called the meeting to order at 5:00 p.m.

ATTENDANCE: Present at roll call Mayor Pete Hyduke, Councilor James Bayliss, Councilor Jennifer Hoffman Saccoman, Councilor John Schweiberger and Councilor Chris Whitney. Also present were City Administrator Greg Pruszinske, City Clerk/Deputy Administrator Candie Seppala, Treasurer/Finance Director Sheena Mulner, City Attorney Andy Borland, City Engineer Jesse Story, and Chief of Police Steve Estey. Councilor Justin Fosso and Councilor Jay Hildenbrand were absent.

ADDs/DELETES:

- **DELETE: CONSENT AGENDA #6**
- **ADD: DEPARTMENT AND COMMITTEE REPORTS #3b**
- **ADD: BIDS AND QUOTES #4A**
- **ADD: LICENSES AND PERMITS #7 & #8**

APPROVAL OF THE AGENDA:

Councilor Bayliss, supported by Councilor Schweiberger, moved to approve the Agenda.

Motion CARRIED

APPROVAL OF MINUTES:

Councilor Hoffman Saccoman, supported by Councilor Bayliss, moved to approve the minutes of the Reorganization & Regular Hibbing City Council Meeting of January 4, 2023.

Motion CARRIED

CONSENT AGENDA:

Councilor Hoffman Saccoman, supported by Councilor Schweiberger, moved to approve the Consent Agenda #s 1-13.

Motion CARRIED

1. Approve Accounts Payable dated:
 - 1/12/2023, checks #173852-173925, in the amount of \$405,572.91

2. Approve City Payroll for the pay period ending:
 - 12/30/2022, checks #168647-168653, in the amount of \$541,919.35
3. Authorize the Hibbing City Council to attend the 118th Annual Dinner on Friday, February 3, 2023 at the Hibbing Armory
4. Accept and place on file the Hibbing Police Department Activity Report for November, 2022
5. Accept and place on file the Hibbing Police Department Activity Report for December, 2022
6. Authorize the Hibbing City Council to attend the Grand Opening of the Boys and Girls Club of Hibbing on Tuesday, January 31, 2023 at the Greenhaven Elementary School – Door #6, 323 East 37th Street, Hibbing
7. Authorize the posting for a full-time Library Technician at the Hibbing Public Library
8. Approval to put the full-time City Services Maintenance position on hold
9. Acknowledge the retirement of Steve Kopelciw, Public Works Equipment Operator I, effective 1/13/2023
10. Authorize the posting for a full-time Equipment Operator I with the Public Works department
11. Approval to put the Lead Library Worker position with the Hibbing Public Library on hold
12. Set the next Regular City Council Meeting for Wednesday, February 1, 2023 at 5:00 p.m. in the Hibbing City Hall Council Chamber
13. Set the next City Council Workshop Meeting for Wednesday, February 1, 2023 following the Regular City Council Meeting in the Hibbing City Hall Council Chamber

PUBLIC FORUM:**DEPARTMENT AND COMMITTEE REPORTS:**

Approve the Planning Commission's Recommendation for the Conditional Use Permit of Splash Express Hibbing LLC to allow for the construction of a new Tunnel Style Express Car Wash

Building Official Pat Green explained that the car wash would in a Commercial Zoning District, it will be located where the old KFC was; a CUP is required for any car wash.

Councilor Bayliss, supported by Councilor Whitney, moved to approve the Planning Commission's Recommendation for the Conditional Use Permit of Splash Express Hibbing LLC to allow for the construction of a new Tunnel Style Express Car Wash.

Motion CARRIED

Approve the Mayor and City Clerk to execute the contract with Barr Engineering for the Parks Master Plan in the amount not to exceed \$75,000

City Services Director Nick Arola explained that Barr Engineering is the recommendation of the selection committee; he is looking for Council approval to move forward with the contract.

Councilor Schweiberger, supported by Councilor Hoffman Saccoman, moved to approve the Mayor and City Clerk to execute the contract with Barr Engineering for the Parks Master Plan in the amount not to exceed \$75,000.

Motion CARRIED

Offer RESOLUTION NO. 23-01-02 AUTHORIZING THE CITY OF HIBBING TO APPLY FOR MN DNR OUTDOOR RECREATION GRANT REQUESTING \$350,000

City Services Director Arola explained that this grant would be for the Carey Lake campground, and they would ask for the maximum grant amount of \$350,000.

Councilor Whitney, supported by Councilor Bayliss, moved to offer RESOLUTION NO. 23-01-02 AUTHORIZING THE CITY OF HIBBING TO APPLY FOR MN DNR OUTDOOR RECREATION GRANT REQUESTING \$350,000.

Motion CARRIED

Approve the 2023 service contract between the City of Hibbing and Gartner Refrigeration

City Services Director Arola explained that this would be a renewal of the preventative maintenance agreement and Gartner would come twice a year; this is a budgeted item.

Councilor Schweiberger, supported by Councilor Hoffman Saccoman, moved to approve the 2023 service contract between the City of Hibbing and Gartner Refrigeration.

Motion CARRIED

Hanson – Castle Apartment Building Renovations and IRRR Grant Request

Offer RESOLUTION NO. 23-01-03 TO APPLY FOR A GRANT THROUGH THE COMMERCIAL REDEVELOPMENT FUNDING AT THE IRRR FOR \$24,000 OF THE \$115,750 TOTAL PROJECT COSTS FOR PHASE 1 OF THE HANSON – CASTLE APARTMENT BUILDING RENOVATIONS

Community Development Director Betsy Olivanti explained that Mr. Hanson purchased the 8-unit property and plans to renovate to bring all the apartments back into use; this grant will help with the demolition of the existing finishes within the building.

Councilor Bayliss, supported by Councilor Hoffman Saccoman, moved to offer RESOLUTION NO. 23-01-03 TO APPLY FOR A GRANT THROUGH THE COMMERCIAL REDEVELOPMENT FUNDING AT THE IRRR FOR \$24,000 OF THE \$115,750 TOTAL PROJECT COSTS FOR PHASE 1 OF THE HANSON – CASTLE APARTMENT BUILDING RENOVATIONS.

Discussion: Councilor Hoffman Saccoman asked if the apartments will be fair market value; Community Development Director Olivanti stated yes.

Motion CARRIED

Housing Task Force Update

Community Development Director Olivanti gave a detailed update on the progress and continued work of the Housing Task Force.

Offer RESOLUTION NO. 23-01-04 ACCEPTING A FREE MN LEGAL KIOSK FOR THE HIBBING PUBLIC LIBRARY FOR THE USE OF THE PUBLIC

Library Manager Laura Koeneman explained that this for the public to use and is free to the City.

Councilor Hoffman Saccoman, supported by Councilor Schweiberger, moved to offer RESOLUTION NO. 23-01-04 ACCEPTING A FREE MN LEGAL KIOSK FOR THE HIBBING PUBLIC LIBRARY FOR THE USE OF THE PUBLIC.

Motion CARRIED

Approve an easement from BNSF to construct a portion of the Rainey Road Bridge on their property

City Engineer Story explained that City Attorney Andy Borland looked over the agreement. City Attorney Borland was concerned with the amount of liability insurance being higher than what the City provides, City Engineer Jesse Story explained that the City can go under BNSF's liability insurance for a fee of \$1,266. City Attorney Borland was also concerned with the fact that the Law of Texas would govern this agreement. City Engineer Jesse Story explained that this easement is necessary to complete the construction of the bridge.

Councilor Schweiberger, supported by Councilor Bayliss, moved to approve an easement from BNSF to construct a portion of the Rainey Road Bridge on their property.

Motion CARRIED

Offer RESOLUTION NO. 23-01-05 APPOINTING USI INSURANCE SERVICES AS THE CITY OF HIBBING'S INSURANCE AGENT OF RECORD FOR THE PROPERTY/CASUALTY AND WORKERS COMPENSATION PROGRAMS

Treasurer/Finance Director Sheena Mulner explained that the City has not sent out RFP's for many years; of the 4 proposals received, USI is whom City Staff recommends. Treasurer/Finance Director Mulner explained that that the proposed fee is higher than what the City currently pays, however, this will likely be offset by cost savings on the workers compensation program.

Councilor Bayliss, supported by Councilor Schweiberger, moved to offer RESOLUTION NO. 23-01-05 APPOINTING USI INSURANCE SERVICES AS THE CITY OF HIBBING'S INSURANCE AGENT OF RECORD FOR THE PROPERTY/CASUALTY AND WORKERS COMPENSATION PROGRAMS.

Discussion: Mayor Hyduke asked Treasurer/Finance Director Mulner if she said it was \$600,000 the City was currently paying for workers compensation; Treasurer/Finance Director Mulner stated it is actually more than \$600,000 and they're expecting it to increase again in 2023.

Motion CARRIED

Approve the 1% annual increase to sewer rates per the Sewer Rate Study

Treasurer/Finance Director Mulner explained that this increase is in line with the study the City had done in 2021 by Baker Tilly; she is looking for Council approval for the rate increase that would be effective February 1, 2023.

Councilor Schweiberger, supported by Councilor Whitney, moved to approve the 1% annual increase to sewer rates per the Sewer Rate Study.

Motion CARRIED

Local Option Sales Tax Information

Offer RESOLUTION NO. 23-01-06 dedicating the Local Option Sales Tax to the Hibbing Regional Safety Building

City Administrator Greg Pruszinske stated that the Local Option Sales Tax was discussed previously at workshops and at the last City Council Meeting. City Administrator Pruszinske explained in detail the many steps involved in the process of implementing a Local Option Sales Tax. City Administrator Pruszinske stated that money brought in by the Local Option

Sales Tax would go to the Hibbing Public Safety Facility. City Administrator Pruszinske explained that the local taxpayers would be able to vote on the Local Option Sales Tax.

Councilor Bayliss, supported by Councilor Schweiberger, moved to offer RESOLUTION NO. 23-01-06 dedicating the Local Option Sales Tax to the Hibbing Regional Safety Building.

Discussion: Mayor Hyduke asked City Administrator Pruszinske if Council approval needs to get to the State by January 31st, correct; City Administrator Pruszinske stated yes. Mayor Hyduke asked City Administrator Pruszinske if the Council does move forward, when would it go to the voters; City Administrator Pruszinske stated his thought would be November 2023. Councilor Hoffman Saccoman stated that a lot of due diligence was done on this and at the end of the day the vote is in the hands of the taxpayer and she feels comfortable knowing that. Councilor Whitney stated that he agrees with Councilor Hoffman Saccoman, the vote would be in the hands of the taxpayers, and he is all for getting the ball rolling on this. City Administrator Pruszinske explained that the Local Option Sales Tax is for a specific project for a defined amount of time and once that project is fully funded the Local Option Sales Tax would go away; if the City wanted to use the Local Option Sales Tax for another project, they would have to go through the same process. City Administrator Pruszinske stated that just because the City is pursuing a Local Option Sales Tax does not mean they will not continue to pursue other funding options.

Motion CARRIED

City Administrator's Report

City Administrator Pruszinske explained that they have been talking to the local Hospital about various things, one of which being the proposed merger that is coming up. City Administrator Pruszinske stated they have drafted a letter of support for the merger which mayor Hyduke would sign.

Approve the Mayor to sign the letter of support for the Fairview Health System and Sandford Heath System merger.

Councilor Hoffman Saccoman, supported by Councilor Whitney, moved to approve the Mayor to sign the letter of support for the Fairview Health System and Sandford Heath System merger.

Discussion: Mayor Hyduke stated that the merger they are talking about is between Fairview Health System and Sandford Health System, for those who may not have been aware. Mayor Hyduke stated that they were in conversation with Fairview, and they asked for a letter of support from the City.

Motion CARRIED

BIDS AND QUOTES:

Approve the quote for (24) 2-yard dumpsters from Hartel's Disposal in the amount of \$19,080.00

City Engineer Story explained that this is a standard yearly order; it is a budgeted item, and they are under budget.

Councilor Schweiberger, supported by Councilor Bayliss, moved to the quote for (24) 2-yard dumpsters from Hartel's Disposal in the amount of \$19,080.00.

Motion CARRIED

Approve the quote for 8 Carbide Plus Grader Edges from H&L Mesabi in the amount of \$4,368.00

City Engineer Story stated that this is a budgeted purchase.

Councilor Bayliss, supported by Councilor Whitney, moved to approve the quote for 8 Carbide Plus Grader Edges from H&L Mesabi in the amount of \$4,368.00.

Motion CARRIED

Approve the quote for driveway/road culverts from L&L Rentals in the amount of \$54,476.10

City Engineer Story explained that this is to replenish stock for the upcoming construction season; it is a budgeted purchase, and they are under budget.

Councilor Hoffman Saccoman, supported by Councilor Schweiberger, moved to approve the quote for driveway/road culverts from L&L Rentals in the amount of \$54,476.10.

Discussion: Mayor Hyduke asked City Engineer Story if the City still uses galvanized or are some of them poly; City Engineer Story explained that they buy both culverts, the poly is getting really hard to come by, but they do use both types of culverts.

Motion CARRIED

Approve the quote for the purchase of (1) Toro UTX Utility Cart from Toro in the amount of \$21,389.07

City Services Director Arola explained that they're trying to turn over some of the older equipment and they're trying to get rid of having seasonal equipment and be able to use it year-round; this is a budgeted purchase.

Councilor Bayliss, supported by Councilor Hoffman Saccoman, moved to approve the quote for the purchase of (1) Toro UTX Utility Cart from Toro in the amount of \$21,389.07.

Motion CARRIED

Approve the quote for the purchase of (1) Bobcat UV34 Utility Cart from Bobcat of Duluth in the amount of \$17,520.00

City Services Director Arola explained that this cart is available in a month whereas everything from Toro is out a year; this is a budgeted purchase.

Councilor Schweiberger, supported by Councilor Whitney, moved to approve the quote for the purchase of (1) Bobcat UV34 Utility Cart from Bobcat of Duluth in the amount of \$17,520.00.

Discussion: Mayor Hyduke asked if the goal is to have this cart ready by spring; City Services Director Arola stated yes.

Motion CARRIED

Authorize the City Administrator to execute the agreement with Phil Kern for facilitator services in the amount of \$3,300

City Administrator Pruszinske explained this is to execute an agreement for facilitation services to conduct strategic planning and goal setting with the City Council and City Staff.

Councilor Hoffman Saccoman, supported by Councilor Bayliss, moved to authorize the City Administrator to execute the agreement with Phil Kern for facilitator services in the amount of \$3,300.

Motion CARRIED

Approve the Retail Sales Agreement covering all equipment with AVI Systems Inc. for February 1, 2023 through January 31, 2024 in the amount of \$10,875.12

City Clerk/Deputy Administrator Candie Seppala explained that all of the equipment that is purchased for the Council Chambers is under a maintenance agreement, this annual agreement would go from February 1, 2023 to January 31, 2024.

Councilor Schweiberger, supported by Councilor Whitney, moved to approve the Retail Sales Agreement covering all equipment with AVI Systems Inc. for February 1, 2023 through January 31, 2024 in the amount of \$10,875.12.

Discussion: Councilor Bayliss asked if this is a single vendor item, has it been looked into if there is anyone else that offers this; City Clerk/Deputy Administrator Seppala stated this is the company the City bought the equipment from, and they offer the maintenance plan.

Motion CARRIED

BOARDS AND COMMISSIONS:**LICENSES AND PERMITS:**

Councilor Bayliss, supported by Councilor Schweiberger, moved to approve the Temporary On-Sale Liquor License Application of Hibbing Chisholm Youth Hockey to have Palmer's dispense alcohol at the Hibbing Community College on January 21, 2023.

Motion CARRIED

Councilor Whitney, supported by Councilor Hoffman Saccoman, moved to approve the 2023 Massage Therapy License Renewal of Paula VanBaalen and Ohana Therapeutic Massage, 208 E Howard Street, Hibbing.

Motion CARRIED

Councilor Bayliss, supported by Councilor Schweiberger, moved to approve the 2023 Mechanical Amusement Device License Renewal of Walmart #2937 for 12 devices at 12080 Highway 169, Hibbing in the amount of \$195.

Motion CARRIED

Councilor Hoffman Saccoman, supported by Councilor Whitney, moved to approve the Raffle Permit Application Request of the Hibbing High School Trap Shooting Team to hold their raffle at the Hibbing Trap Club on Saturday, May 20, 2023.

Motion CARRIED

Councilor Schweiberger, supported by Councilor Bayliss, moved to approve the transfer of the On-Sale, Sunday, and 2 am Liquor Licenses from Mike's Pub (owner Mike Egan) to Mike's Pub (owner Brianna Clemons) 413 East Howard Street.

Motion CARRIED

Councilor Bayliss, supported by Councilor Hoffman Saccoman, moved to approve the transfer of the Off-Sale and Sunday Liquor Licenses from Chamernick Liquors (owner Peter Chamernick) to Chamernick Liquors (owner Nicholas Mackie) 602 East Howard Street.

Motion CARRIED

Councilor Whitney, supported by Councilor Schweiberger, moved to approve the Special Event Permit Application Request of Greg Perrella/Perrella & Associates to hold the Perrella Home Show at the Hibbing Memorial Building on Saturday, March 18, 2023.

Motion CARRIED

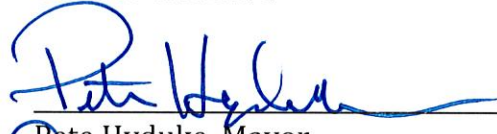
Councilor Hoffman Saccoman, supported by Councilor Bayliss, moved to approve the Raffle Permit Application Request of the Lincoln Parent Teacher Organization to hold their raffle on Friday, February 10, 2023 at the Lincoln Elementary School.

Motion CARRIED

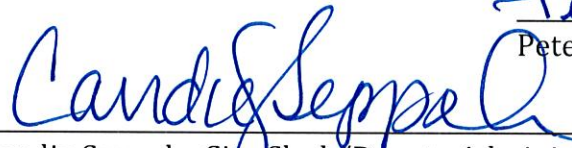
ADJOURNMENT: There being no further business, the meeting was adjourned at 5:42 p.m. by Councilor Schweiberger and supported by Councilor Bayliss.

Motion CARRIED

CITY OF HIBBING


Pete Hyduke, Mayor

ATTEST:


Candie Seppala, City Clerk/Deputy Administrator