

**MINUTES**  
**Eveleth City Council Workshop**  
**July 5, 2011**  
**Council Chambers, City Hall, Eveleth, MN**  
**5:40 pm**

Council Present: Mayor Vlasisavljevich, Councilor Hadrava, Councilor Peterson, Councilor Hoag  
Council Absent: Councilor Koivunen

**1. Update from David Salene on Projects**

Dave Salene gave an update on the Eveleth Health Service Park Nursing Home. Salene met with the Nursing Home Board. He has also contacted an organization which offers management services. Salene has been authorized to work with the organization to find out what they are capable of doing and to discuss a potential contract. Salene would like to obtain legal counsel. City Attorney Mitch Brunfelt would not be able give advice due to a conflict of interest.

Monahan-Junek said that no one from the nursing home has come forward with a request for City funding.

Salene said he is still actively working with Brian Zadnikar of Ed's Body Shop. A Phase I environmental study that has been done on the property with concerning reports. The owner would like to expand the building to install a car wash (valued at \$400,000). The property was purchased on Contract for Deed as is it not mortgageable. Salene discussed options for City involvement.

Salene said he is still working with Aqua Power Group and they continue to look at the Dick Harvey property.

Salene recently met with Chuck Richards who has expressed interest in revamping the Mesabi Woods Apartments. Richards no longer has an investor for the development, and has some health issues which will not allow him to be involved with the project. Salene will now aggressively pursue other options.

Salene said the Bertucci building is for sale at a price of \$90,000. He asked if the City has any interest in trying to pursue the building. Salene said the building could be destroyed and the land sold for real estate.

**The HRA met at 6:00 p.m.**

**2. 2010 Audit Review**

Greg Knutson of Walker, Giroux, and Hahne, reported on the City's 2010 Audit Review.

**3. Heart of the Continent Partnership, International Community Congress (Oct. 24-27) – Beth Peterson, and Mary Somnis (IRRRB)**

Not discussed.

**4. Agenda Q&A**