

**MINUTES**  
**Eveleth City Council Meeting**  
**12:00 p.m., March 3, 2022**  
**Council Chambers, City Hall, Eveleth, MN**

**A. CALL TO ORDER**

Mayor Vlasisavljevich called the meeting to order at 12:00 p.m.

**B. ROLL CALL**

Councilor Jim Perpich, Present  
Councilor John Rauzi, Present  
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; Public Works Director Jerry Rosati; Police Chief Jesse Linde; Alan Johnson, Benchmark Engineering

**C. APPROVAL OF MINUTES**

*Motion by Councilor Perpich, second by Councilor Koivunen to approve the Minutes of City Council Meeting held February 15, 2022. Ayes – All.*

**D. APPROVAL OF AGENDA**

*Motion by Councilor Lillis, second by Councilor Perpich to approve the agenda. Ayes – All.*

**E. APPOINTMENTS/PRESENTATIONS**

*Motion by Councilor Perpich, second by Councilor Rauzi to approve the following commission reappointments:*

- 1. Reappointment of Kathy Murphy to the Park Commission for term effective 3/3/2022 to 1/31/2024;*
- 2. Reappointment of Michael Newman to the Golf Course Commission for term effective 3/3/2022 to 12/31/2024; and*
- 3. Reappointment of Camille Newman to the Golf Course Commission for term effective 3/3/2022 to 12/31/2024.*

*Ayes – All.*

Councilor Lillis thanked the commission members for their service.

## **F. CONSENT AGENDA**

1. Approval of Payroll – February 1-15, 2022 in the amount of \$122,716.26
2. Approval of Claims – February 2022 in the amount of \$857,079.82
3. Request for Police Chief Linde to attend 2022 MN Chiefs of Police Association Executive Training, April 4-7, 2022, Duluth, MN

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

## **G. PUBLIC HEARINGS**

None.

## **H. UNFINISHED BUSINESS**

None.

## **I. NEW BUSINESS**

- 1. Minnesota Lawful Gambling Application for Exempt Permit for Iron Mining Association at Range Recreation Civic Center, 901 Hat Trick Avenue, March 17, 2022**

*Motion by Councilor Perpich, second by Councilor Koivunen to approve the Minnesota Lawful Gambling Application for Exempt Permit for Iron Mining Association at Range Recreation Civic Center, 901 Hat Trick Avenue, March 17, 2022. Ayes – All.*

- 2. Resolution Accepting Facility Plan and Ordering 2023 West Eveleth Sanitary Sewer Force Main Improvements Project and Preparation of Plans and Specifications by Benchmark Engineering**

*Motion by Councilor Koivunen, second by Councilor Perpich to adopt Resolution No. 2022-07, “Resolution Accepting Facility Plan and Ordering 2023 West Eveleth Sanitary Sewer Force Main Improvements Project and Preparation of Plans and Specifications by Benchmark Engineering.” Ayes – All.*

- 3. Resolution Authorizing the Application and Receipt of Funds from the Minnesota Department of Natural Resources Local Trails Connection Program (Fayal Pond trail)**

*Motion by Councilor Koivunen, second by Councilor Rauzi to adopt Resolution No. 2022-08, “Resolution Authorizing the Application and Receipt of Funds from the Minnesota Department of Natural Resources Local Trails Connection Program (Fayal Pont Trail).” Ayes – All.*

**4. Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the Minnesota Department of Iron Range Resources & Rehabilitation (Fayal Pond trail)**

*Motion by Councilor Rauzi, second by Councilor Perpich to adopt Resolution No. 2022-09, “Resolution Authorizing the City of Eveleth to Make Application to and Accept Funds from the Minnesota Department of Iron Range Resources & Rehabilitation (Fayal Pond Trail).” Ayes – All.*

**5. Resolution Establishing Precincts and Polling Places (after redistricting)**

*Motion by Councilor Perpich, second by Councilor Lillis to adopt Resolution No. 2022-10, “Resolution Establishing Precincts and Polling Places (After Redistricting).” Ayes – All.*

**6. Resolution Approving State of Minnesota Joint Powers Agreements with the City of Eveleth on Behalf of its City Attorney and Police Department**

*Motion by Councilor Perpich, second by Councilor Lillis to adopt Resolution No. 2022-11, “Resolution Approving State of Minnesota Joint Powers Agreements with the City of Eveleth on Behalf of its City Attorney and Police Department.” Ayes – All.*

**7. Cooperative Agreement Between St. Louis County and City of Eveleth for 2022 & 2023 Curb & Sidewalk Repairs**

*Motion by Councilor Perpich, second by Councilor Rauzi to approve Cooperative Agreement Between St. Louis County and City of Eveleth for 2022 & 2023 Curb & Sidewalk Repairs. Ayes – All.*

**8. Settlement Agreement and Release of Claims (between the City of Eveleth and Jesse Howe)**

The above item was tabled at the February 15, 2022 City Council Meeting.

Mayor Vlaisavljevich said with the way costs are rising, a little reality might set in. He speculated that if the City were to go to the monthly insurance payments, Howe might counter offer with a more realistic settlement proposal.

Councilor Lillis said that his opinion stays the same. Lillis feels it is in the best interest of the City to settle with Howe rather than take a risk over the next 20 years. Lillis said the settlement comes from following through with the mediation that the Council approved sending staff and the City Attorney to take part in.

Mayor Vlasisavljevich said the point of the law (referring to Police PTSD law) is to provide insurance. Vlasisavljevich said, "Look at the pump prices!" and that paying this settlement would be throwing the City's levy into the garbage.

City Attorney Brunfelt clarified the proposed \$120,000 settlement would be in lieu of paying for Howe's insurance until he is Medicare eligible. The savings would be the liability over the next 20 years. If Howe is bought out (through the settlement) he would not continue to collect insurance benefits through the City.

Attorney Brunfelt reminded the Council that PERA determined Howe is entitled to a PTSD Disability and State law dictates the employer must provide medical insurance until retirement age if Howe wants it from the City. The City is in the process of appealing that decision through litigation. The mediation was conducted prior to the appeal process to try and reach a settlement agreement before going through litigation.

Councilor Lillis said he was not in favor of risking the City's money.

Mayor Vlasisavljevich said that Howe is looking at a big pay day. If the City pays the insurance everything ends.

Attorney Brunfelt said it is up to the Council's discretion and that if the City pays the insurance, no further action would be needed as the City would be complying with the statutory requirements.

Councilor Lillis made a motion to accept the Settlement Agreement and Release of Claims (between the City of Eveleth and Jesse Howe). Motion failed due to lack of support.

*Motion by Councilor Rauzi, second by Councilor Koivunen to decline the Settlement Agreement and Release of Claims (between the City of Eveleth and Jesse Howe) and to discontinue the appeal of the PERA disability. Roll Call: Ayes – Rauzi, Koivunen, Perpich, Vlasisavljevich. Nays – Lillis. Motion carried.*

## **J. COUNCIL PRESENTATIONS/COMMITTEE REPORTS**

Councilor Lillis reported on a recent Public Safety Committee Meeting with the Ambulance Service. There is concern about staffing levels. The Ambulance Service is hoping to bring more new recruits on board soon. Lillis indicated the pay schedule has not been increased

for three years, and the Committee will be suggesting some potential changes for the Council to consider.

Councilor Koivunen praised the Public Works Department for a great job with snow removal.

City Clerk Administrator Monahan-Junek reported that she spoke with Superintendent Noel Schmidt from the Rock Ridge School District. Schmidt is in the process of scheduling a meeting for the Joint Rec Board to discuss its future with the School District.

Councilor Lillis said the HRA is having a difficult time filling the administrative assistant position. They have had applicants accept the position and then withdraw the offer days or hours before they were to begin. Lillis encouraged anyone interested in this part-time position to apply.

#### **K. ADMINISTRATIVE PRESENTATIONS**

City Administrator Monahan-Junek announced the City-Wide Rummage Sale will be held the first weekend of May.

#### **L. ADJOURN**

The meeting adjourned at 12:44 p.m.