

# PROCEEDINGS OF THE DULUTH CITY COUNCIL FOR 2013

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## OFFICIAL PROCEEDINGS

Duluth City Council meeting held on Monday, January 28, 2013, 7:00 p.m. in the Council Chamber, City Hall, Duluth, Minnesota.

Roll call: Present: Councilors Fosle, Gardner, Hartman, Julsrud, Krug, Larson, Stauber and President Boyle -- 8

Absent: Councilor Krause -- 1

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## PRESENTATION OF PETITIONS AND OTHER COMMUNICATIONS

13-0128-02 Holiday Stationstores, by Harold A. Frederick, attorney, communication regarding proposed sign regulations (12-070-O(b)). -- Received

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## REPORTS FROM OTHER OFFICERS

13-0128-03 Clerk applications for exempt permits (raffles) to the Minnesota gambling control board from: (a) Essentia Health Foundation on April 12, 2013; (b) Minnesota Quilters, Inc., on June 15, 2013. -- Received

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## REPORTS OF BOARDS AND COMMISSIONS

13-0128-04 Duluth public utilities commission minutes of December 18, 2012, meeting. -- Received

13-0128-05 Entertainment and convention center authority minutes of: (a) June 26; (b) July 31; (c) August 28; (d) September 25; (e) October 30; (f) November 20, 2012, meetings. -- Received

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## OPPORTUNITY FOR CITIZENS TO BE HEARD

Bob Sherman, member of the Duluth Rotary, and TJ Lind, representing the Minnesota and Proctor DECA (Delta Epsilon Chi and Distributive Education Clubs of America) informed the city council about an event being held at the University of Minnesota-Duluth (UMD) on February 9. Mr. Lind noted that the event is a joint effort between UMD and the Proctor DECA to raise funds for clean water in Ethiopia. They noted that their project is called "Make Your Mark" and they will be trying to break the Guinness world record of having 9,000 individuals make snow angles.

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Sister Edith Bogue highlighted in detail the service additions to the library due to the referendum passed by Duluth voters.

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Loren Martell felt that school board member Art Johnston is the only one bringing out the true facts about the red plan.

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Dan D'Allaird noted the good works that have happened due to the passage of the parks referendum, which also allowed money to go to libraries to restore their full hours and function. He reviewed the services and improvements to many of the city parks.

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Shawna MullenEardley stressed the unintended consequences of plastic bags and noted the upcoming showing of the film "Bag It" at Teatro Zuccone.

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**MOTIONS AND RESOLUTIONS**

**CONSENT AGENDA**

(All matters listed under the consent agenda were considered routine and/or non-controversial and were enacted by one unanimous motion.)

Councilor Hartman moved passage of the consent agenda, which motion was seconded and unanimously carried.

RESOLVED, that the proper city officials are hereby authorized to enter into a potential five-year agreement with Essentia Health, said agreement to be substantially in the form of Public Document No. 13-0128-06 on file in the office of the city clerk, to administer a variety of confidential occupational medical tests and services related to city employment for an annual amount not to exceed \$52,000 in each contract year of 2013, 2014, 2015, 2016 and 2017, a total contract amount not to exceed \$260,000; with \$52,000 for year 2013 to be paid from General Fund 110, Department/Agency 700 (transfers and other functions), Division 1431 (benefits administration/citywide human resources), Object 5310 (contract services).

Resolution 13-0021 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officials are authorized to renew the third and final year of a three-year contract with Duluth Ready Mix, Inc., for the purchase and delivery of Class 5 gravel, 3/4-inch crushed washed rock, rip rap, and bedding sand for public works and utilities in year 2013 for \$142,000 plus \$9,762.50 sales tax for a total estimated amount of \$151,762.50, terms net 30, FOB destination, payable as follows:

- \$65,455.59      Water Fund 510, Department/Agency 500 (public works and utilities), Division 1945 (utility operations), Object 5224 (gravel and other maintenance materials);
- \$14,759.44      Gas Fund 520, Department/Agency 500 (public works and utilities), Division 1945 (utility operations), Object 5224 (gravel and other maintenance materials);
- \$45,026.44      Sewer Fund 530, Department/Agency 500 (public works and utilities), Division 1945 (utility operations), Object 5224 (gravel and other maintenance materials); and
- \$26,521.03      Stormwater Fund 535, Department/Agency 500 (public works and utilities), Division 1945 (utility operations), Object 5224 (gravel and other maintenance materials).

Resolution 13-0041 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officials are authorized to contract with Pomp's Tire Service, Inc., for the purchase and delivery of vehicle and equipment tires and repair services as requested by the city's fleet services division in year 2013 in accordance with Minnesota State Contract 43185, Release T-740 (5) specifications and pricing for an estimated total amount of \$58,000, payable as follows:

(a) \$52,000, from Fleet Services Fund 660, Department/Agency 015 (public administration), Object 5221 (equipment repair supplies);

(b) \$6,000, from Fleet Services Fund 660, Department/Agency 015 (public administration), Object 5404 (equipment/machinery repair and maintenance).

Resolution 13-0045 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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BE IT RESOLVED, that the Duluth City Council approves of the Minnesota gambling control board issuing a premise permit to the following organization.

RESOLVED FURTHER, that the city clerk is hereby authorized and directed to send a copy of this resolution to the Minnesota gambling control board immediately after its passage.

Licensee	Gambling site
Duluth Softball Players Association	Alpine Bar, 1308 Commonwealth Avenue

Resolution 13-0053 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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BE IT RESOLVED, that the Duluth City Council hereby approves of the Minnesota gambling control board issuing a lawful gambling exemption to Holy Family Catholic Church and does hereby waive the 60 day waiting period which it has to object to the issuance of said exemption.

RESOLVED FURTHER, that the city clerk is hereby authorized and directed to send a copy of this resolution to the Minnesota gambling control board immediately after its passage.

Resolution 13-0054 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officials are hereby authorized to execute documents necessary to extend the third addendum to the administrative services agreement with RTW, Inc., said addendum which is on file in the office of the city clerk as Public Document No. 12-0130-05, for third-party administration of the city's self-funded workers' compensation program for one additional year, effective February 1, 2013, through February 1, 2014, and authorizing payment to RTW, Inc., in an amount not to exceed \$53,300 for said year; payable from Fund 605, Agency 036, Organization 1651, Object 5441 (self-insurance-workers' compensation, insurance accounts, insurance – general city).

Resolution 13-0059 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proposed amendments to the specifications for the civil service classification of utility radio dispatcher, including a title change to utility services dispatcher, which were approved by the civil service board on January 16, 2013, and which are filed with the city clerk as Public Document No. 13-0128-07, are approved. This classification shall be subject to the city's collective bargaining agreement with its basic unit employees; and that pay range for said classification shall be Range 26. The proper city officials are authorized to execute and implement an agreement with the union to provide for employing one or more unit members consistent with this resolution.

Resolution 13-0030 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proposed amendments to the specifications for the civil service classification of administrative information specialist, which were approved by the civil service board on January 16, 2013, and which are filed with the city clerk as Public Document No. 13-0128-08, are approved. This classification shall remain subject to the city's collective bargaining agreement with its basic unit employees and compensated at Pay Range 129.

Resolution 13-0034 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proposed amendments to the specifications for the civil service classification of information technician, which were approved by the civil service board on January 16, 2013, and which are filed with the city clerk as Public Document No. 13-0128-09, are approved. This classification shall remain subject to the city's collective bargaining agreement with its basic unit employees and compensated at Pay Range 126.

Resolution 13-0035 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proposed amendments to the specifications for the civil service classification of clerical support technician, which were approved by the civil service board on January 16, 2013, and which are filed with the city clerk as Public Document No. 13-0128-10, are approved. This classification shall remain subject to the city's collective bargaining agreement with its basic unit employees and compensated at Pay Range 121.

Resolution 13-0036 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the city council objects to the sale of the following tax forfeited parcel by the board of county commissioners of Saint Louis County. The land use supervisor is authorized to submit the necessary paperwork to request that the parcel be retained through free conveyance for an authorized public use as identified below:

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Parcel ID	Location	Reason
010-0280-00940	Adjacent to East Superior Street	State Statute 282.01, Subd. 1a.(e)  Public service facilities such as fire halls, police stations, lift stations, water towers, sanitation facilities, water treatment facilities, and administrative offices

Resolution 13-0050 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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WHEREAS, the Duluth City Council approved a three-year contract with Venture Fuels for the purchase and delivery of coal to the Duluth steam plant with passage of Resolution 10-0495 on September 27, 2010; and

WHEREAS, the city has since issued payments to Venture Fuels in the amount of \$2,672,664.94 from November 2010 through October 2011, and \$2,584,362.53 from November 2011 through October 2012; and

WHEREAS, the city now requires an increase to fully cover the November 2012 through October 2013 season due to price adjustments as provided in Contract C21251 and increased fuel consumption.

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to implement an increase of \$250,000 to Contract C21251 with Venture Fuels for the purchase and delivery of coal, for a new estimated contract total of \$7,890,640; said increase of \$250,000 to be paid from Steam Fund 540, Department/Agency 920 (steam department), Organization 1490 (steam production), Object 5387 (coal).

Resolution 13-0040 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that pursuant to Section 61 of the City Charter, the city council hereby expresses its intent to cause the construction of a sanitary sewer in Lawn Street beginning at North Boundary Avenue and extending 250 feet easterly, and hereby requests that the mayor prepare or cause to have prepared plans, specifications and estimates therefor, and file such plans and estimates with the special assessment board, together with a recommendation as to what portion of the cost should be paid by special assessment, the number of installments in which assessments may be paid, and the properties which should include the special assessment:

9221 Lawn Street

9229 Lawn Street

9231 Lawn Street

Resolution 13-0042 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that pursuant to Section 61 of the City Charter, the city council hereby expresses its intent to cause the following portions of the streets named below to be improved as part of the city's 2013 street preservation project, and hereby requests that the mayor

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prepare or cause to have prepared plans, specifications and estimates therefor, and file such plans and estimates with the special assessment board, together with a recommendation as to what portion of the costs should be paid by special assessment and what portion of the costs should be a general obligation of the city, the number of installments in which assessments may be paid, and the lands which should be included in the special assessment:

Carver Avenue from St. Marie Street to Arrowhead Road;

Skyline Parkway/West Seventh Street from Observation Road to Mesaba Avenue.

Resolution 13-0047 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officers are hereby authorized to enter into a lease agreement, a copy of which is on file in the office of the city clerk as Public Document No. 13-0128-11, with the Northwoods League, Inc., for use of Wade Stadium by said league for professional baseball through 2015, the payments provided will be deposited in the Special Leagues Fund 210-030-3190-4625-04 (special projects, finance, special league, rent of athletic fields baseball field).

Resolution 13-0048 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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The following resolutions were also considered:

Resolution 13-0060, approving budget and cost sharing formula of Minneapolis-Duluth/Superior passenger rail alliance and authorizing payment of city's cost share of \$12,500, was introduced by Councilor Hartman.

Councilor Hartman moved that the resolution be removed from the agenda to be added at a future meeting, which motion was seconded and unanimously carried.

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Resolution 13-0061, by Councilor Hartman, requesting city administration provide information comparing city operations to the operations of Bloomington, Rochester, St. Cloud, Minneapolis and St. Paul, was introduced for discussion.

Councilor Fosle expressed concerns that this information can already be secured through the Internet by councilors and opposed this resolution.

Resolution 13-0061 was adopted as follows:

BY COUNCILOR HARTMAN:

WHEREAS, the city council approves the budget of the city of Duluth; and

WHEREAS, the council has the duty and responsibility to make a well informed decision when approving proposed city budgets; and

WHEREAS, comparing operational statistics from similar Minnesota communities would be useful for budgetary discussions and considerations; and

WHEREAS, the council seeks to compare city department staffing levels and verify that taxpayers are receiving an adequately staffed and efficient government.

THEREFORE, BE IT RESOLVED, that the city council hereby requests that city administration provide the council with operational comparison statistics for the Minnesota

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cities of Bloomington, Rochester, St. Cloud, Minneapolis, and St. Paul to include the following data (in real data and in per capita terms based on the size of each city's population):

- (a) General fund expense and revenue comparisons;
- (b) Staffing levels and overall expense for departments such as police, fire, legal, parks, etc.;
- (c) Overall system of taxation and tax base comparisons;
- (d) Mean income of population;
- (e) Number of square miles contained in each municipality.

FURTHER RESOLVED, that the council requests that the data be provided by July of 2013.

Resolution 13-0061 was adopted upon the following vote:

Yeas: Councilors Gardner, Hartman, Julsrud, Krug, Larson, Stauber and President Boyle -- 7

Nays: Councilor Fosle -- 1

Absent: Councilor Krause -- 1

Approved January 28, 2013

DON NESS, Mayor

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Resolution 13-0039, authorizing a contract with Ziegler, Inc., for the purchase and delivery of a Caterpillar 930H articulating wheel loader in the amount of \$101,501.75, was introduced by Councilor Krug.

Councilor Fosle reviewed the mileage, hours and maintenance costs on the equipment being replaced and felt that it does not need to be replaced at this time.

Resolution 13-0039 was adopted as follows:

RESOLVED, that the proper city officials are authorized to contract with Ziegler, Inc., for the purchase and delivery of a 930H articulating wheel loader for public works and utilities in accordance with Minnesota State Contract 538885, Release L-331(5) specifications and pricing in the amount of \$91,080 plus \$6,261.75 sales plus \$4,160 tax-exempt extended warranty, for a combined total of \$101,501.75, terms net 30, FOB destination, payable from:

\$40,600.70 - Water Fund 510, Department/Agency 500 (public works and utilities), Organization 1905 (capital), Object 5580 (capital equipment);

\$20,300.35 - Gas Fund 520, Department/Agency 500 (public works and utilities), Organization 1905 (capital), Object 5580 (capital equipment);

\$20,300.35 - Sewer Fund 530, Department/Agency 500 (public works and utilities), Organization 1905 (capital), Object 5580 (capital equipment); and

\$30,300.35 - Stormwater Fund 535, Department/Agency 500 (public works and utilities), Organization 1905 (capital), Object 5580 (capital equipment).

Resolution 13-0039 was adopted upon the following vote:

Yeas: Councilors Gardner, Hartman, Julsrud, Krug, Larson and President Boyle -- 6

Nays: Councilors Fosle and Stauber -- 2

Absent: Councilor Krause -- 1

Approved January 28, 2013

DON NESS, Mayor

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At this time, Councilor Fosle left his seat.

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## PROCEEDINGS OF THE DULUTH CITY COUNCIL FOR 2013

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Resolution 13-0046, authorizing a renewal of a software maintenance agreement for a period of five years with New World Systems Corporation for an annual amount not to exceed \$169,925.79 in 2013, and increasing by five percent annually thereafter until 2017, was introduced by Councilor Krug.

Councilor Stauber opposed the resolution because of his concerns about financial transfers from the utilities to the general fund for MIS services and now this additional charge.

Resolution 13-0046 was adopted as follows:

RESOLVED, that city officials are hereby authorized to enter into a renewal of a software maintenance agreement for a period of five years with New World Systems Corporation, said agreement to be substantially in the form of Public Document No. 13-0128-12 on file in the office of the city clerk, for an annual amount not to exceed \$169,925.79 in year 2013, \$178,422.03 in year 2014, \$187,343.03 in year 2015, \$196,710.08 in year 2016, and \$206,545.48 in year 2017 with a total contract amount not to exceed \$938,946.41; said annual amount of \$169,925.79 (including sales tax) in year 2013 to be paid from the following accounts:

\$123,205.50 - General Fund 110, Department/Agency 125 (finance), Division 1214 (auditor), Object 5309 (technology services);

\$12,147.28 - Water Fund 510, Department/Agency 500 (public works and utilities), Division 1915 (utility general expense), Object 5201 (computer supplies/software);

\$18,220.91 - Gas Fund 520, Department/Agency 500 (public works and utilities), Division 1915 (utility general expense), Object 5201 (computer supplies/software);

\$10,745.67 - Sewer Fund 530, Department/Agency 500 (public works and utilities), Division 1915 (utility general expense), Object 5201 (computer supplies/software);  
and

\$5,606.43 - Stormwater 535, Department/Agency 500 (public works and utilities), Division 1915 (utility general expense), Object 5201 (computer supplies/software).

Resolution 13-0046 was adopted upon the following vote:

Yeas: Councilors Gardner, Hartman, Julsrud, Krug, Larson, and President Boyle -- 6

Nays: Councilor Stauber -- 1

Absent: Councilors Fosle and Krause -- 2

Approved January 28, 2013

DON NESS, Mayor

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At this time, Councilor Fosle returned to his seat.

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Resolution 13-0057, approving proposed specifications for the civil service classification of property and facilities manager and specifying contract benefits for same, was introduced by Councilor Gardner.

Councilors Gardner and Stauber expressed concerns and discussed at length about seeing where this position fits into an organizational chart and where positions are being eliminated.

Councilor Fosle suggested having a real estate company perform these services.

Resolution 13-0057 was adopted as follows:

RESOLVED, that the proposed specifications for the new civil service classification of property and facilities manager, which were approved by the civil service board on January 16, 2013, and which are filed with the city clerk as Public Document No. 13-0128-01, are approved; that said classification shall be subject to the city's collective bargaining agreement

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with its supervisory unit employees; and that pay range for said classification shall be Range 1115-1130. The proper city officials are authorized to execute and implement an agreement with the union to provide for employing one or more unit members consistent with this resolution.

Resolution 13-0057 was adopted upon the following vote:

Yeas: Councilors Gardner, Hartman, Krug, Larson, Stauber and President Boyle -- 6

Nays: Councilors Fosle and Julsrud -- 2

Absent: Councilor Krause -- 1

Approved January 28, 2013

DON NESS, Mayor

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Resolution 13-0044, amending the comprehensive plan - future land use map from North Eighth Avenue East to North Ninth Avenue between East First Street to East First Street Alley (city of Duluth), was introduced by Councilor Stauber for discussion.

Councilor Stauber moved to table the resolution, which motion was seconded and carried as follows:

Yeas: Councilors Fosle, Hartman, Julsrud, Larson, Stauber and President Boyle -- 6

Nays: Councilors Gardner and Krug -- 2

Absent: Councilor Krause -- 1

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Resolution 13-0062, by President Boyle, appointing \_\_\_\_\_ to the Duluth public utilities commission, replacing Patrick Boyle, was introduced for discussion.

President Boyle moved to amend the resolution by inserting the name of "Sharla Gardner," which motion was seconded and unanimously carried.

Resolution 13-0062, as amended, was adopted as follows:

BY PRESIDENT BOYLE:

RESOLVED, that the city council hereby appoints Sharla Gardner (city councilor) to the Duluth public utilities commission for a term expiring on March 31, 2014, replacing Patrick Boyle.

Resolution 13-0062, as amended, was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the city of Duluth ("city") act as the legal sponsor for the safe routes to school project as contained in the 2012 infrastructure grant application to be submitted prior to February 15, 2013, and that the mayor and clerk are hereby authorized to apply to the Minnesota department of transportation, federal highway administration for a grant not to exceed \$300,000 for funding of this project.

FURTHER RESOLVED, that the city has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to ensure adequate project administration.

FURTHER RESOLVED, that the city hereby commits to provide funds in excess of the approved amount in the application. No match contribution is required.

FURTHER RESOLVED, that upon approval of its application by the state, the mayor and clerk may enter into a grant agreement with the state of Minnesota for the above referenced project and receive said grant payable into Permanent Improvement Fund 411,

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Department 035 (capital project accounts), Object 5530 (improvements other than buildings), and that the city certifies that it will comply with all applicable laws and regulations.

FURTHER RESOLVED, that the mayor and clerk are hereby authorized to execute such documents as are necessary to implement the project on behalf of the city.

Resolution 13-0049 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officials are hereby authorized to accept the donation of unconditional monetary gifts from the Friends of the Duluth Public Library during 2013 and 2014 for the use by the Duluth public library, said gifts to be deposited in library special gifts, Friends of Library Fund 240-300-SG50-4660.

FURTHER RESOLVED, that the city hereby thanks the Friends of the Duluth Public Library for their generous gifts and continued support.

Resolution 13-0051 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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RESOLVED, that the proper city officials are hereby authorized to accept the donation of unconditional monetary gifts from the Duluth Library Foundation during 2013 and 2014 for use by the Duluth public library, said gifts to be deposited in library special gifts, Miscellaneous Fund 240-300-SG80-4660.

FURTHER RESOLVED, that the city hereby thanks the Duluth Library Foundation for their generous gifts and continued support.

Resolution 13-0052 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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Resolution 13-0055, authorizing an agreement between the city of Duluth and Duluth Community Garden Program for implementation of an impact service initiative, Let's Grow Lincoln Park, was introduced by Councilor Larson for discussion.

Councilor Larson moved to suspend the rules to hear a speaker on the resolution, which motion was seconded and unanimously carried.

Janet Gibbs commented on how grateful their organization is to partner with the city to bring neighbors together.

Resolution 13-0055 was adopted as follows:

RESOLVED, that the proper city officials are authorized to enter into an agreement with Duluth Community Garden Program for the purpose of implementation of the Let's Grow Lincoln Park Initiative. Duluth Community Garden Program was approved to facilitate the Lincoln Park program by Cities of Service. Fund for Cities of Service, Inc. awarded a \$25,000 grant to the city of Duluth for the purpose of increasing residents' access to affordable fresh and healthy food by developing community gardens. The Lincoln Park neighborhood was selected because the park/neighborhood is considered a food desert. Funds are to be paid from fund 205-130-1220-4270 (parks fund, community resources, parks capital, other grants).

Resolution 13-0055 was unanimously adopted.

Approved January 28, 2013

DON NESS, Mayor

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**INTRODUCTION AND CONSIDERATION OF ORDINANCES**

**TABLED ORDINANCE**

INTRODUCED BY COUNCILOR STAUBER

12-070(b) - AN ORDINANCE CREATING SECTIONS 50-27, 50-38.6, 50-38.7, AND 50-41 OF THE DULUTH CITY CODE, 1959, AS AMENDED, REGARDING SIGN REGULATIONS, NONCONFORMING SIGNS AND DEFINITIONS.

Councilor Stauber moved to remove the ordinance from the table, which motion was seconded and unanimously carried.

Councilor Stauber moved to return the ordinance to the administration, which motion was seconded and unanimously carried.

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The following entitled ordinances were read for the first time:

INTRODUCED BY COUNCILOR STAUBER

13-004 - AN ORDINANCE AUTHORIZING DEDICATION OF A STREET AND UTILITY EASEMENT OVER CERTAIN CITY PROPERTY IN THE CANAL PARK AREA TO THE GENERAL PUBLIC.

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INTRODUCED BY COUNCILOR STAUBER

13-005 - AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF DULUTH TO PROVIDE FOR THE RECLASSIFICATION FROM MIXED USE-NEIGHBORHOOD (MU-N) AND RESIDENTIAL-URBAN (R-2) TO MIXED USE-INSTITUTIONAL (MU-I), PROPERTIES LOCATED BETWEEN NORTH NINTH AVENUE EAST AND NORTH 12TH AVENUE EAST AND BETWEEN EAST SUPERIOR STREET AND EAST THIRD STREET (ST. LUKE'S MEDICAL CAMPUS AREA).

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The following entitled ordinances were read for the second time:

INTRODUCED BY COUNCILOR KRUG

13-001 (10197) - AN ORDINANCE AMENDING THE CHARITABLE GAMBLING REQUIREMENTS AT ESTABLISHED LICENSED FOR ALCOHOL SALES.

Councilor Krug moved passage of the ordinance and the same was adopted upon a unanimous vote.

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INTRODUCED BY COUNCILOR STAUBER

13-002 (10198) - AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PROPERTY IN CANAL PARK TO OLD CITY HALL, LLC FOR \$300,000.

Councilor Larson stated that she would be abstaining from voting due to her husband's professional services involvement.

Councilor Stauber moved passage of the ordinance and the same was adopted upon the following vote:

Yeas: Councilors Fosle, Gardner, Hartman, Julsrud, Krug, Stauber and President Boyle -- 7

Nays: None -- 0

Abstention: Councilor Larson -- 1

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Absent: Councilor Krause -- 1

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INTRODUCED BY COUNCILOR STAUBER

13-003 (10199) - AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PROPERTY ON PARK POINT TO ROBERT A. AND LAURA A. GOEWY FOR \$235,000.

Councilor Stauber moved to suspend the rules to hear a speaker on the ordinance, which motion was seconded and unanimously carried.

Penny Clark urged support of the sale of the property to the winning bidders as they will be adapting the historical building into a living space instead of tearing it down.

Councilor Stauber moved passage of the ordinance and the same was adopted upon a unanimous vote.

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The meeting was adjourned at 8:20 p.m.

JEFFREY J. COX, City Clerk

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**ORDINANCE NO. 10197**

AN ORDINANCE AMENDING THE CHARITABLE GAMBLING REQUIREMENTS AT ESTABLISHMENTS LICENSED FOR ALCOHOL SALES.

The city of Duluth does ordain:

Section 1. That Section 8-24 of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec. 8-24. Gambling devices, prostitution, etc., prohibited.

(a) Except as provided below, no licensee shall keep, possess, operate or permit the keeping, possession or operation of any roulette wheel, football boards or other sports score betting boards, slot machine, dice or other gambling device or apparatus designed to facilitate betting on the premises or in any room adjoining the licensed premises controlled by him, permit any gambling therein, or permit the licensed premises or any room in the same or in any adjoining building, directly or indirectly under his control, to be used as a resort for prostitutes or other disorderly persons;

(b) A charitable organization licensed by the state of Minnesota to conduct lawful gambling may conduct such gambling on premises for which an intoxicating or 3.2 malt liquor license has been issued. The operation of lawful gambling in establishments licensed to sell alcoholic beverages shall be subject to the regulations set forth herein and no licensee or other person shall violate any of said regulations. In addition to criminal penalties, the city council shall disapprove of the issuance of any lawful gambling premises permit by the Minnesota gambling control board if the issuance would violate these regulations. The regulations are as follows:

(1) Only one organization may operate lawful gambling on each premises licensed to sell alcoholic beverages. This limitation shall not apply to the Duluth Entertainment Convention Center;

(2) No licensee of a liquor establishment licensed pursuant to this Chapter shall accept lease payments in excess of any lawful limit;

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(c) Minnesota state lottery tickets authorized by Minnesota Statutes, Chapter 349A, may be sold on premises licensed to sell alcoholic beverages;

(d) Gambling equipment may be kept or operated and raffles conducted on licensed premises and adjoining rooms when the use of the gambling equipment is authorized by:

(1) A tribal ordinance in conformity with the Indian Gaming Regulatory Act, Public Law Number 100-497; or

(2) A tribal-state compact authorized under Minnesota Statutes, Section 3.9221.

Section 2. That this ordinance shall take effect 30 days after its passage and publication. (Effective date: March 1, 2013)

Councilor Krug moved passage of the ordinance and the same was adopted upon the following vote:

Yeas: Councilors Fosle, Gardner, Hartman, Julsrud, Krug, Larson, Stauber and President Boyle -- 8

Nays: None -- 0

Absent: Councilor Krause -- 1

Passed January 28, 2013  
Approved January 28, 2013  
DON NESS, Mayor

ATTEST:  
JEFFREY J. COX, City Clerk

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**ORDINANCE NO. 10198**

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PROPERTY IN CANAL PARK TO OLD CITY HALL, LLC FOR \$300,000.

The city of Duluth does ordain:

Section 1. That pursuant to Section 2-176 of the Duluth City Code, 1959, as amended (the Code), the city council finds that:

(a) The manager of the city's physical planning division has reviewed this proposed conveyance and found conveyance thereof to be in conformity with the city's comprehensive land use plan;

(b) The city assessor has provided an estimate of the market value of the property in the amount of \$200,000;

(c) The property described in Section 2 below is hereby determined to be surplus to the city's future needs and is therefore appropriate for sale.

Section 2. That as provided for in Section 2-177.2 of the Code, the property described in Section 3 below was advertised in the Duluth News Tribune during the 30 days prior to being offered at public auction on October 5, 2012, at which auction Old City Hall, LLC, bid \$300,000 for the property which was the highest bid.

Section 3. That the proper city officials are hereby authorized to sell and convey the following described property in St. Louis County, Minnesota, by quit claim deed, to Old City Hall, LLC, a Minnesota limited liability company, for the amount of \$300,000 to be deposited into Fund 110 (general), Agency 700 (transfers and other functions), Organization 1420 (capital programs), Object 4640 (sale of land), and further to execute all documents necessary with regard to said conveyance:

**PROCEEDINGS OF THE DULUTH CITY COUNCIL FOR 2013**

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That part of Lots 30 and 31, Block 1, INDUSTRIAL DIVISION OF DULUTH, according the recorded plat thereof, St. Louis County, Minnesota, described as follows:

Commencing at the Southwest corner of said Lot 30; thence on an assumed bearing of North 15 degrees 55 minutes 39 seconds West, along the Southwest line of said Block 1, a distance of 25.63 feet; thence North 15 degrees 55 minutes 39 seconds West, along said Southwest line of Block 1, a distance of 50.00 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 42.65 feet to the point of beginning of the property to be described; thence North 75 degrees 01 minutes 17 seconds East, a distance of 85.07 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 8.47 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 10.71 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 13.88 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 11.52 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 27.65 feet; thence South 75 degrees 01 minutes 43 seconds West, a distance of 130.11 feet; thence North 10 degrees 58 minutes 48 seconds West, a distance of 24.77 feet; thence North 24 degrees 50 minutes 11 seconds East a distance of 32.92 feet to the point of beginning and there terminating.

Section 4. That this ordinance shall be null and void if the closing of closing of this transaction does not take place on or before April 1, 2013.

Section 5. That this ordinance shall take effect 30 days after its passage and publication. (Effective date: March 1, 2013)

Councilor Stauber moved passage of the ordinance and the same was adopted upon the following vote:

Yeas: Councilors Fosle, Gardner, Hartman, Julsrud, Krug, Stauber and President Boyle -- 7

Nays: None -- 0

Abstention: Councilor Larson -- 1

Absent: Councilor Krause -- 1

ATTEST:  
JEFFREY J. COX, City Clerk

Passed January 28, 2013  
Approved January 28, 2013  
DON NESS, Mayor

- - -

**ORDINANCE NO. 10199**

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PROPERTY ON PARK POINT TO ROBERT A. AND LAURA A. GOEWY FOR \$235,000.

The city of Duluth does ordain:

Section 1. That pursuant to Section 2-176 of the Duluth City Code, 1959, as amended (the Code), the city council finds that:

(a) The manager of the city's physical planning division has reviewed this proposed conveyance and found conveyance thereof to be in conformity with the city's comprehensive land use plan;

(b) The city assessor has provided an estimate of the market value of the property in the amount of \$175,000;

(c) The property described in Section 2 below is hereby determined to be surplus to the city's future needs and is therefore appropriate for sale.

**PROCEEDINGS OF THE DULUTH CITY COUNCIL FOR 2013**

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Section 2. That as provided for in Section 2-177.2 of the Code, the property described in Section 3 below was advertised in the Duluth News Tribune during the 30 days prior to being offered at public auction on December 14, 2012, at which auction Robert A and Laura A. Goewey bid \$235,000 for the property which was the highest bid.

Section 3. That the proper city officials are hereby authorized to sell and convey the following described property in St. Louis County, Minnesota, by quit claim deed, to Robert A. and Laura A. Goewey, husband and wife, as joint tenants, for the amount of \$235,000 to be deposited into Fund 110 (general), Agency 700 (transfers and other functions), Organization 1420 (capital programs), Object 4640 (sale of land), and further to execute all documents necessary with regard to said conveyance:

Lots 59 and 60, Lake Avenue, LOWER DULUTH.

Section 4. That this ordinance shall take effect 30 days after its passage and publication. (Effective date: March 1, 2013)

Councilor Stauber moved passage of the ordinance and the same was adopted upon the following vote:

Yeas: Councilors Fosle, Gardner, Hartman, Julsrud, Krug, Larson, Stauber and President Boyle -- 8

Nays: None -- 0

Absent: Councilor Krause -- 1

ATTEST:  
JEFFREY J. COX, City Clerk

Passed January 28, 2013  
Approved January 28, 2013  
DON NESS, Mayor

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