



# City of Duluth

411 West First Street  
Duluth, Minnesota 55802

## Minutes - Final

### City Council

**MISSION STATEMENT:** *The mission of the Duluth City Council is to develop effective public policy rooted in citizen involvement that results in excellent municipal services and creates a thriving community prepared for the challenges of the future.*

**TOOLS OF CIVILITY:** *The Duluth City Council promotes the use and adherence of the tools of civility in conducting the business of the council. The tools of civility provide increased opportunities for civil discourse leading to positive resolutions for the issues that face our city. We know that when we have civility, we get civic engagement, and because we can't make each other civil and we can only work on ourselves, we state that today I will: pay attention, listen, be inclusive, not gossip, show respect, seek common ground, repair damaged relationships, use constructive language, and take responsibility. [Approved by the council on May 14, 2018]*

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Monday, January 22, 2018

7:00 PM

Council Chamber

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#### ROLL CALL

#### ROLL CALL

**Present:** 8 - Councilor Gary Anderson, Councilor Zack Filipovich, Councilor Jay Fosle, President Noah Hobbs, Councilor Barb Russ, Councilor Joel Sipress, Councilor Em Westerlund and Councilor Renee Van Nett

#### PLEDGE OF ALLEGIANCE

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#### APPROVAL OF MINUTES

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1. [18-027](#) January 8, 2018 - City of Duluth City Council Meeting Minutes

**Indexes:**

**Attachments:** [January 8, 2018 - City Council Meeting](#)

This Minutes was approved.

PUBLIC HEARING - MN INVESTMENT FUND LOAN - AWARD ON BEHALF OF VERSO CORPORATION

PUBLIC HEARING - MN INVESTMENT FUND LOAN - AWARD ON BEHALF OF VERSO CORPORATION

PUBLIC HEARING - MN INVESTMENT FUND - ALTEC INDUSTRIES, INC

PUBLIC HEARING - MN INVESTMENT FUND - ALTEC INDUSTRIES, INC

REPORTS FROM THE ADMINISTRATION

REPORTS FROM THE ADMINISTRATION

REPORTS FROM OTHER OFFICERS

REPORTS FROM OTHER OFFICERS

REPORTS OF BOARDS AND COMMISSIONS

REPORTS OF BOARDS AND COMMISSIONS

- 2. [18-026](#) Duluth Public Utilities Commission Resolution No. 18PUC-001:RESOLUTION ESTABLISHING NATURAL GAS RATES EFFECTIVE WITH METER READINGS AFTER FEBRUARY 28, 2018; AMENDING INTERRUPTIBLE TRANSPORTATION SERVICE VOLUMETRIC CHARGES; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES AS OF MARCH 1, 2018.

Indexes:

Attachments: [Resolution No: 18PUC-001](#)

[Memo Re: 18PUC-001](#)

**This Board or Commission Report was received.**

REPORTS OF COUNCIL COMMITTEES

REPORTS OF COUNCIL COMMITTEES

REPORTS OF COUNCIL OPEN ISSUES

REPORTS OF COUNCIL OPEN ISSUES

OPPORTUNITY FOR CITIZENS TO BE HEARD

OPPORTUNITY FOR CITIZENS TO BE HEARD

CONSENT AGENDA

CONSENT AGENDA

BY COUNCILOR FILIPOVICH (FINANCE)

BY COUNCILOR FILIPOVICH (FINANCE)

- 3. [18-0082R](#) RESOLUTION AUTHORIZING A FORGIVABLE LOAN WITH ALTEC INDUSTRIES, INC. IN THE AMOUNT OF \$550,000.

**Indexes:**

- Attachments:** [State MIF Loan Agreement Altec-FINAL](#)  
[Security Agreement Altec Phase 1-FINAL](#)  
[Security Agreement Altec Phase 2-FINAL](#)  
[Promissory Note Phase 1 Altec-FINAL](#)  
[Promisorty Note Phase 2 Altec-FINAL](#)

**This Resolution was approved unanimously.**

BY COUNCILOR FOSLE (PURCHASING & LICENSING)

BY COUNCILOR FOSLE (PURCHASING & LICENSING)

- 4. [18-0070R](#) RESOLUTION APPROVING THE EXEMPTION OF A RAFFLE LICENSE AND WAIVING THE 60 DAY WAITING PERIOD FOR THE DULUTH AMATEUR HOCKEY ASSOCIATION

**Indexes:**

- Attachments:** [HOCKEY-01102018140913](#)

**This Resolution was approved unanimously.**

- 5. [18-0075R](#) RESOLUTION AUTHORIZING AN ANNUAL CONTRACT FOR ORIGINAL EQUIPMENT MANUFACTURER (OEM) PARTS, SUPPLIES AND LABOR FOR 2018 FROM ZIEGLER, INC. FOR AN AMOUNT NOT TO EXCEED \$125,000.

This Resolution was approved unanimously.

- 6. [18-0084R](#) RESOLUTION AUTHORIZING THE PURCHASE OF A 2017 COMPLETE VACTOR UNIT FOR A TOTAL AMOUNT OF \$431,939.31.

This Resolution was approved unanimously.

- 7. [18-0088R](#) RESOLUTION AUTHORIZING RENEWAL OF AN ANNUAL CONTRACT WITH HOLIDAY STATIONSTORES FOR THE PURCHASE AND DELIVERY OF SERVICE STATION FUELS FOR 2018 FOR AN AMOUNT NOT TO EXCEED \$775,000.

This Resolution was approved unanimously.

- 8. [18-0093R](#) RESOLUTION APPROVING THE EXEMPTION OF A RAFFLE LICENSE AND WAIVING THE 60 DAY WAITING PERIOD FOR ANIMAL ALLIES.

This Resolution was approved unanimously.

- 9. [18-0094R](#) RESOLUTION APPROVING THE EXEMPTION OF A RAFFLE LICENSE AND WAIVING THE 60 DAY WAITING PERIOD FOR the ARROWHEAD FLY FISHERS.

This Resolution was approved unanimously.

BY COUNCILOR ANDERSON (PERSONNEL)

BY COUNCILOR ANDERSON (PERSONNEL)

- 10. [18-0066R](#) RESOLUTION CONFIRMING THE APPOINTMENT OF PAUL LAJEUNESSE TO THE PUBLIC ARTS COMMISSION.

Indexes:

Attachments: [Paul Lajeunesse](#)

**This Resolution was approved unanimously.**

- 11. [18-0083R](#) RESOLUTION AUTHORIZING AN AMENDMENT EXTENDING THE CITY OF DULUTH CHIEF ADMINISTRATIVE OFFICER 2016-2017 EMPLOYMENT CONTRACT.

**Indexes:**

**Attachments:** [Exhibit A](#)

**This Resolution was approved unanimously.**

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

- 12. [18-0078R](#) RESOLUTION APPROVING THE 2018 ANNUAL ACTION PLAN AND AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME PROGRAM (HOME), AND EMERGENCY SOLUTIONS GRANT PROGRAM (ESG) PROGRAM FUNDS.

**This Resolution was approved unanimously.**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, Councilor Fosle, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Abstain:** 1 - President Hobbs

- 13. [18-0079R](#) RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2018 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

**This Resolution was approved unanimously.**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, Councilor Fosle, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Abstain:** 1 - President Hobbs

- 14. [18-0080R](#) RESOLUTION AUTHORIZING A REQUEST FOR HUD HOME FUNDS FOR THE 2018 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

**This Resolution was approved unanimously.**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, Councilor Fosle, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Abstain:** 1 - President Hobbs

15. [18-0081R](#) RESOLUTION AUTHORIZING A REQUEST FOR HUD EMERGENCY SOLUTIONS GRANTS PROGRAM (ESG) FUNDING FOR THE 2018 PROGRAM YEAR, AUTHORIZING CONTRACTS, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

**This Resolution was approved unanimously.**

16. [18-0085R](#) RESOLUTION AUTHORIZING A TWO-YEAR, FIVE-MONTH LICENSE AGREEMENT WITH THE STATE OF MINNESOTA FOR THE NON-EXCLUSIVE USE OF ONE DESK SPACE AT CITY HALL.

**Indexes:**

**Attachments:** [EXHIBIT 1](#)

**This Resolution was approved unanimously.**

17. [18-0086R](#) RESOLUTION AUTHORIZING PROPER CITY OFFICIALS TO ACCEPT A DONATION OF REAL PROPERTY FROM DAVID E. RUBLE AND PATRICIA A. RUBLE-KELLEY IN THE EAST HILLSIDE NEIGHBORHOOD.

**Indexes:**

**Attachments:** [Exhibit 1](#)

[Exhibit 2](#)

**This Resolution was approved unanimously.**

18. [18-0087R](#) RESOLUTION AUTHORIZING THE CITY OF DULUTH TO APPLY FOR AND RECEIVE A MINNESOTA INVESTMENT FUND LOAN AWARD ON BEHALF OF VERSO CORPORATION AND TO CONDITIONALLY COMMIT \$242,000 IN ECONOMIC DEVELOPMENT FUNDS AS LOCAL MATCH.

**Indexes:**

**Attachments:** [Verso MIF Cover Letter](#)

This Resolution was approved unanimously.

19. [18-0089R](#) RESOLUTION AUTHORIZING AN AMENDMENT TO CONTRACT 22782 WITH PERKINS+WILL FOR PROFESSIONAL SERVICES FOR THE WESTERN PORT AREA PLAN FOR AN INCREASE OF \$4,000 AND A NEW CONTRACT TOTAL NOT TO EXCEED \$189,075.

Indexes:

Attachments: [Exhibit A](#)

This Resolution was approved unanimously.

20. [18-0090R](#) RESOLUTION AUTHORIZING APPLICATION FOR AND, IF AWARDED, ACCEPTANCE OF A 2018 WORKFORCE HOUSING GRANT FROM THE MINNESOTA HOUSING FINANCE AGENCY RELATED TO THE CITYVIEW FLATS LLC PROJECT

A motion was made that this Resolution be adopted The motion carried by the following vote:

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, President Hobbs, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Nay:** 1 - Councilor Fosle

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

21. [18-0053R](#) RESOLUTION AUTHORIZING AN AGREEMENT WITH ST. LOUIS COUNTY TO COMPLETE AN INTERSECTION CONTROL EVALUATION (ICE) STUDY FOR THE INTERSECTION OF JEAN DULUTH ROAD/SNIVELY ROAD (CSAH 57) AND GLENWOOD STREET (MSAS 162) LOCATED WITHIN THE CITY OF DULUTH.

Indexes:

Attachments: [18-0053R Exhibit A](#)  
[18-0053R Map](#)

This Resolution was approved unanimously.

22. [18-0054R](#) RESOLUTION OF INTENT FOR THE 2018 STREET PRESERVATION

PROJECT AND TO ASSESS A PORTION OF THE COSTS THEREOF.

**This Resolution was approved unanimously.**

23. [18-0060R](#) RESOLUTION AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF DULUTH AND THE MINNESOTA DEPARTMENT OF TRANSPORTATION FOR UTILITIES AND CONSTRUCTION TO BE PERFORMED UPON, ALONG AND ADJACENT TO TRUNK HIGHWAY 194 (MESABA AVENUE) WITHIN THE CORPORATE CITY LIMITS UNDER STATE PROJECTS 6933-95 AND 6933-97 AT AN ESTIMATED COST OF \$100,396.80.

**Indexes:**

**Attachments:** [18-0060 Exhibit A](#)  
[18-0060 Map](#)

**This Resolution was approved unanimously.**

24. [18-0063R](#) RESOLUTION AMENDING A CONTRACT WITH MP TECHNOLOGIES, LLC FOR CONSTRUCTION OF THE 2017 LARGE DIAMETER GAS MAIN INSTALLATION PROJECT TO INCREASE THE AMOUNT BY \$311,729.48 FOR A NEW TOTAL OF \$1,268,000.

**This Resolution was approved unanimously.**

25. [18-0064R](#) RESOLUTION ACCEPTING DEDICATION OF A UTILITY EASEMENT FROM LIFT BRIDGE PARTNERS, LLC.

**Indexes:**

**Attachments:** [18-0064R Exhibit 1](#)

**This Resolution was approved unanimously.**

26. [18-0071R](#) RESOLUTION AUTHORIZING AN AGREEMENT WITH LHB, INC. FOR PROFESSIONAL ENGINEERING SERVICES TO PROVIDE DESIGN AND INSPECTION SERVICES FOR NECESSARY REPAIRS AND IMPROVEMENTS AT THE DULUTH AERIAL LIFT BRIDGE IN AN AMOUNT NOT TO EXCEED \$217,744.

**Indexes:**



**Attachments:** [18-0071R Map](#)

This Resolution was approved unanimously.

BY COUNCILOR VAN NETT (PUBLIC SAFETY)

BY COUNCILOR VAN NETT (PUBLIC SAFETY)

27. [18-0061R](#) RESOLUTION AUTHORIZING PAYMENT TO ST. LOUIS COUNTY FOR SHARED ACCESS TO SHIELD MAINTENANCE SOFTWARE AND SERVICES ASSOCIATED WITH NEMESIS (NORTHEASTERN MINNESOTA ENFORCEMENT SAFETY INFORMATION SYSTEM) DURING 2018 FOR A TOTAL AMOUNT OF \$113,831.75.

This Resolution was approved unanimously.

28. [18-0065R](#) RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN AWARD FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE, FOREST SERVICE, IN THE AMOUNT OF \$1,750 FOR APPROVED EQUIPMENT REIMBURSEMENT.

**Indexes:**

**Attachments:** [Exhibit A](#)

This Resolution was approved unanimously.

BY COUNCILOR WESTERLUND (RECREATION, LIBRARIES & AUTHORITIES)

BY COUNCILOR WESTERLUND (RECREATION, LIBRARIES & AUTHORITIES)

29. [18-0044R](#) RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH CHRISTINE PENNEY FOR GRANT WRITING AND RESEARCH SERVICES FOR A TOTAL CONTRACT NOT TO EXCEED \$50,900.

**Indexes:**

**Attachments:** [Exhibit A\\_agreement](#)

This Resolution was approved unanimously.

30. [18-0062R](#) RESOLUTION AUTHORIZING APPLICATION TO THE GREATER MINNESOTA REGIONAL PARKS AND TRAILS COMMISSION TO

REQUEST REGIONAL DESIGNATION FOR SPIRIT MOUNTAIN RECREATION AREA.

Indexes:

Attachments: [exhibit A application draft](#)

**This Resolution was approved unanimously.**

END OF CONSENT AGENDA

END OF CONSENT AGENDA

BY COUNCILOR FILIPOVICH (FINANCE)

BY COUNCILOR FILIPOVICH (FINANCE)

31. [18-0058R](#) RESOLUTION APPROVING BUDGET AND COST SHARING FORMULA OF MINNEAPOLIS-DULUTH/SUPERIOR AND PASSENGER RAIL ALLIANCE AND AUTHORIZING PAYMENT OF CITY'S COST SHARE OF \$15,000.

Indexes:

Attachments: [Exhibit A](#)

**This Resolution was approved unanimously.**

BY COUNCILOR FOSLE (PURCHASING & LICENSING)

BY COUNCILOR FOSLE (PURCHASING & LICENSING)

32. [18-0069R](#) RESOLUTION ENCOURAGING THE PRIVATIZATION OF LESTER PARK AND ENGER PARK GOLF COURSES.

**This Resolution was returned to Administration.**

33. [18-0074R](#) RESOLUTION AUTHORIZING A CONTRACT WITH GARDNER BUILDERS, LLC, FOR CITY HALL INTERIOR RENOVATIONS FOR AN AMOUNT NOT TO EXCEED \$1,846,347.

**A motion was made that this Resolution be adopted The motion carried by the following vote:**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, President Hobbs, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Nay:** 1 - Councilor Fosle

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

- 34.**     [18-0068R](#)     RESOLUTION ORDERING THE IMPROVEMENT OF SUPERIOR STREET FROM APPROXIMATELY 350 FEET WEST OF SIXTH AVENUE WEST TO APPROXIMATELY 100 FEET EAST OF FOURTH AVENUE EAST.

**Indexes:**

- Attachments:**   [18-0068R Map](#)  
                          [18-0068R Properties List](#)  
                          [18-0068 Public Hearing Minutes](#)

**A motion was made that this Resolution be adopted The motion carried by the following vote:**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, President Hobbs, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Nay:** 1 - Councilor Fosle

- 35.**     [18-0076R](#)     RESOLUTION APPROVING DULUTH ENERGY SYSTEM THERMAL ENERGY HOT WATER RATE FOR EASTERN CANAL PARK.

**A motion was made that this Resolution be adopted The motion carried by the following vote:**

**Yea:** 8 - Councilor Anderson, Councilor Filipovich, President Hobbs, Councilor Russ, Councilor Sipress, Councilor Westerlund, Councilor Van Nett and Hansen

**Nay:** 1 - Councilor Fosle

ORDINANCES TABLED

ORDINANCES TABLED

BY COUNCILOR FILIPOVICH (FINANCE)

BY COUNCILOR FILIPOVICH (FINANCE)

36. [17-072-O](#) AN ORDINANCE AMENDING SECTION 41-29 OF THE DULUTH CITY CODE, TO AUTHORIZE ADDITIONAL PROCEDURES FOR DISPOSAL OF SURPLUS PROPERTY.

**This Ordinance was adopted.**

The following entitled ordinances are to be read for the first time:

The following entitled ordinances are to be read for the first time:

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

37. [18-001-O](#) ORDINANCE AMENDING CHAPTER 11 OF THE DULUTH CITY CODE TO RESTRICT THE SALE OF FLAVORED TOBACCO PRODUCTS TO ADULT ONLY SMOKE SHOPS.

**This Ordinance was read for the first time.**

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

BY COUNCILOR HOBBS (PUBLIC WORKS & UTILITIES)

38. [18-004-O](#) AN ORDINANCE AMENDING SECTION 47-20 OF THE DULUTH CITY CODE TO AUTHORIZE TAXI VEHICLE INSPECTION BY ANY NATIONAL INSTITUTE FOR AUTOMOTIVE SERVICE EXCELLENCE (ASE) -CERTIFIED MECHANIC.

**This Ordinance was read for the first time.**

39. [18-005-O](#) AN ORDINANCE ELIMINATING TERM LIMITS FOR PUBLIC UTILITY

COMMISSIONERS, AMENDING SECTION 2-184 OF THE DULUTH CITY CODE.

**This Ordinance was read for the first time.**

The following entitled ordinances are to be read for the second time:

The following entitled ordinances are to be read for the second time:

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

BY COUNCILOR RUSS (PLANNING & ECONOMIC DEVELOPMENT)

40. [18-002-O](#) AN ORDINANCE AUTHORIZING THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE LINCOLN PARK NEIGHBORHOOD TO ECOLIBRIUM3 FOR \$3,596.

**Indexes:**

**Attachments:** [EXHIBIT 1](#)

**This Ordinance was adopted.**

COUNCILOR QUESTIONS AND COMMENTS

COUNCILOR QUESTIONS AND COMMENTS

COUNCILOR PREVIEW OF UPCOMING BUSINESS

COUNCILOR PREVIEW OF UPCOMING BUSINESS