

MINUTES
Eveleth City Council Meeting
7:00 p.m., June 7, 2016
Council Chambers, City Hall, Eveleth, MN

A. CALL TO ORDER

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

B. ROLL CALL

Mayor Robert Vlasisavljevich, Present
Councilor Brian Hoag, Present
Councilor Brad Hadrava, Absent
Councilor Brian Lillis, Present
Councilor Joseph Koivunen, Present

Also present: City Clerk Administrator Jackie Monahan-Junek; Deputy City Clerk Stephanie Friebe; City Attorney John Colosimo; Chief of Police Tim Koivunen; Public Works Director Jerry Rosati; Rodney Flannigan, Benchmark Engineering

C. APPROVAL OF MINUTES

Motion by Councilor Hoag, second by Councilor Lillis to approve the following minutes:

1. *Minutes of City Council Workshop held May 17, 2016; and*
2. *Minutes of City Council Meeting held May 17, 2016.*

Ayes – All.

D. APPROVAL OF AGENDA

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

E. APPOINTMENTS/PRESENTATIONS

1. Reappointment of Bill Aho to the HRA

Motion by Councilor Lillis, second by Councilor Koivunen to reappoint Bill Aho to the Eveleth HRA for the term effective May 4, 2016 to May 3, 2021. Ayes – All.

F. VISITOR/PUBLIC PRESENTATIONS

None.

G. CONSENT AGENDA

1. Approval of Payroll – May 1-15, 2016 in the amount of \$107,962.01
2. Approval of Claims – May 2016 in the amount of \$472,165.24

*Motion by Councilor Hoag, second by Councilor Lillis to approve the Consent Agenda.
Ayes – All.*

H. PUBLIC HEARINGS

1. 2016 Capital Improvements Projects Improvement Hearing

The Public Hearing regarding 2016 Capital Improvements convened at 7:04 p.m. Resident John Haugen asked if the project will include any gutters or if it will only involve blacktop. Rod Flannigan, Benchmark, said the new street will be slightly lower to improve the drainage. Ideally, the goal would be to eliminate the ditch and get the lawns to drain into the street. Since there is no storm sewer in that area, it has not yet been determined on how they will route the water. They may ultimately end up with a curb and gutter on both sides.

Haugen referred to a 4th of July storm years ago where the rain and water flooded his basement. He said he hoped the improvement would provide sufficient drainage so he will not have to worry about flooding to his home.

Resident Cynthia Laakkonen asked about the 2nd Street and 17th Avenue corner culvert. She said the area is a “real mess, and is sunk down.” The culvert is half under the dirt. Laakkonen asked if this would be fixed.

Flannigan said the goal is to capture the water by addressing those issues. He said they are still in the conceptual stage of the project, and are looking at how to ultimately control the water.

Director Rosati said the project is planned to begin next year. He explained that the assessment amount was based on the engineer’s estimate. The assessment may be more or less depending on the actual project costs. Residents asked about any potential grants that would alleviate some of the costs. Rosati said if the City does receive a grant, that grant money would be used towards the City’s portion of the project first. Any remaining funds would then be applied to the property owner’s assessment. At this time, no grant money is available.

Mayor Vlaisavljevich thanked those in attendance for their feedback. Councilor Lillis also thanked the residents for their input.

The public hearing adjourned at 7:13 and the regular council meeting was reconvened.

I. UNFINISHED BUSINESS

None.

J. NEW BUSINESS

1. Application for Home Occupation Special Use Permit, Linda & Neal Manning, Mesabi Willow Sharpening, 404 18th Avenue West

Mark Muhich addressed the Council. He indicated Planning and Zoning Administrator Tony Jeffries is out of town, and he was appearing as the Chair of the Eveleth Planning and Zoning Commission. The Planning and Zoning Commission held a hearing on May 5, 2016 regarding a request for a Special Use Permit from Linda and Neal Manning, Mesabi Willow Sharpening, 404 18th Avenue West, Eveleth, MN. The Findings of Facts were included in the Council Agenda packets. The Planning and Zoning Commission is an advisory commission which makes recommendations to the City Council for action. At the May 5th hearing, one neighbor to Linda and Neal Manning appeared in objection to the application.

The Commission recommends that the Special Use Permit be granted. As sharp tools are stored in the garage, the condition that the garage be locked at all times when Manning is not in the garage will be added.

Motion by Councilor Koivunen, second by Councilor Lillis to approve the recommendation of the Planning and Zoning Commission to approve the application for a Special Use permit for Linda and Neal Manning, Mesabi Sharpening, 404 18th Avenue West, Eveleth, Minnesota, with the condition that the garage in which the sharpening services are conducted be made secure and locked all times when the owner/operator is not at or in direct visual proximity of the garage. Ayes – All.

Mayor Vlaisavljevich recommended Police Chief Koivunen inspect the blight conditions and make sure the building is secure. Chief Koivunen said there was a blight complaint, but the property owner did come into compliance this spring.

Muhich said the business will be advertising with a small sign and drop box. He also indicated there are some vacant positions on the Planning and Zoning Commission.

2. Agreements between City of Eveleth and Law Enforcement Labor Services, Inc.

Motion by Councilor Hoag, second by Councilor Koivunen to approve the Agreement between the City of Eveleth and the Law Enforcement Labor Services, Inc. Ayes – All.

3. Request from Sue Gulbranson, Sue's Penalty Box, to sell liquor at the Hippodrome, June 25, July 16, August 13, 2016 per City Code Sec. 5.42 Sports, Convention or Cultural Facility

Motion by Councilor Koivunen, second by Councilor Hoag to approve request from Sue Gulbranson, Sue's Penalty Box, to sell liquor at the Hippodrome on June 25, 2016; July 16, 2015; and August 13, 2016 per City Code Section 5.42 Sports, Convention or Cultural Facility. Ayes – All.

4. Consider awarding quote for 2016 Golf Course Cart Path Improvement Project

The City received only one quote on Thursday, May 26, 2016 at 10:00 a.m. to obtain bituminous pavement patching at the Eveleth Golf Course from Mesabi Bituminous in the amount of \$9,930.00.

Motion by Councilor Koivunen, second by Councilor Hoag to award the quote to Mesabi Bituminous, Gilbert, MN for the Eveleth Municipal Golf Course Cart Path Improvement in the amount of \$9,930.00. Ayes – All.

5. Letter of Commendation: Sgt. Brandon Elias and Officer Christopher Melin

Chief Koivunen read a Letter of Commendation for Sergeant Brandon Elias and Officer Christopher Melin. The letter referred to both officers performing duties diligently regarding a call involving a suicidal male on May 14, 2016.

Chief Koivunen also indicated that Officer Eli Alan has performed CPR twice in the last two weeks. Officer Mark Chad also assisted Officer Alan with CPR.

Mayor Vlaisavljevich asked Chief Koivunen to give the officers a personal thank you from the City Council.

Councilor Hoag congratulated the Police Department on a job well done.

6. Letter of intent from Pfremer Realty to market real estate

Motion by Councilor Lillis, second by Councilor Hoag to approve the Letter of Intent from Pfremer Realty to market Eveleth real estate with the following clarifications for commission:

Commission fees as follows:

<i>\$1 to \$2,500</i>	<i>\$350 commission fee</i>
<i>\$2,501 to \$4,999</i>	<i>\$500 commission fee</i>
<i>\$5,000 and up</i>	<i>10% commission fee</i>

Ayes – All.

7. Right of Entry Agreement with Clark Blackwood and Blackwood’s Concrete Inc. for 408 Fayal Road, Eveleth, MN

The City previously had a Right of Entry Agreement with Clark Blackwood for the former Arrowhead Laundry Building. The title issues have now been sorted out. Blackwood would like to eventually purchase the property.

Motion by Councilor Koivunen, second by Councilor Lillis to approve Right of Entry Agreement with Clark Blackwood and Blackwood’s Concrete Inc. for 408 Fayal Road, Eveleth, MN. Ayes – All.

8. Lease Agreement with J&T Sales for 206 McKinley Avenue, Eveleth, MN

Motion by Councilor Hoag, second by Councilor Lillis to approve Lease Agreement with J&T Sales for 206 McKinley Avenue, Eveleth, MN. Abstain – Koivunen (due to conflict of interest); Ayes – Hoag, Lillis, Vlasisavljevich. Motion carried.

Bart Kyte, 2 Rivers Auctions, has vacated the space he leased from the City at 206 McKinley Avenue as of May 31, 2016. Kyte has not paid the entire amount owed to the City nor did he sign the most recent lease amount approved by the Council. Tammy Koivunen, J & T Sales, would like to lease the space vacated by 2 Rivers Auction. Koivunen would also like to purchase the building from the City.

9. Consider quotes for 2016 Residential Building Demolition

Three quotations were received on May 26, 2016 at 10:00 a.m. for the 2016 Residential Building Demolitions as follows:

G-Men Environmental Services	\$46,683.00
Bougalis Inc.	\$28,700.00
Mesabi Bituminous	\$27,000.00

Motion by Councilor Lillis, second by Councilor Hoag to award 2016 Residential Building Demolitions to Mesabi Bituminous in the amount of \$27,000.00 for demolition of the following structures contingent upon receipt of a Certificate of Insurance; a signed Project Labor Agreement; an IRRRB Grant, and final confirmation from the property owners that they want to proceed based on their share of the demolition costs: 625 Summit Street House, 625 Summit Street Garage; 609 Garfield Street House; 501 North Court Garage; 704 Harrison Avenue Garage; 727 Hayes Street Garage. Ayes – All.

10. Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Residential Redevelopment Grant Program

Motion by Councilor Koivunen, second by Councilor Hoag to adopt Resolution No. 2016-20, “Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Residential Redevelopment Grant Program.” Ayes – All.

11. Pay Request No. 1 from Jola & Sopp Excavating, Inc. in the amount of \$47,296.70 for Pierce Street Sanitary Sewer Improvements Project

Motion by Councilor Koivunen, second by Councilor Lillis to approve Pay Request No. 1 from Jola & Sopp Excavating, Inc. in the amount of \$47,296.70 for Pierce Street Sanitary Sewer Improvements Project. Ayes – All.

12. Pay Request No. 3 from Mesabi Bituminous, Inc. in the amount of \$21,854.09 for 2016 Alley and Municipal Parking Lot Reconstruction Project

Motion by Councilor Koivunen, second by Councilor Hoag to approve Pay Request No. 3 from Mesabi Bituminous, Inc. in the amount of \$21,854.09 for 2016 Alley and Municipal Parking Lot Reconstruction Project. Ayes – All.

13. Resolution Accepting Donation for K-9 Unit (Bonita Ferrazzi)

Motion by Councilor Lillis, second by Councilor Koivunen to adopt Resolution No. 2016-21, “Resolution Accepting Donation for K-9 Unit (Bonita Ferrazzi).” Ayes – All.

Bonita Ferrazzi donated \$20.00 towards the Eveleth K-9 unit.

14. Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Development Infrastructure Grant Program for the Lundgren Motors Expansion

Motion by Councilor Hoag, second by Councilor Koivunen to adopt Resolution No. 2016-22, “Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Development Infrastructure Grant Program for the Lundgren Motors Expansion,” and Resolution No. 2016-23, “Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Commercial Redevelopment Grant Program for the Lundgren Motors Expansion.” Ayes – All.

Councilor Hoag said he was excited that Lundgrens will have a new place and are staying in town.

15. Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the IRRRB Commercial Redevelopment Grant Program for the Lundgren Motors Expansion

Resolution No. 2016-23 approved above.

16. Letter from Apple Tree Learning Center requesting Certificate of Support for an application for financial assistance with the USDA Rural Development

Motion by Council Lillis, second by Councilor Koivunen to approve Certificate of Support for Apple Tree Learning Center for an application for financial assistance with the USDA Rural Development Loan. Ayes – All.

City Clerk Administrator Monahan-Junek reminded the Council that the City may still be in a position to have a partnership with Chicagami and the school if Chicagami wants to apply for the USDA Rural Development loan.

Councilor Lillis stated it appears that Apple Tree Learning Center (Virginia, MN) is wanting to upgrade their current facility.

K. COUNCIL PRESENTATIONS/COMMITTEE REPORTS

Councilor Koivunen wished everyone a Happy and safe 4th of July.

Councilor Lillis told everyone to enjoy the summer while it lasts, and be safe.

Mayor Vlasisavljevich announced the Grand Marshall this year is Pat Bastianelli.

L. ADMINISTRATIVE PRESENTATIONS

Police Chief – Chief Koivunen reminded citizens to be diligent with grass and shrubbery cutting. Some properties have grass two to three feet long.

The HOG Rally will be held in Eveleth June 23 to 25. To date, there over 425 motorcycle owners signed up for the event. It may be noisy for the public, but should be a lot of fun and bring people to town.

City Clerk Administrator – Monahan-Junek announced the winners of the roller derby tickets as follows: Tom Baldwin, George & Vickie Bennett, Mark Klemencic, Mike Hultman; and Burnell Graber.

Deputy City Clerk Friebe announced that additional Election Judges will be needed for the upcoming 2016 Elections. Anyone interested in serving as Election Judge is encouraged to contact the Eveleth City Hall.

M. ADJOURN

The meeting adjourned at 7:56 p.m.

Robert Vlasisavljevich, Mayor

Attest:

Jackie Monahan-Junek
City Clerk Administrator

Approved: July 5, 2016
Published: July 15, 2016