

MINUTES
Eveleth City Council Meeting
6:00 p.m., August 4, 2009
Council Chambers, City Hall, Eveleth, MN

A. CALL TO ORDER

Mayor Matos called the meeting to order at 6:00 p.m.

B. ROLL CALL

Councilor Kuoppala, Present
Councilor Kallevig, Present
Councilor Koivunen, Present
Councilor Hoag, Present
Mayor Matos, Present

Also present: Deputy Clerk Stephanie Friebe; City Attorney Mitch Brunfelt; Director of Public Works Mike Wiskow; Chief of Police Brian Lillis; Benchmark Engineering, Eric Fallstrom.

C. APPROVAL OF MINUTES

Motion by Councilor Kallevig, second by Councilor Koivunen to approve Minutes of City Council Meeting held July 21, 2009 and Minutes of City Council Workshop held July 21, 2009. Ayes – All.

D. APPROVAL OF AGENDA

Motion by Councilor Kuoppala, second by Councilor Kallevig to approve Agenda and Move J5 up to J1. Ayes – All.

E. APPOINTMENTS/PRESENTATIONS

None.

F. VISITOR/PUBLIC PRESENTATIONS

1. Michael Jacobsen, Economy Ready Mix, to Discuss Sale of Land

Michael Jacobsen, Economy Ready Mix, addressed the Council regarding the sale of land formerly leased to him while he was doing business as Economy Ready Mix.

Attorney Brunfelt clarified that there is no agreement allowing Jacobsen to purchase the property. Brunfelt said that Jacobsen is not a property owner or leaseholder. He said that the current land lessees (in the Alice Location) have been meeting to discuss potential

purchase of their leased properties. Rodney Flannigan, Benchmark Engineering, is working on a proposed plat of the area. Brunfelt reiterated that the County Registrar's Office will not deed any properties unless the platting process is complete.

Brunfelt referred to the Amendment to Settlement Agreement the City has entered into with Jacobsen. The City Council granted Jacobsen an extension until August 30th for Jacobsen to remove his property from the premises. In the Amendment, the Council agreed to allow Jacobsen to appear at the August 18th Council Meeting to request one additional extension to remove his property and clean the area provided two provisions had been met by May 31, 2009. Mr. Jacobsen was to have cleaned the blighted area and to have paid the delinquent utility bill. Per Chief of Police Lillis, Jacobsen did clean up the area by the 31st of May. However, City records indicate that Mr. Jacobsen did not pay his delinquent utility bill. Jacobsen said he disputes the delinquent utility bill as the City cannot verify why he was charged.

Jacobsen said it would not make any sense for him to tear down his buildings only to rebuild them in the event he purchased the land. Councilor Kuoppala and Councilor Hoag invited Jacobsen to meet with them before the next Council Meeting on August 18th. Jacobsen was asked to present a business plan to Kuoppala and Hoag for the property. Jacobsen said he would contact Councilor Kuoppala to schedule the meeting.

G. CONSENT AGENDA

1. Approval of Payroll, July 1-15, 2009 in the amount of \$99,996.35
2. Approval of Claims for July 2009 in the amount of \$363,160.62

Motion by Councilor Kallevig, second by Councilor Koivunen to approve the Consent Agenda. Ayes – All.

H. PUBLIC HEARINGS

None.

I. UNFINISHED BUSINESS

None.

J. NEW BUSINESS

1. Approve Storefront and Community Development Loans and Development Agreement with Michael Hogan

Tom Bartovich, EDA President, addressed the Council requesting approval of the Resolution approving the storefront and community development loans and agreement with Michael Hogan. Bartovich said the EDA's policy requires City Council approval for loans over \$25,000. Total loans requested from Hogan amount to \$60,000.

Michael Hogan thanked the EDA Board for their efforts in assisting him. Hogan plans to purchase the former Rustic Rock building and reopen a restaurant. The Rustic Rock Chop House will specialize in steaks and seafood. Hogan said that although the restaurant hasn't been used for about 14 ½ years, the building needs very little renovation. Hogan estimated they would be open in approximately a month.

Motion by Councilor Koivunen, second by Councilor Hoag to adopt Resolution No. 2009-19, "Resolution Consenting to an Economic Development Loan from the Eveleth Economic Development Authority to Michael and Marie Hogan." Ayes – All.

2. Approve Liquor License for Michael Hogan, Mick & Marie Inc dba Rustic Rock Chop House at 301 Hat Trick Avenue, Eveleth

Motion by Councilor Koivunen, second by Councilor Kallevig that Mick & Marie Inc. dba the Rustic Rock Chop House be granted an Off-Sale, On-Sale, and Sunday On-Sale Liquor License from September 1, 2009 to December 31, 2009, subject to the approval of the State Liquor Control Commissioner. Ayes – All.

3. Accept Donation to Library in the Amount of \$3,337.30 from Eveleth Woman's Club

Motion by Councilor Kuoppala, second by Councilor Kallevig to accept donation to the Library from the disbanded Eveleth Woman's Club in the amount of \$3,337.30 and that a letter of thanks be sent to Mabel Jarvi on behalf of the Eveleth Woman's Club. Ayes – All.

4. Accept Grant for Eveleth-Virginia Municipal Airport from the U.S. Department of Transportation Federal Aviation Administration

Motion by Councilor Kuoppala, second by Councilor Koivunen accepting and authorizing signatures for grant for the Eveleth-Virginia Municipal Airport from the U.S. Department of Transportation Federal Aviation Administration. Ayes – All.

The grant is in an amount up to \$162,656.00.

5. Consider Development Agreement with St. Louis & Lake Counties Regional Railroad Authority for Utility Extensions to the Mesabi Station Building

This item was acted upon at the beginning of the meeting.

Attorney Brunfelt gave a revised version of the agreement to the Council for review.

St. Louis County Commissioner Keith Nelson and the Attorney for the Regional Rail Authority were present at the meeting. Nelson said the project has been worked on for about five years and anticipated a ribbon cutting and celebration for the project in the near future. He said this agreement will allow utilities to be run out to the site of the Mesabi Station building.

Nelson also addressed questions from the Council regarding Mesabi Station connecting to the Eveleth Veterans Lake Park and the concept of an underground tunnel beneath the highway being constructed for safety of crossing bikers, pedestrians and motorized vehicles.

Motion by Councilor Hoag, second by Councilor Kuoppala to approve attorney revisions and authorize Development Agreement with St. Louis & Lake Counties Regional Railroad Authority for Utility Extensions to the Mesabi Station Building. Ayes – All.

6. Authorize Eveleth Police Department to Participate in Safe & Sober Project, “2010 Pilot County Enforcement Project during the Period of October 1, 2009 through September 30, 2012”

Motion by Councilor Kuoppala, second by Councilor Kallevig authorizing Eveleth Police Department to Participate in Safe & Sober Project, “2010 Pilot County Enforcement Project during the Period of October 1, 2009 through September 30, 2012.” Ayes – All.

7. Update from Chief of Police on COPS CHRP Grant

Chief of Police Lillis advised that Eveleth was not selected as a grant recipient for the July 28th award announcement, but specified that Eveleth’s funding request has not been denied. The request is still under consideration along with other pending requests.

8. Consider Approving Resolution in Support of Northeast Service Cooperative’s Fiber Backbone Project

Motion by Councilor Kuoppala, second by Councilor Kallevig to adopt Resolution No. 2009-20, “Resolution Supporting Northeast Service Cooperative’s Fiber Backbone Project.” Ayes – All.

9. Neighborhood Revitalization Mini-Grant Program

Motion by Councilor Kuoppala, second by Councilor Kallevig approving Neighborhood Revitalization Mini-Grant Application Policy with changes and authorize City signatures. Ayes – All.

Councilor Kuoppala explained the process where residents within the Old Town Eveleth Neighborhood area will be able to apply for home improvement reimbursement in an amount up to \$500.00.

10. Consider Accepting Quotations for Boulevard and Park Tree Planting

Director Wiskow recommended this item be tabled as the quotations were very close together. Wiskow will have to allocate where each tree would be planted, and the species of tree, in order to determine the low bidder.

Motion by Councilor Kallevig, second by Councilor Kuoppala to table this item until the next Council Meeting. Ayes – All.

11. Consider Accepting Quotations for Curb and Sidewalk Replacement

Quotations for curb and sidewalk replacement were received on July 30, 2009 as follows:

Quote Item	Curry Concrete Gilbert, MN	C & C Winger Embarrass, MN
Placement of Curb	17.50 lineal ft.	22.00 lineal ft.
Placement of Sidewalk	4.00 square ft.	4.25 square ft.
Placement of Pavement	6.25 square ft.	6.5 square ft.
Placement of Monolithic Curb	7.5 lineal ft.	12.5 lineal ft.

Wiskow recommended the City approve the quotation from C & C Winger as the low bidder will not be able to provide the Project Labor Agreement.

Motion by Councilor Kallevig, second by Councilor Kuoppala to accept quotation for replacement of curb and sidewalk from C & C Winger, Embarrass, Minnesota. Ayes – All.

12. Consider Accepting Quotation for Veterans Park Water System Extension Materials

The following quotations for water system extension materials at the Veterans Park were received on July 30, 2009:

Supplier	Total Cost (including freight)
Northern Waterworks Blaine, MN	\$3,529.24
HD Supply Waterworks St. Michael, MN	\$3,265.25
Minnesota Pipe & Equipment Farmington, MN	\$3,722.56

Motion by Councilor Kallevig, second by Councilor Kuoppala to accept quotation for Veterans Park water system extension materials from HD Supply Waterworks, St. Michael, Minnesota in the amount of \$3,265.25. Ayes – All.

13. Consider Revising Daily Green Fee to Commemorate Golf Course 75th Anniversary

The Eveleth Golf Course Commission has requested the City allow reduction in the daily green fee to commemorate the 75th Anniversary of the Golf Course.

Motion by Councilor Hoag, second by Councilor Koivunen authorizing reduction of the daily green fee from \$15.00 to \$7.50 on Wednesday, August 19, 2009 to commemorate the 75th Anniversary of the Eveleth Golf Course. Ayes – All.

14. Approve Invoice from Bonestroo in the Amount of \$12,974.49

Motion by Councilor Kuoppala, second by Councilor Kallevig approving invoice from Bonestroo in the amount of \$12,974.49. Ayes – All.

15. Eveleth City Workshop Meeting to be Held on August 11, 2009

Motion by Councilor Kuoppala, second by Councilor Kallevig to set a City Council Workshop Meeting with Consultant David Salene to be held on August 11, 2009 at 4:00 p.m. to discuss the Eveleth Health Services Park. Ayes – All.

K. COUNCIL PRESENTATIONS/COMMITTEE REPORTS

Kuoppala said the Park Commission will be sponsoring the movie “American Graffiti” as part of the Eveleth Merchants old time car show and Eveleth Elks corn feed on August 21st. The movie will be shown downtown at the Big Stick.

Motion by Councilor Kuoppala, second by Councilor Kallevig to authorize blocking off part of Monroe Street on August 21, 2009 from 8:00 p.m. to 10:00 p.m. for a movie at the Big Stick. Ayes – All.

Councilor Kuoppala requested that staff place a box at City Hall for citizens who may want to anonymously note a blight complaint.

Councilor Kuoppala reported that 10 block parties will be held as part of National Night Out tonight.

Mayor Matos questioned what can be done with the old Holiday Inn building which is beginning to be a safety and health hazard. Attorney Brunfelt said the City would have to condemn the property. Brunfelt said the City could exercise eminent domain to acquire ownership of the property. He suggested the Council meet with IRRB and legislatures to secure funding for demolition of the building before obtaining the property. Mayor Matos said he would work to set up a meeting with IRRB and the City Council.

L. ADMINISTRATIVE PRESENTATIONS

Police Chief: Chief Lillis reported that the Police Department has dealt with 67 blighted properties. Of the 67 properties, 32 have complied; 19 properties have been cited; and 16 are pending. Lillis said the Police Department will continue to pursue enforcement efforts into the fall.

Public Works: Director Wiskow indicated that he, along with Eric Fallstrom, has met with County engineers to discuss Park and Grant Avenue reconstruction. Wiskow requested that this item be added to the next Council Workshop Meeting for further discussion.

City Engineer: Eric Fallstrom, Benchmark Engineering, gave an update on the Ground Storage Reservoir Project.

M. ADJOURN

The meeting adjourned at 7:25 p.m.

Attest:

Bill Matos, Mayor

Stephanie A. Friebe
Deputy Clerk

Approved: August 18, 2009
Published: August 26, 2009