

MINUTES
Eveleth City Council Workshop Meeting
9:00 a.m., August 31, 2022
Council Chambers, City Hall, Eveleth, MN

Councilor Jim Perpich, Present
Councilor John Rauzi, Present
Councilor Brian Lillis, Present
Councilor Joseph Koivunen, Present
Mayor Robert Vlaisavljevich, Present

Also present: City Clerk Administrator Jackie Monahan-Junek; Deputy City Clerk Stephanie Friebe; Public Works Director Jerry Rosati, Deputy Police Chief Brian Ness; Alan Johnson, Benchmark Engineering

Rock Ridge Superintendent Noel Schmidt arrived at 9:05 a.m.

1. Discuss 2023 budget & levy

City Clerk Administrator Monahan-Junek distributed budget information and gave an overview of the City's revenue and expenditures. The Council will hold a workshop meeting (prior to the next regular City Council Meeting) at 4:30 p.m. on September 6, 2022 for further discussion on the budget.

2. Discuss Facilities Use Agreement with Rock Ridge Schools

Superintendent Noel Schmidt said he was in attendance for any questions the Eveleth City Council may have.

Public Works Director Rosati said the City of Virginia wants all or nothing regarding hockey ice time. Eveleth had set forth its proposed agreement, in good faith, for Rock Ridge School District to utilize the Hippodrome for the hockey season. The City of Virginia has now told the School Board they want all hockey games to be played at the Iron Trail Motors Event Facility in Virginia.

City Clerk Administrator Monahan-Junek referred to 9 (b) of the Naming Rights Agreement between Iron Trail Motors, LLC and the City of Virginia dated July 13, 2021. The agreement reads as follows:

9 (b) The parties agree that the City and Iron trail have based this Agreement and the naming rights on Exhibit A attached hereto, which reflects the information provided to Iron Trail by the City. It is agreed that if these items and uses do not materialize by October 2022 and the events and facilities are not completed and utilized on this basis, including the Rock Ridge Wolverines playing all of their home games at this facility, then Iron Trail may initiate a

renegotiation of the amount payable hereunder. If the parties are unable to agree on an amount of reduction an arbitration of an appropriate reduction will be conducted in accordance with the Rules of the American Arbitration Association in effect for commercial disputes with the arbitration conducted within the City of Virginia, Minnesota.

Councilor Perpich asked Superintendent Schmidt if the School Board was aware of the negotiations between the City of Virginia and Iron Trail Motors. Schmidt said the school did not know about the agreement. The City of Virginia did not approach the school board, himself, or the athletic directors regarding this agreement. Schmidt said that Rock Ridge School District is not bound by this agreement, and they had no idea that the City of Virginia was planning to negotiate this (requirement that all Rock Ridge Wolverine home hockey games be played at their facility) into their agreement with Iron Trail Motors.

Superintendent Schmidt said Virginia was clearly told that the school would want, at a minimum, to continue to play hockey for the next year in both arenas (Iron Trail Motors Event Center and Hippodrome). Schmidt said Virginia's concern about revenue is not the school's issue. Schmidt referred to a survey which was sent. This was not a survey sent on behalf of the school, and does not have weight in the school's eyes. Schmidt said there is wisdom in using both arenas from a community perspective. The kids, parents and coaches do not make the decision on where they will be playing—that is the school board's decision. Schmidt said there was some concern on the colors painted in the Hippodrome. Eveleth has agreed to install the Rock Ridge Wolverine emblem on the ice at the Hippodrome. Schmidt said he hopes the school can come up with an agreement from both cities.

Mayor Vlasisavljevich said there are a lot of emotions tied to the school. Vlasisavljevich said his argument is with the City of Virginia and those making side deals who are now expecting everyone else to pick up the tab. Vlasisavljevich said their history is that they are the biggest, and the Queen City, and have to run the show.

Superintendent Schmidt commented that the City of Virginia could make more money by hosting tournaments. The profits from just concession stands for a tournament would turn more income than a single hockey game. Schmidt said that hopefully cooler heads will prevail to keep the two communities rolling together. The school board makes the ultimate decision and may not appreciate being backed into a corner with an all or nothing approach.

Mayor Vlasisavljevich said he has no problem with a public fight. He questioned how Virginia can be making decisions and throwing a take-it or leave-it, strong arm ultimatum at the Rock Ridge School Board.

Schmidt reiterated that it was not the School's idea. He asked Eveleth to hold their current offer for use of the Hippodrome. Schmidt will report back to Monahan-Junek once he hears from Virginia.

Monahan-Junek is planning to attend Virginia's Committee Meeting on Facilities tomorrow morning at 7:00 a.m.

3. Safety coordinator

The Council will consider hiring Therese Elverum as the City's Safety Coordinator. Elverum is currently serving as the EMS Operations Supervisor. The Safety Coordinator would be a contracted position for around \$8,000 per year.

The meeting adjourned at 9:47 a.m.