

**MINUTES**  
**Eveleth City Council Meeting**  
**7:00 p.m., July 5, 2011**  
**Council Chambers, City Hall, Eveleth, MN**

**A. CALL TO ORDER**

Mayor Vlaisavljevich called the Meeting to order at 7:09 p.m.

**B. ROLL CALL**

Councilor Beth Peterson, Present  
Councilor Joseph Koivunen, Absent  
Councilor Brian Hoag, Present  
Councilor Bradley Hadrava, Present  
Mayor Vlaisavljevich, 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 Peterson, second by Councilor Hadrava to approve the Agenda and Minutes of City Council Workshop held June 14, 2011; Minutes of City Council Workshop held June 21, 2011 and Minutes of City Council Meeting held June 21, 2011. Ayes – All.*

**D. APPROVAL OF AGENDA**

**E. APPOINTMENTS/PRESENTATIONS**

None.

**F. VISITOR/PUBLIC PRESENTATIONS**

None.

**G. CONSENT AGENDA**

- 1. Approval of Payroll – June 1-15, 2011 in the amount of \$93, 208.22**
- 2. Approval of Claims – June 2011 in the amount of \$418,864.91**

*Motion by Councilor Hadrava, second by Councilor Hoag to approve Consent Agenda Items Nos. G1-2. Ayes – All.*

### **3. Resolution Accepting Donation for Movies in the Park**

*Motion by Councilor Hoag, second by Councilor Peterson to approve Resolution No. 2011-11, "Resolution Accepting Donation for Movies in the Park" and to send a letter of thanks. Ayes – All.*

The donation was received from Minnesota Power.

### **4. Intercept Agreement Between Eveleth Ambulance Service and the City of Virginia Fire Department**

*Motion by Councilor Peterson, second by Councilor Hadrava to approve the Intercept Agreement Between Eveleth Ambulance Service and the City of Virginia Fire Department. Ayes – All.*

### **5. Approve 2010 Audit**

*Motion by Councilor Peterson, second by Councilor Hadrava to approve the 2010 Audit. Ayes – All.*

## **H. PUBLIC HEARINGS**

None.

## **I. UNFINISHED BUSINESS**

None.

## **J. NEW BUSINESS**

### **1. Mike Jacobsen Land License in the Alice Location**

City Attorney Mitch Brunfelt reviewed the Minutes of 1991 which indicated the City sold a metal storage building to Jacobsen. Brunfelt clarified that Jacobsen might own the building, which could be removed from the land, but reminded the Council that Jacobsen does not own the land. This issue has been litigated and a Court decision made that Jacobsen did not have any right to purchase the land and was evicted from the property.

Councilor Peterson said the issue is the land license. City Clerk/Administrator Monahan-Junek said that Minnesota Power is interested in the land where Jacobsen's building sits. Minnesota Power's request to utilize the property does not hinge on that specific piece of the land. Monahan-Junek said that Minnesota Power would prefer to have that corner, but could live without it.

Monahan-Junek also clarified that drawings on the map are arbitrary lines as the land has not been formally platted.

Attorney Brunfelt said if the Council grants permission to use the land, the City must clarify what is the intended use of the land. Past Councils have granted an extension (since he was evicted from the land) of time to remove his belongings from the land. Brunfelt said that this has been going on for a number of years and it has been told to Jacobsen repeatedly that he needs to provide a business plan to the City.

Jacobsen indicated that he had provided the business plan last year.

Brunfelt reminded the Council that Jacobsen sued the City of Eveleth claiming that he had ownership of the land. The League of Minnesota Insurance Trust extended a considerable amount of money. The Court ruled, in favor of the City, that Jacobsen was to be evicted from the land. After the Insurance Trust spent thousands of dollars to defend the City against Jacobsen, the City spent thousands of taxpayer dollars (which came from the City's general fund) to countersue Jacobsen.

Jacobsen said he is just asking for what the other land owners have.

Brunfelt said that if the City is inclined to grant Jacobsen a license, then the following criteria must be met:

1. Determine exactly what is encompassed by the land;
2. Determine allowable use of the land; and
3. Set benchmarks or goals for the land.

Monahan-Junek said if the Council is inclined to grant the license, Jacobsen would need to comply with Exhibit B of the license. Exhibit B specifies items which need to be removed.

Mayor Vlaisavljevich questioned what Minnesota Power needs and Jacobsen needs.

Councilor Peterson reiterated that the items from Exhibit B were never removed as agreed to in the previous license.

Jacobsen said that Danny Rodgers is going to take the fuel tank from the property formerly licensed by Chris Bertucci in a few weeks.

Councilor Peterson asked City staff to continue to search for further documentation in the City archives.

Bill Aho, 1080 Industrial Park Drive and EDA Member, said he is concerned for the City of Eveleth. Aho asked, "Why do we keep going on with this issue. This person has been evicted from the land and has cost the City of Eveleth thousands and thousands of dollars." Aho displayed some pictures of the site. He expressed his passion for Eveleth, and said the Allison Location is precious property right on the end of Main Street. Aho said the possibility is not with Mike Jacobsen.

Councilor Hoag said that nothing is lined up for that site right now.

Aho referred to the tax base and said, “We’ve got to get some value back to the City.”

**2. Consider Approving Pay Request No. 2 from Jola & Sopp Excavating, Inc. in the amount of \$100,042.62 for the 2011 Capital Improvement Project**

*Motion by Councilor Hadrava, second by Councilor Peterson to approve Pay Request No. 2 from Jola & Sopp Excavating, Inc. in the amount of \$100,042.62 for the 2011 Capital Improvement Project. Ayes – All.*

**3. Consider Approving Change Order No. 1 from Utility Systems of America, Inc. in the amount of \$400.00 for Cemetery Storm Sewer Improvements**

*Motion by Councilor Peterson, second by Councilor Hoag to approve Change Order No. 1 from Utility Systems of America, Inc. in the amount of \$400.00 for Cemetery Storm Sewer Improvements. Ayes – All.*

**4. Consider Approving Pay Request No. 3 (final) from Utility Systems of America, Inc. in the amount of \$4,969.60 for Cemetery Storm Sewer Improvements**

*Motion by Councilor Peterson, second by Councilor Hadrava to approve Pay Request No. 3 (final) from Utility Systems of America, Inc. in the amount of \$4,969.60 for Cemetery Storm Sewer Improvements. Ayes – All.*

**5. Consider accepting quotation for Eveleth City Hall steps replacement**

Quotes were received on July 1, 2011 at 10:00 a.m. as follows:

Bidder	Base Bid
3D Concrete & Construction	\$7,360.00
Knife Lake Concrete	\$12,000.00
C & C Winger, Inc.	\$23,000.00

*Motion by Councilor Hadrava, second by Councilor Peterson to approve quotation from 3D Concrete & Construction in the amount of \$7,360.00 for Eveleth City Hall Steps replacement. Ayes – All.*

**6. Request to Sell Forfeited Vehicle**

*Motion by Councilor Hoag, second by Councilor Hadrava to authorize sale of forfeited 1997 Ford Escort, VIN: 1FALP13P5VW173840 using Do-Bid.com. Ayes – All.*

**7. Amended Joint Powers Agreement Relating to the Establishment of a Joint Recreation Board**

*Motion by Councilor Peterson, second by Councilor Hadrava to approve Amended Joint Powers Agreement Relating to the Establishment of a Joint Recreation Board. Ayes – all.*

The revisions will streamline claims and remove appointee term limits.

**8. Closed Session – Contract Negotiations**

The Council went into closed session to discuss contract negotiations at 7:52 p.m. The regular meeting reconvened at 8:00 p.m.

**K. COUNCIL PRESENTATIONS/COMMITTEE REPORTS**

Councilor Peterson reminded the public of the Summer Reading Program at the Library.

Mayor Vlasisavljevich gave a brief summary of the Mayors Roundtable with Congressman Chip Craavack which was hosted by the City of Eveleth on June 30, 2011. Vlasisavljevich said it was a nice opportunity to discuss different issues of concern and was pleased with the turnout.

Councilor Peterson said the State shutdown will delay the Highway 53 move. Peterson also thanked Cynthia Hadrava and Jackie Monahan-Junek for their work of revamping the flower beds in front of City Hall. Councilor Hadrava also helped with landscaping.

Mayor Vlasisavljevich reported on the many compliments he received over the Fourth of July. He said the town looked great.

Councilor Hadrava reminded the public to attend “Movies in the Park” at the Eveleth Veterans Park. He thanked Minnesota Power and others for donations to support the movies. Hadrava described recent improvements to the kitchen at the Lake Park. Anyone interested in renting the kitchen should contact City Hall.

**L. ADMINISTRATIVE PRESENTATIONS**

Police Chief: Chief Lillis gave an update on the police view of the Fourth of July events. Lillis said there were thousands of people in town with a few minor incidents, but no serious accidents.

Councilor Peterson thanked the Police Department for their work and expressed her appreciation for the Public Works Department’s efforts over the 4<sup>th</sup>.

Public Works Director: Director Wiskow gave an overview of the 2011 Capital Improvement project. Wiskow announced an upcoming water outage for the 900 and 1000 Blocks of South Court. The public will be notified if their number is listed. Those not listed can call City Hall to supply a phone number. It will be necessary to block off Adams Avenue for a week or more.

Mayor Vlasisavljevich asked Bill Aho if he would like to say anything further. Aho said he believes in his community and wants to bring back value to Eveleth.

**M. ADJOURN**

The Meeting adjourned by 8:10 p.m.

Attest:

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Robert Vlasisavljevich, Mayor

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Jackie Monahan-Junek  
City Clerk/Administrator

Approved: August 2, 2011  
Published: August 10, 2011