

MINUTES
Eveleth City Council Workshop
June 15, 2010
Council Chambers, City Hall, Eveleth, MN
5:00 pm

Mayor Matos Meeting called the meeting to order at 5:00 p.m. The following Council Members were present: Councilor Kallevig, Councilor Kuoppala, Councilor Koivunen, Mayor Matos. Councilor Hoag was absent.

1. Jon Marcaccini regarding City Owned Billboard North of Lundgren Motors

Jon Marcaccini said he had his sign up on the billboard for several years. Kallevig asked why he should have the sign rather than someone else. Marcaccini said the Eveleth Merchants send out an annual letter to see if other businesses want to be included on all of the three signs.

Councilor Kallevig said the City has not sold any lots in West Eveleth so far this summer. Discussion took place on the cost of the lots.

Marcaccini said he has re-permitted the sign with Mn/DOT. He said he has his tag on it because he takes care of it. City Clerk/Administrator Monahan-Junek said that according to Mn/DOT they can put a small sign under the current sign.

Councilor Koivunen said he is in favor of the Eveleth Merchants keeping the sign. Councilor Kuoppala said she would like to see the design from Culbert Realty. Monahan-Junek will check with Mn/DOT to see if the City would need a permit for a small sign to be placed under the current sign. The sign would advertise for the lots in West Eveleth.

2. Chicagami Daycare

The following members from Chicagami were present: Crystal Scuffy, Lori Beth Maki (Director of Operations) and Doug Ellis (President of the Board).

Chicagami is currently leasing the school with a lease date expiration of June of 2012. The school would like to close the building as it is not cost productive to keep the building open. Chicagami is a non-profit organization which currently provides daycare at its Eveleth location to about 151 (combination of full and part time status) children. They are licensed to care for 87 children, ages infant to preschool. Sixty-eight percent of the children live in the Eveleth/Gilbert area. The hourly rate, dependant on child's age, is set by the County, and averages to be \$3.07 per hour (including breakfast, lunch and snacks). Hours of operation are 5 a.m. to 6 p.m. The hours can be changed with licensing.

Lori Beth Maki said they are interested in the Eveleth Health Services Park building; either the soon to be vacated dialysis unit or the mental health unit. Maki said they currently pay over \$1,000 a month for rent at about \$1.50 per square foot. She estimated they would be

able to pay around \$2.00 to \$3.00 per square foot for the first few years if located at the Health Services Park. Chicagami has about 50 employees in the Eveleth location. About one third of the 50 are full-time, with eight of the full-time employees residing in Eveleth. Maki indicated that Charitable Gambling has been doing very well for them.

If Chicagami were to lease either of the units, they would require a build out. Kuoppala questioned whether they would have other income or mortgage for the build out in the event the City is not able to fund that portion. Maki said they have excellent credit and realize the cost associated with a growing business. Kuoppala mentioned Camp Chicagami as potential collateral. Ellis said they own the camp and it could be looked at to possibly subsidize the build out.

Councilor Kallevig questioned Chicagami's timeline. Maki said they have two years left on their lease, but raised the concern of the heat supply going out during the winter in the current building. The school would not have the funds to fix the heaters and that would put Chicagami in a very difficult position.

The Council was in favor of allowing Chicagami to begin exploring the possibility of renting the space from the City. Chicagami will arrange for an inspection by the Fire Marshal and will pay the \$50.00 fee for the inspection.

3. Review Commission/Board Applications

Commission openings and applications were discussed.

4. Discuss 2010 Budget, final LGA cuts, Storm Water Utility and Discretionary Expenditures

Discussion took place regarding the effect of the storm water utility expense to West Eveleth as they have no storm sewers. Director of Public Works Wiskow said there are ditches in that area that require maintenance.

Monahan-Junek will start a separate fund within the general fund to track the expenses related to storm water this year.

5. 2009 Annual Audit Review

Greg Knutson reviewed the 2009 Annual Audit with the Council.

6. Discuss Gas Franchise Fees

Not discussed due to time constraints.

7. Funding 319/323 Grant Ave. Parking Lot & Signage

Not discussed due to time constraints.

8. Police Department Staff Change

Chief of Police Lillis said the Police Department is currently down one position and is possibility losing another officer to the Sheriff's Department. Lillis requested the Council instate an officer based on the recommendation of the Police Commission.

9. Olde Town Eveleth Revitalization Mini-Grant

Not discussed due to time constraints.

10. Agenda Q&A

Councilor Kuoppala questioned the safety of the soap box derby by the Cherry Boy Scouts that has been requested.

The following changes were made to the Agenda:

Remove:

- J3. Second Reading of an Ordinance Establishing a Storm Water Utility and Authorizing the Imposition of Storm Water Charges
- J4. Consider Adopting a 2010 Operation & Maintenance Budget for the Storm Water Utility
- J5. Consider Adopting Storm Water Utility Rates Effective July 1, 2010

Add:

- J12. Authorize Instatement of a Police Officer