

Ely City Council Regular Meeting October 20, 2009

The Ely City Council regular meeting was called to order by Acting Mayor Zupec at 6:00 p.m. on October 20, 2009 at the Ely City Hall.

PRESENT: Council members Debeltz, Nikkola, Omerza, Sheddy and Acting Mayor Zupec

ABSENT: Council member Salerno and Mayor Skraba

The meeting was closed at 6:03 p.m. for the purpose of discussing litigation strategy regarding the Leustek claim with the League of MN Cities Attorney Golombeck.

Also present at the closed meeting was City Attorney Kelly Klun, City Clerk Terri Boese and Operations Director Harold Langowski.

Moved by Sheddy supported by Nikkola to close the meeting at 6:03 p.m.

The meeting was reopened at 6:36 p.m.

Moved by Nikkola supported by Debeltz to approve the minutes of the September 29, 2009 Study Session, October 6, 2009 Regular Meeting and October 12, 2009 Reconvened Meeting as presented. Motion carried unanimously.

Additions or omissions to tonight's agenda:

1. Communications Item E - Letter from Ely Cub Scouts
2. New Business Item B – Snow Plow Resolution
3. New Business Item C - \$45,000 IRR Grant Resolution
4. New Business Item D - \$50,000 IRR Grant Resolution
5. City Attorney Item 4 - Wellvang Mediation

Consent Agenda Items:

1. 2009 CGMC Fall Conference November 18-20, 2009, Alexandria, MN (authorize council and staff to attend)
2. CGMC Gubernatorial Candidate Forum October 29 Board of Directors' meeting, St. Paul, MN (authorize council to attend)
3. Clerk's Regional Meeting –Liquor Licensing, November 4, 2009, Mountain Iron, MN (authorize Clerk to attend)
4. Alternative Energy Task Force Committee Member appointments: Mark Akeson, Andy Hill, Rebecca Spengler, LynnAnne Vesper, and Rob Wilmunen. Remove committee members: Karen Pajari and Bo DeRemee.
5. Authorize Clerk to schedule meeting with legislators regarding local sales tax issue
6. Schedule Clerk's annual review, closed session immediately following November 17, 2009 regular meeting

Moved by Debeltz supported by Nikkola to approve consent agenda items 1-6 as presented above. Motion carried unanimously.

COMMITTEE REPORTS

Council member Omerza as a trustee of the library attended The Turning Page Conference put on by the Gates Foundation. Omerza reported we have one of the best librarians in the state. Conference discussed community development and how to raising money for computer lab equipment. Joe Owens,

President of the Friends of the Library Board, also attended. The Friends of the Library and board will be working on a fundraising project for computer equipment. The 2010 city budget includes money for a computer in the children's section. The library offers free wireless to the public.

Omerza reported that the 1st event was held in the new recreation facility, even though not 100% complete. The C-Squad hosted a Spaghetti Feed. Thanks to all of you who have helped.

Council member Nikkola reported that the Hiring Policy was revised by ER. He requested Attorney Klun review and if council has any additional input, please send to Attorney Klun.

Nikkola reported the Storefront Committee meeting for October is cancelled.

Department Heads

Police Chief Saw asked Council to approve Police Commission recommendation for hiring of Jonathan Benz.

Moved by Omerza and supported by Nikkola to authorize Chief Saw to extend an offer of employment to Jonathan Benz and if he does not accept to offer the position to Paul Young. Motion passed: Debeltz-yes; Nikkola-yes; Omerza-yes; Shedly-yes; Acting Mayor Zupec-no. Motion carried 4-1.

Chief Saw reported that Mr. Benz is hoping to start by November 1st.

Chief Saw discussed the need to replace a squad car. This issue will be addressed at the budget meeting next Tuesday.

City Attorney

Attorney Klun asked City Council for renewal of retainer for Klun Law Firm which has been under contract for the past 2 years. The hourly rate will continue at \$99 an hour with no increase and training and travel have been removed from the city attorney budget.

Moved by Omerza supported by Nikkola to renew the city attorney contract with the Klun Law Firm for 2 years as presented. Motion carried unanimously.

Attorney Klun reported on the Lake Country Power Expansion of Electrical Substation meeting. She, Mayor Skraba and Council member Shedly attended the zoning meeting held by St. Louis County on October 8th. The issue addressed was whether Lake Country could expand the existing facility and upgrade the utilities. Attorney Klun made it very clear that council did not want expansion of other structures as this will affect the city's adjoining residential property. In order for additional structures on this property Lake Country would have to notify Morse Township.

Attorney Klun was contacted by Victor Venturi who owns the Old Ford Garage property. He will be coming to Ely but did not specify when. Chief Gerzin and Director Langowski looked at the property regarding instability and fire hazard. Director Langowski's assessment was the southerly part and westerly wall should be fenced so if it does fall down it will not fall outward. Director Langowski reported he had received a call from a fencing company and they will be installing a fence on the alley side of the property. He will contact Venturi to meet with him. Attorney Klun will also contact Venturi to discuss location of fence to be installed.

Attorney Klun notified the council that she received a request from Patricia Wellvang's attorney asking the city to waive mediation and proceed to arbitration. She recommended the city deny that request and proceed with the process as set forth in the contract. A Bureau of Mediation Services meeting has

been scheduled at Ely City Hall on Thursday at 12:30 p.m. The council instructed Attorney Klun to request a date change for this mediation meeting.

DEPARTMENTAL REPORTS

Moved by Debeltz supported by Nikkola to approve payment of 2nd half of October City and EUC Bills and payroll as presented. Motion carried unanimously.

City Operations Director

Director Langowski presented a memo regarding the old City and County garages. He recommended the city close these buildings as the current tenants are not paying sufficient rent to cover the cost of heat and the city is losing money on both buildings, considering the cost of liability insurance. Clerk Boese will notify the public of the heated and unheated rental opportunities the city has by advertising in the local newspapers and on the city website.

Director Langowski reported that the EUC is considering increasing the street and infrastructure charge to each parcel of property by \$1.00 per month. In August, the Charter Commission recommended that EUC handle the maintenance of hydrants. The \$40,000 which was previously budgeted for hydrant maintenance, testing, and painting was removed from the general fund budget, leaving the maintenance unfunded. The EUC has been doing the maintenance and absorbing the cost.

Moved by Debeltz supported by Zupec to authorize Director Langowski to review possible charter and ordinance changes regarding the \$1.00 per month increase for the street and infrastructure charge to be based on billing per parcel. Motion carried unanimously.

Director Langowski addressed the issue of utility meters being located inside buildings with no way to read them remotely. He is recommending the city develop an ordinance to enforce relocating the meters to the outside of a building when the property is sold.

The EUC will be changing their regular meeting dates from: October 28 to November 4; and November 11 to November 18. The November 25 meeting has been cancelled.

Moved by Shedly supported by Debeltz to authorize the Mayor and Clerk to Applied thru Hazard Mitigation application to Homeland Security to bury aerial cable to Burntside pump stations. Letter of Maintenance Statement to be signed Director Langowski. Motion carried unanimously.

EUC Consent Agenda Items:

1. Approved payment of \$1,538.08 to the Minnesota Power Customer Group to have Baker Tilly audit the MP FERC Formula Tariff method of billing.
2. Approved moving forward with an ordinance for S&I Charges, Shared Water & Sewer Services and Interior Electric Meters.
3. Approved purchasing parts for the high lift pump at the WWTP from Patterson Pump for \$8,277.00 and budgeting for a new biosolids pump in 2010.
4. Approved payment of the September #2 Bills List for Prepays \$93,760.62 and Bills \$52,464.14.
5. Approved payment of the Minnesota Power September bill \$131,182.15 and approved charging the fuel adjustment charge on the November utility bills.
6. Approved payment of the TOS September Invoice for \$1,156.32.
7. Approved payment of the O'Connor Consulting Invoice for \$309.88.

Moved by Debeltz supported by Shedly to approve payment of items 1-7 of the EUC consent agenda as presented above. Motion carried unanimously.

COMMUNICATIONS

The council reviewed a letter from the Ely Igloo Snowmobile Club stating a Landowner/Volunteer Appreciation Dinner will be held November 1, 2009 at Grand Ely Lodge.

A letter was received from St. Louis County Soliciting participants for an Advisory Committee. Requests are due by November 16, 2009.

Notice was received from the FAA notifying the council that a 900-foot runway extension at the Ely Municipal Airport is not justified at this time.

Council member Omerza presented a letter from Ely Cub Scouts having a citywide food drive. Cub Scouts will deliver plastic bags donated by grocery store in town with note to return following Saturday. Help is greatly appreciated and needed this year.

CLAIMS FOR PAYMENT

- a. Louis County Trezona Trail Project 2001 - Invoice #29225 \$4,637.53
- b. Terry's Operational Services September, 2009 Invoice \$1,156.32
- a. TKDA – Professional Services, Invoice #200903047, \$4,264.35; Invoice #200901944 \$1,370.95
- b. dsgw – Professional Services, Invoice #7, \$66.00
- c. Russo Consulting – Professional Services, \$600.00
- d. Superior Products – Refrigerator/Freezer for Rec Center \$4,338.06
- e. NTS – Phase I Public Works Facility, Invoice #09-06053 \$1,613.75
- f. RLK – Professional Services for Spaulding Phase 3 Platting, Invoice #2008125L00014, \$2,648.50
- g. Klun Law Firm – Professional Services, Invoice #15944 \$109.75; Invoice #15945, \$109.75

Moved by Nikkola supported by Debeltz to approve claims for payment A-G as presented above. Motion carried unanimously.

OLD BUSINESS

Moved by Omerza supported by Debeltz to waive readings in entirety of all ordinances and resolutions on the agenda. Motion carried unanimously.

Moved by Debeltz supported by Nikkola to approve Biomass Feasibility Study by LHB as presented. Motion carried unanimously.

Moved by Debeltz supported by Shedly to send letter of thank you to Blandin for approval of the recent grant for biomass feasibility study. Motion carried unanimously.

The council discussed holding a town hall meeting to seek public input on remodeling City Hall/Community Center building vs. a building new facility. A preliminary meeting the 3rd of December was discussed tentatively to be held at the Senior Citizens Center. The council will meet prior to this meeting to develop 3 options to present for the public.

NEW BUSINESS

Moved by Debeltz supported by Nikkola to adopt the resolution approving state aid agreement for 2010 and 2011- Airport Maintenance and Operation and authorizing Mayor and Clerk to sign.

Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Shedly-yes; Zupec-yes. Motion carried unanimously.

Moved by Nikkola supported by Shedly to adopt resolution for Minnesota Department of Transportation Grant Agreement - airport improvement excluding land acquisition. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Shedly-yes; Zupec-yes. Motion carried unanimously.

Moved by Nikkola supported by Sheddy to pass resolution for \$45,000 grant for clean-up of old storage tanks at the public works garage. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Sheddy-yes; Zupec-yes. Motion carried unanimously.

Moved by Sheddy supported by Omerza to adopt resolution for \$50,000 grant for demolition of engine house at old mine site. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Sheddy-yes; Zupec-yes. Motion carried unanimously.

Moved by Omerza supported by Nikkola to adjourn meeting at 7:50 p.m. Motion carried unanimously.

Terri Boese
Clerk/Treasurer