

MINUTES
Eveleth City Council Workshop
November 5, 2013
Council Chambers, City Hall, Eveleth, MN
5:30 p.m.

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

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

1. Update on Assisted Living Project

Dave Salene gave an update on the proposed Assisted Living Project at the Eveleth Health Services Park. The preliminary budget is just over 4 million dollars. After the grant money is available from the IRRRB, the remaining bond amount would be 2.6 million. Salene described the differences between general obligation and revenue bonds, and said the long term goal would be for Elder Care to purchase the building.

Mayor Vlasisavljevich asked if the assisted living and nursing home would be separate. Salene explained that they would be physically connected, but financially separate. Both the nursing home and assisted living are taxable entities.

2. Update on Aqua Power Expansion

Salene gave an update on Aqua Power. He said they are planning to move all of the noisy work out of the residential area to Park Avenue. They will be seeking a tax abatement for that area. A public hearing will be held on the abatement.

3. Discuss Clinic Lease

Salene presented the concept of looking at the clinic as part a medical campus (including the nursing home and potential assisted living). He asked if the City would want to turn the clinic lease agreement over to Jessica Raad, Elder Care. The clinic is not up to date on their lease. Councilor Koivunen and Councilor Lillis concurred that the City should meet with Dr. Draper.

4. Discuss Fayal Addition/EPA Grant

City Clerk Administrator Monahan-Junek continues to attend the Cirri meeting with respect to the EPA grant. Salene and Monahan-Junek have met with St. Raphael's Rehabilitation Center regarding the laundry facility at the end of Grant Avenue. St. Raphael's would be willing to sell the building to the City for one dollar as long as they would be indemnified from the environmental issues. A grant for remediation would probably cover 80 percent of the costs.

Salene had a discussion with Bryan Zadnikar regarding his business at Ed's Body Shop. Zadnikar was not able to get a mortgage on the property because of environmental issues. He is purchasing the property on a contract for deed.

5. Guests – Gary Cerkvenick and Justin Skalko, Silicon Energy

Gary Cerkvenick and Justin Skalko, Silicon Energy, gave a presentation with a proposal for the City to use their system at the Hockey Hall of Fame. Monahan-Junek asked if the City could move forward with no obligation. Cerkvenick said that even if the City is chosen for grant funds from the IRRRB, there is no obligation.

6. Discuss Eveleth Auditorium Phase II Improvements – Bruce Paulson of Stantec Consulting to be Present

Bruce Paulson of Stantec presented figures on Phase II improvements at the City Auditorium building.

7. Discuss Jones Street Stop Signs

Chief Koivunen and Director Wiskow both disagree with the County's notion to remove the stop signs at Jones Street. They have received calls from concerned citizens also opposed to removing the signs.

8. Discussion regarding Fire Truck leases – Mike Lenich will provide leasing information from truck manufacturers

Not discussed.

9. Discuss Alley Vacation in West Eveleth

The Cooks and Sorcan want the City to pay for half of the engineering that needs to be done to vacate the alley (the City would retain a utility easement) as a part of the sale of the lots to Cooks and Sorcan. The engineering costs were \$480.00. The Council was not in favor of paying, as the Cooks and Sorcan already agreed to pay the costs of the alley vacation

(surveying and documents). The engineering costs were to be paid by the buyers at the time the City sold them the lots adjacent to their property.

10. Discuss Senior Citizens Center

Councilor Peterson gave an update on the Senior Center. The Senior Center is owned by the “Seniors of Eveleth.” Loretta Nemanick has indicated their elderly members are not capable of maintaining the Center and asked if the City would take it over.

11. FYI – Liquor License Renewals

Discussion took place on the 2 AM liquor license renewal request from Hoagie’s Bar, and their delinquent utility balance.

12. Agenda Q&A