

MINUTES
Eveleth City Council Meeting
7:00 p.m., December 7, 2010
Council Chambers, City Hall, Eveleth, MN

A. CALL TO ORDER

Mayor Matos called the meeting to order at 7:00 p.m.

B. ROLL CALL

Councilor Thomas Kallevig, Present
Councilor Liz Kuoppala, Present
Councilor Joseph Koivunen, Present
Councilor Brian Hoag, Present
Mayor Bill Matos, Present

Also present: City Clerk/Administrator Jackie Monahan-Junek; Deputy Clerk Stephanie Friebe; City Attorney Mitch Brunfelt; Director of Public Works Michael Wiskow; Chief of Police Brian Lillis; Eric Fallstrom, Benchmark Engineering

C. APPROVAL OF MINUTES

Motion by Councilor Kallevig, second by Councilor Koivunen to approve Minutes of City Council Workshop held November 16, 2010 and Minutes of City Council Meeting held November 16, 2010. Ayes – All.

D. APPROVAL OF AGENDA

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

E. APPOINTMENTS/PRESENTATIONS

1. Appointment to Iron Range Tourism Bureau Board

Motion by Councilor Kuoppala, second by Councilor Koivunen to appoint Bill Aho to the Iron Range Tourism Bureau Board for the term 1/1/2011 to 12/31/2013. Ayes – All.

F. VISITOR/PUBLIC PRESENTATIONS

Mayor Matos reviewed the changes to the Consent Agenda before the start of the visitor/public presentations. Matos pointed out the following changes will be made to the City Clerk/Administrator's agreement:

- City Clerk/Administrator's Agreement will be changed from a five year agreement to a two year agreement.
- City Clerk/Administrator's Agreement regarding the voluntary leave severance package for four to six weeks of notice would be changed from five (5) months of severance pay to two and a half (2.5) months of severance pay; and City paid health insurance would be reduced from two (2) months to one (1) month of paid health insurance.

Mayor Matos opened the floor to comments from the public.

Robert Vlasisavljevich, incoming Mayor elect for 2011, said he received a copy of the Agenda packet last Friday and has a number of questions regarding the City/Clerk Administrator's Agreement.

Hours of Work: Vlasisavljevich asked who has the authority to dictate the hours worked. City Attorney Mitch Brunfelt said the Council has management rights to set the hours for the City Clerk/Administrator, but the position is salary and requires a certain amount of flexibility.

Severance Package: Vlasisavljevich commented regarding the leave notification and severance pay. He said he does not like to lock in at a set amount of money.

Prior Notification for Purchasing: Vlasisavljevich noted the Clerk/Administrator's job description which allows for purchasing power of up to \$5,000 without prior Council approval. Attorney Brunfelt said the \$5,000 amount reflects the City's current purchasing policy. The amount has been set and can be changed by the Council.

Brad Hadrava, Council Member elect for 2011, asked who negotiates the steelworkers contract. Hadrava said that the City/Clerk Administrator is in a position to sway the negotiations based on the "Me Too" clause in her agreement. Hadrava opined that this would be a conflict of interest. Brunfelt said it is up to the City Council to decide who will negotiate and that the Council has final approval on any contracts.

Hadrava asked for clarification on the termination clause of the agreement. Brunfelt said the City Administrator position is terminable only under just cause which is spelled out in the City Charter. Brunfelt said the Council would need factual grounds; would need to give written notice; and allow for an appeal process in order to terminate the City Clerk/Administrator. If the City Clerk/Administrator is terminated by the City, the Clerk/Administrator would receive six months of severance pay unless terminated due to criminal acts.

Hadrava asked about "Part B" of the "Term of Agreement and Termination" portion of the contract. Brunfelt said this is a constructive discharge provision where the Council creates an atmosphere of termination such as reducing the administrator's salary; asking the administrator to resign or allowing the administrator to resign. Hadrava said he feels the

Council is rushing into the agreement and that there are more issues which need to be discussed.

Joe Begich, West Eveleth resident and former Mayor of Eveleth, addressed the Council. Begich said that some day State aid is going to be eliminated. Begich asked the Council, "Don't you think we should start cutting costs?" Begich said that he has talked with a former City Clerk who would work part-time and take half of the pay of the current City Clerk/Administrator. Begich asked who wrote the agreement. City Attorney Brunfelt said that he believed former Councilor Jim Pollack worked with former City Attorney Carla Lindell to draft the Agreement.

Begich said it is hard to justify, to those citizens paying higher taxes in West Eveleth, why the City is paying the Clerk \$80,000 and also paying for consultant services.

Roberta Palen, West Eveleth resident, said the City is about to lose money. She said the amount of money we pay our City Administrator is fair and that the City needs a properly trained Administrator who knows what to do as the City faces crisis. Palen said that Begich does not speak for her.

Patrick Ziegler, City employee and AFSCME union member, questioned why they were not allowed to settle their contract prior to the first of the year. Ziegler said they were told to wait until after the elections. Councilor Kuoppala said the personnel committee was waiting for health care negotiations to be completed and that they have tried to schedule a negotiation meeting. Ziegler said he was not informed of a meeting.

Cal Cossalter, former Eveleth Mayor, complimented the City staff along with Director Wiskow and Chief Lillis. He said that they do a very good job on keeping the expenses down and the funds flowing.

G. CONSENT AGENDA

- 1. Approval of Payroll – November 1-15, 2010 in the amount of \$112,281.40**
- 2. Approval of Payroll – November 16-30, 2010 in the amount of \$112,494.65**
- 3. Approval of Claims – November 2010 in the amount of \$512,209.76**
- 4. 2010-12 Contract with City Clerk/Administrator**

The original contract period was from 2010-2015. The Council agreed to a two year contract and changed the voluntary severance package as referred to above.

- 5. 2011-12 Contract with United Steelworkers on Behalf of USWA Local Union 6860-05**
- 6. Customized Training Income Contract between Mesabi Range Community College and Eveleth Ambulance Service**

Motion by Councilor Kuoppala, second by Councilor Kallevig to approve the Consent Agenda. Roll Call Vote: Kallevig – Aye; Kuoppala - Aye; Koivunen – Nay; Hoag – Nay; Matos – Aye. Motion Carried.

Councilor Kuoppala disputed accusations that the Council does not care about State cuts with figures taken from the State Auditors website. Kuoppala gave an overview of grants and funding the City has obtained from 2008 to 1992.

H. PUBLIC HEARINGS

None.

I. UNFINISHED BUSINESS

None.

J. NEW BUSINESS

1. Second Reading of an Ordinance Reorganizing the Fire Department in the City of Eveleth and Making Rules and Regulations for the Governance Thereof

Motion by Councilor Kuoppala, second by Councilor Hoag approving the second reading and adoption of Ordinance No. 56, 2nd Series, “An Ordinance Reorganizing the Fire Department in the City of Eveleth and Making Rules and Regulations for the Governance Thereof.” Ayes – All.

2. Consider approving plan to eliminate unauthorized releases of wastewater for submittal to the Minnesota Pollution Control Agency as required by the stipulation agreement dated August 18, 2010

Motion by Councilor Kallevig, second by Councilor Kuoppala approving the plan to eliminate unauthorized releases of wastewater for submittal to the Minnesota Pollution Control Agency as required by the Stipulation Agreement dated August 18, 2010. Ayes – All.

3. Consider authorizing the Director of Public Works to call for bids to replace Refuse Truck #6

Motion by Councilor Kallevig, second by Councilor Kuoppala to authorize the Director of Public Works to call for bids to replace Refuse Truck #6. Ayes – All.

4. Consider Resolution Ordering a Feasibility Report for Street and Utility Improvements for a 2011 Capital Improvement Project in the 500-700 blocks of North Court and the 1500-1600 blocks of West 5th Street

Motion by Councilor Kuoppala, second by Councilor Kallevig to adopt Resolution No. 2010-30, “Resolution Ordering Preparation of a Feasibility Study.” Ayes – All.

The study will be for street and utility improvements in the 500-700 blocks of North Court and the 1500-1600 blocks of West 5th Street.

5. Consider Resolution Authorizing the City of Eveleth to Make Application to the Iron Range Resources Public Works (FY10) Grant Program for 2011 Capital Improvements

Motion by Councilor Kuoppala, second by Councilor Kallevig adopting Resolution No. 2010-31, “Resolution Authorizing the City of Eveleth to Make Application to the Iron Range Resources Public Works (FY10) Grant Program for 2011 Capital Improvements.” Ayes – All.

6. Parking Regulation Request

Chief Lillis has reviewed a request for parking regulations on Jones Street near the High School. The complaint came from elderly residents who are not able to safely access transportation in front of their home during school days due to the high volume of cars parked in front of their house. There is also a daycare residence with similar complaints about parking. Lillis recommended regulating parking on Jones Street from Roosevelt Avenue to the west alley of Fayal Avenue as “Resident Parking Only.” Enforcement would be done on a complaint basis.

Motion by Councilor Kallevig, second by Councilor Kuoppala to regulate parking on Jones Street from Roosevelt Avenue to the Fayal Avenue west alley as “Residential Parking Only.” Ayes – All.

7. Establishment of Parking Regulations in New Parking Lots

Motion by Councilor Kuoppala, second by Councilor Koivunen to establish a 12 hour parking limit in the new municipal parking lots. Ayes – All.

8. Request to Transfer Community Beautification Department Funds to Permanent Fund

Motion by Councilor Kuoppala, second by Councilor Kallevig to transfer Community Beautification Department Funds into a permanent fund. Ayes – All.

The Community Beautification Department had a \$30,000 budget for 2010.

9. Request to Rent the Hippodrome on March 4, 5, 6, 2011 for the 3rd Annual Senior No-Check Tournament

Motion by Councilor Koivunen, second by Councilor Kuoppala to grant request from Jeff Torrel and Frank Klabecheck to utilize the Hippodrome on March 4, 5 and 6, 2011 for the 3rd Annual No-Check Hockey Tournament.” Ayes – All.

10. Request to transfer Hotel Infrastructure Grants (B43 2353 & B43 2093), and to extend grant deadline to December 31, 2011 for Hotel Infrastructure Grants and Eveleth Health Services Park Grant (B43 2352)

Motion by Councilor Kallevig, second by Councilor Koivunen to authorize request to transfer Hotel Infrastructure Grants (B43 2353 & B43 2093), and to extend grant deadline to December 31, 2011 for Hotel Infrastructure Grants and Eveleth Health Services Park Grant (B43 2352). Ayes – All.

11. Mike Jacobsen, East Range Materials, Land License in Alice Location

City Attorney Brunfelt said that the land license for Mike Jacobsen would have expired on October 19, 2010. Per Mike Jacobsen, there was some confusion at the State level for finalizing his company name of East Range Materials. The City did not officially enter into the license as Jacobsen did not sign or pay for the license. Jacobsen still has some of his belongings on the property and has requested an extension to remove them.

Motion by Councilor Kuoppala, second by Councilor Kallevig to grant Jacobsen an extension of the license agreement through July 1, 2011, with a 30-day opt out clause by either Jacobsen or the City of Eveleth, contingent upon Jacobsen paying the City \$1,135.00 by December 31, 2010 for occupying the land in 2010. Ayes – All.

12. Renewal of Liquor Licenses for 2011

Motion by Kuoppala, second by Kallevig that liquor license applications for the period of January 1, 2011 to December 31, 2011 be approved and issued to the following business establishments pursuant to approval of the State Liquor Control Commissioner and contingent upon businesses supply appropriate documentation to City. Ayes – Kuoppala, Kallevig, Hoag, Matos. Abstained – Koivunen. Motion Carried.

Establishment	License(s)
214 Grant Inc. DBA: Red Garter Lounge 214 Grant Avenue Eveleth, MN 55734	Off Sale On-Sale Sunday On-Sale 2 AM Liquor License
Eveleth Pour House Inc. DBA: Hoagie’s Bar 301 Grant Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale 2 AM Liquor License

Establishment	License(s)
KAY KOR Inc. DBA: Snicker's Lounge 212 Grant Avenue, PO Box 677 Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale 2 AM Liquor License
Margie's Roosevelt Inc. DBA: Margie's Roosevelt 202-204 Grant Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Soph's Eat It & Beat It, Inc. DBA: Goodfella's 501 Hat Trick Avenue, PO Box 646 Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Sleeve's Sportsmans Bar Inc. DBA: Sleeve's Sportsmans Bar 208-210 Grant Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Tom T's Inc. DBA: Tom T's Penalty Box 311 Grant Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Trembath, Ione E. DBA: Tuna's Bar 507 ½ Grant Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Mick & Marie Inc DBA: Rustic Rock Chop House 301 Hat Trick Avenue Eveleth, MN 55734	Off-Sale On-Sale Sunday On-Sale
Curl Mesabi Inc. DBA: Curl Mesabi 901 Hat Trick Avenue Eveleth, MN 55734	On-Sale Sunday On-Sale
Ebnet Enterprises Inc. DBA: Harold's Bar 223-225 Grant Avenue Eveleth, MN 55734	On-Sale Sunday On-Sale
Eveleth Elks Bldg Corp. DBA: Eveleth Elks Club 415 ½ Jones Street, Box 686 Eveleth, MN 55734	Club On-Sale Sunday On-Sale
Marge's Drive-In Liquor Inc. DBA: Marge's Liquor Store 102-08 Grant Avenue Eveleth, MN 55734	Off-Sale

Establishment	License(s)
Michele Begich-Johnson DBA: Eveleth Bottle Shop 433 Fayal Road Eveleth, MN 55734	Off-Sale

13. Donations Request from the C.A.R.E. Commission

Motion by Councilor Hoag, second by Councilor Kallevig to donate \$500.00 to the C.A.R.E. Commission for the 23rd Annual Chemical Free Post-Graduation Party for Eveleth-Gilbert High School. Ayes – All.

14. Request from Eveleth Health Services Park Board

Motion by Councilor Kuoppala, second by Councilor Koivunen to approve a financial contribution towards an audit by EideBailly at the Eveleth Health Services for eight hours at \$130.00 per hour. Ayes – All.

K. COUNCIL PRESENTATIONS/COMMITTEE REPORTS

Councilor Kuoppala thanked the Parks Commission and others who helped with putting up lights at Northside Park.

L. ADMINISTRATIVE PRESENTATIONS

Police Chief: Chief Lillis commented on the controlled drink experiment at the Rustic Rock. Volunteers were provided specified quantities of alcohol to gage their individual responses. The intention was to enlighten both the participants and the public to make the right choices after consuming alcohol. Lillis urged the public to drink responsibly.

Public Works Director: Director Wiskow asked the public to be patient as the City struggles to keep up with the snow removal. The City will continue to remove snow from intersections and widen alleys and streets.

M. ADJOURN

The meeting adjourned at 8:32 p.m.

Attest:

Bill Matos, Mayor

Approved: December 21, 2010
Published: December 29, 2010

Jackie Monahan-Junek
City Clerk/Administrator