

Ely City Council Regular Meeting December 15, 2009

The Ely City Council regular meeting was called to order by Mayor Skraba at 6:30 p.m. on December 15, 2009 at the Ely City Hall.

PRESENT: Council members Debeltz, Omerza, Salerno, Sheddy, Zupec and Mayor Skraba (6)

ABSENT: Council member Nikkola (1)

Moved by Salerno supported by Zupec to approve minutes of the December 1, 2009 Regular Meeting, December 3 and December 11, 2009 Special Meetings as presented. Motion carried unanimously.

Additions/Omissions to the Agenda:

1. Omission - New Business, Item A. Letter of support
2. Addition - Mayor's Agenda Item 1. Thank you for donation of chairs for boardroom

Moved by Salerno supported by Sheddy to approve additions/omissions of items 1 and 2 to the agenda as presented above. Motion carried unanimously.

Mayor's Agenda:

Mayor Skraba thanked Council member Salerno for donating 9 chairs to the city which will be used in the council board room.

Consent Agenda Items:

1. Authorize Assistant Police Chief Lahtonen to attend CLEO-Command Academy in Little Falls, February 2-5, 2010
2. RAMS annual meeting, January 19, 2010 at the Park Hotel, Hibbing
3. Notice to pay \$2,101.09 to the Housing & Redevelopment Authority

Moved by Salerno supported by Zupec to approve consent agenda items 1-3 as presented above providing no overtime is incurred by the police department when Assistant Chief Lahtonen attends the CLEO training. Motion carried unanimously.

Moved by Sheddy supported by Zupec to move the EEDA and council meetings scheduled for January 19, 2010 to Wednesday, January 20, 2010 and authorized council member and staff to attend the RAMS annual meeting. The EEDA meeting will be held at 6:00 p.m. and the council meeting will be held at 6:30 p.m. Motion carried unanimously.

REQUESTS TO APPEAR

Diana Crombie spoke to council about the budget and importance of fire safety. She recommended the council find a budget solution that does not include cutting funding to the fire department.

Mike Hillman requested approval to prepare a grant application for a 2 year study of the Pioneer Mine through the Legacy Grant program. Moved by Salerno supported by Omerza to approve Mike Hillman to draft and present in January, 2010 a Legacy Grant proposal for Pioneer Mine. The grant writing fee will be paid through the grant with no costs being incurred by the city. Motion carried unanimously.

Mauro Caruso requested the city create a small skating rink in Whiteside Park as was done last winter. Moved by Sheddy supported by Salerno to allow Sheddy to work with city staff to create a rink in Whiteside Park. Sheddy will solicit volunteers to create the rink and spread grass seed in the spring. Motion carried unanimously.

COMMITTEE REPORTS

1. Moved by Omerza supported by Debeltz to offer the position of Assistant Treasurer to Daniel Smith pending background and reference checks. Motion carried unanimously.

2. The fire committee will be meeting with the fire department on December 17, 2009 at 7:00 p.m. to discuss eliminating or cutting the full time fire chief position, limiting the number of volunteer fire firefighters and the 2010 proposed fire department budget
3. Moved by Shedly supported by Zupec to approve the purchase of 7 laptops for the city council members at a cost of approximately \$2,400. A meeting will be scheduled in January to cover training and the usage policy. Motion carried unanimously.
4. Moved by Omerza supported by Debeltz to maintain a minimum fund balance of \$37,000 in the TV access fund. The committee will review the fund balance annually. Motion carried unanimously.
5. Moved by Omerza supported by Debeltz to approve the rink manual, supplemental attendant applications, and accident report forms as presented by the Park & Recreation Board. Motion carried unanimously.
6. Moved by Omerza supported by Shedly to approve the rental application and facility rules as presented by the Park & Recreation Board. Omerza stated she will be bringing additional information regarding rental charges to the council following the next Park & Recreation Board meeting. Motion carried unanimously.
7. Moved by Omerza supported by Debeltz to approve transferring \$1,931.04 from the recreational facility fund to the capital projects fund. Motion carried unanimously.
8. There is an open house scheduled at the new recreation facility on the 19th from 1-6 p.m. The public is invited.
9. EADA and Joint Powers invited the City Council to the holiday party at the Creek Ridge Lodge on Monday December 29th.
10. Moved by Zupec supported by Shedly to authorize the Planning & Zoning board to research licensing of rental properties. Motion carried unanimously.
11. Mayor Skraba reported on the meeting with Bakk and Dill that was held earlier this month and the possibility of food and beverage tax for the City of Ely. He also participated in the meeting regarding Timberwolves.

Department Heads

Moved by Debeltz supported by Salerno to approve 2010 fire contracts with the City of Winton and The Township of Stony River at the same rate as the 2009 contracts. Motion carried unanimously.

City Attorney

Moved by Debeltz supported by Zupec to authorize Council members Salerno, Zupec, Mayor Skraba, Director Langowski and Attorney Klun meet with WSB in mid January, 2010 to discuss the airport litigation claim. If one of the appointed council members is unable to attend another council member will attend the meeting. The meeting will be held in Ely and Attorney Klun will verify that the charges will be incurred for the meeting from WSB. Motion carried unanimously.

The council reviewed the probationary review form that was presented for Chief Saw. Moved by Salerno supported by Zupec to extend Chief Saw's probation to January 5, 2010. Suggestions or changes to the form should be submitted to Attorney Klun by December 19, 2009. Council members will submit the completed review forms to Attorney Klun's office by December 28, 2009 for tallying. The council will hold a closed meeting on January 5, 2010 following the regular meeting for Chief Saw's review. Attorney Klun will have results tallied and will provide copies to the council and Chief Saw by December 31, 2009. Motion carried unanimously.

Attorney Klun and Clerk Boese are working on the preliminary draft of the Supervisors of Other Than Essential Employees 2010 bargaining unit contract. The contract will be presented to the council on January 5, 2010. The contract will be added to the December 22, 2009 agenda for discussion.

The council authorized Attorney Klun to write a letter to James Summers owner of Lot 10, Block 2 East Spaulding Addition regarding his intent to build on this property.

Moved by Zupec supported by Shedly to write off the following storefront loans as bad debts: Kerry Perusheck #200815, #200890; Alan Killoran #200835; and Jennifer Arcila #200885. Motion carried unanimously.

Moved by Omerza supported by Debeltz to approve the following transfers: \$50,000 from Boundary Waters Bank Rehab & Storefront Collections Account #36564 to Queen City Federal Rehab & Storefront Checking Account #752 to cover the cash shortage, two new storefront loans, and program expenses; \$25,000 from Boundary Waters Bank Rehab & Storefront Collections Account #36564 to a new account to establish a separate account for the \$25,000 IRR Partnership Grant funds as required by the grant document. Motion carried unanimously.

Moved by Omerza supported by Zupec to make a permanent transfer of \$80,000 from the rehab fund to the storefront fund. Motion carried unanimously.

City Engineer

Moved by Salerno supported by Zupec to approve partial pay estimate #2 for Ulland Bros as presented for street surfacing of 2nd Ave. in the amount of \$53,597.57. This project is under budget at this time. Motion carried unanimously.

Moved by Salerno supported by Omerza to award the demolition assessment bid to Northeast Technical Services in the amount of \$2,310.00 as presented. The cost is included in the IRR grant monies received by the city. Motion carried unanimously.

Moved by Debeltz supported by Salerno to approve change order #3 for 2nd Ave W improvements as presented. This change order results in a savings to the city. Motion carried unanimously.

There will be a Public Hearing on December 22nd at the joint facility regarding Central Avenue reconstruction and resurfacing.

DEPARTMENTAL REPORTS

Clerk-Treasurer

Moved by Debeltz supported by Salerno to approve the payment of the City and EUC bills and payroll for the 1st half of December, 2009 as presented. Motion carried unanimously.

Moved by Debeltz supported by Zupec to allow employees to donate leave time to a current employee who has suffered a catastrophic illness. This was approved due to extraordinary circumstances and time donated will be figured at the donating employee's hourly rate and pro-rated by the receiving employee's hourly rate. Motion carried unanimously.

The meeting was recessed for a 5 minute break and reconvened at 8:55 p.m.

City Operations Director

Moved by Zupec supported by Salerno to authorize environmental phase II testing at the old public works facility location in the amount of \$10,018.00 by NTS as presented. Motion carried unanimously.

Moved by Salerno supported by Zupec to approve the purchase of a used sander in the amount of \$4,000 from J & A Enterprises to be paid for out of the equipment replacement bond monies. Motion carried unanimously.

Moved by Shedly supported by Salerno to accept the bid from EESCO for replacement of 6 street light fixtures on Sheridan Street in the amount of \$11,477.76. These will be paid for by the vehicle owner's insurance. Motion carried unanimously.

Director Langowski presented a new equipment and labor rate fee schedule. Moved by Salerno supported by Shedly to approve the rate schedule as presented to become effective 12/15/09. Motion carried unanimously.

EUC Consent Agenda Items:

1. Approved following the recommendation from Gary Giroux to clear up the due to/due from accounts as of year-end.
2. Approved the new charges for fees, labor rates and equipment rates.
3. Approved the purchase of six light fixtures for Sheridan Street for \$11,477.76.
4. Approved payment of the November #2 Bills List for \$5,758.76.
5. Approved payment of the USDA Rural Development Loan Payment for \$93,987.50.
6. Approved payment of the MDH Community Water Supply Service Connection Fee for \$2,981.00.
7. Approved changing the date of the next regular EUC meeting from Wednesday, December 23rd to Monday, December 21st at 5:30 P.M.

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

Director Langowski reported that the utilities will be conducting a light bulb giveaway program today and tomorrow for EUC utility customers at the city hall from 9 a.m. – 4 p.m.

COMMUNICATIONS

- A. League of MN Cities notice of elimination of managed care premium credit effective 1/1/2010. Clerk Boese reported on the development of a city safety committee as recommended by the League of MN Cities loss control specialist. Liability rates will be increasing in 2010 by 3% and auto rates decreasing by 7%.
- B. Changes in LMCIT coverage and rates
- C. EADA Executive Board agenda
- D. Public building enhanced energy efficiency program information
- E. Notice from USDA regarding forest-wide travel management

CLAIMS FOR PAYMENT

- A. WSB, Invoice #28, Professional services \$65,220.37
- B. Northern Water Works Supply/Construction Services, Partial Pay Estimate #5, Second Ave W Improvement Project \$3,276.21
- C. Klun Law Firm, Invoice #16045 Professional Services \$198.00 & Invoice #16056 \$1,517.44
- D. Custom Theaters of Ely, Invoice #3842 Youth Center equipment \$7,298.49
- E. Terry's Operational Services, November, 2009 Invoice, Professional Services \$650.00
- F. RLK, Invoice #9 General engineering services, \$0 & Invoice #1 \$5,130.00
- G. USDA Loan #92-02 Bond payment \$93,987.50

Moved by Salerno supported by Zupec to approve claim for payment A-G as presented above. Motion carried unanimously.

OLD BUSINESS

Moved by Zupec supported by Debeltz to waive readings in entirety of all ordinances and resolutions on tonight's agenda. Motion carried unanimously.

Moved by Debeltz supported by Zupec to authorize Clerk Boese to contact Northland Securities to bond for \$200,000 for the purchase of fire department vehicles and to cover the cost of the quint truck purchase made earlier this year. Motion carried unanimously.

A member of the EUC or Director Langowski will begin attending the TAB meetings in the future.

NEW BUSINESS

Moved by Salerno supported by Zupec to approve the following 2010 soft drink and tobacco licenses:

Company Name	Soft-drink	Tobacco
Sky Ventures DBA Pizza Hut	✓	
Beaver Liquor	✓	✓
Blomberg Amoco	✓	✓
Boathouse Brewery, LLC	✓	
Canoe Country Outfitters	✓	
Ely-Bloomenson Community Hospital	✓	
Ely D.Q. Grill & Chill	✓	
Ely Steakhouse	✓	✓
Holiday Stationstores Inc	✓	✓
Jugoslav National Home Inc.	✓	
Kat's Drive-In Liquor	✓	✓
Edwards Oil Inc dba Lucky Seven	✓	✓
Mike's Drive-In Liquor	✓	✓
Pamida	✓	
Prairie Fire Tobacco		✓
Moose Ridge Inc. / Sir G's	✓	
VFW Post #2717	✓	
Wildlife Liquor	✓	✓
Zaverl's Bar, Inc.	✓	✓
Zupancich Bros Inc	✓	✓

Motion carried unanimously.

Moved by Salerno supported by Debeltz to pass the resolution guaranteeing local share of construction costs and ongoing maintenance of Trezona Trail as presented. Roll call: Debeltz-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Motion by Salerno supported by Debeltz to pass the resolution opposing unallotment. Roll call: Debeltz-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Motion by Debeltz supported by Salerno to add Engstrom loan #200985 included in the bad debt write off for storefront loans. Motion carried unanimously.

Moved by Debeltz supported by Salerno to adjourn at 8:53 p.m. Motion carried unanimously.

Terri Boese
Clerk/Treasurer