

## **Ely City Council Regular Meeting**

The Ely City Council regular meeting was called to order by Mayor Skraba at 6:30 p.m. on June 2, 2009 at the Ely City Hall.

PRESENT: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec and Mayor Skraba (7) ABSENT: (0)

Moved by Zupec supported by Nikkola to approve the minutes of the May 5, 2009 Regular Meeting; May 19, 2009 Reconvened Board of Appeal Meeting; May 26, 2009 Study Session; and May 26, 2009 Special Meeting as presented. Motion carried unanimously.

Director Langowski added Change Order No. 1 to the agenda under his report.

### **MAYOR'S AGENDA**

Mayor Skraba commended the Vet's organizations that placed flags at the cemetery for Memorial Day. He also thanked Clerk Boese for providing the location maps.

Moved by Debeltz supported by Nikkola to send thank you letters to the VFW and the American Legion for marking the graves at the cemetery for Memorial Day. Motion carried unanimously.

The Alternative Energy Committee will meet on 6/22/09 at 6:30 p.m. in the Ely City Hall Board Room.

#### **Consent Agenda Items:**

1. 2009 library crossover grant – Amending 2009 Budget as follows: Add revenue 211-45501-36200 in the amount of \$3191 and expense 211-45501-200 also in the amount of \$3191
2. Clerk authorized to request early distribution of 2009 taxes
3. Authorize clerk to set up street and infrastructure savings account at Boundary Waters Bank
4. Authorize Clerk to cancel 2009 maintenance contract for Eagle voting machines
5. Authorize Clerk to attend TIF workshop in Duluth, June 18, 2009
6. Authorize Clerk to attend Health Insurance Workshop in Minnetonka June 9, 2009

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

### **COMMITTEE REPORTS**

Council member Omerza reported on the new key card fob now available for \$20 at the library.

The council discussed the bathrooms at Whiteside Park. Currently the bathrooms are being opened by Public Works during the week and the Police Department on the weekends.

Operations Director Langowski reported that Semer's Beach will be opening June 15 with hours from 10 a.m. – 5 p.m. Potentially the beach attendants will be tasked with opening the bathrooms at Whiteside Park. Mayor Skraba reported that the city had an independent contractor who was responsible to open/close and clean the bathrooms at the park but due to budget cuts this contract was not renewed for 2009.

Council member Omerza reported that a business mixer will be held in mid-July at EADA. More information will be forth coming.

Clerk Boese reported that the June 4<sup>th</sup> Insurance Committee meeting has been cancelled.

Mayor Skraba reported the fish fry has been postponed.

#### CITY ATTORNEY

Attorney Klun presented the Dorothy Molter lease stating the group will be adding a bathroom at the museum and they will continue to pay the utilities. The lease is for a period of 10 years.

Moved by Debeltz supported by Omerza to approve the Dorothy Molter Museum lease as presented. Motion carried unanimously.

Moved by Zupec supported by Salerno to table the Ely TV contract. Motion carried unanimously.

The Planning & Zoning Commission will hold a public hearing on June 11<sup>th</sup> for the Boundary Waters Blues lease. Attorney Klun requested the council review the proposed lease and provide comments to her before Friday so any changes could be incorporated prior to the hearing.

Moved by Salerno supported by Sheddy to appoint the following representatives to the Mediation Committee: Attorney Klun, Operations Director Harold Langowski; Council member Nikkola; Mayor Skraba and James Preblich (if he is available) to attend the hearing scheduled in Minneapolis on July 16<sup>th</sup>. If Council member Nikkola is unavailable another member of the Negotiating Committee will attend in his place. Any member of the Airport Committee who is interested was also invited to attend. Motion carried unanimously.

Attorney Klun reported on George Burger's request to trade his Spaulding lot for one another lot. A purchase agreement needs to be drafted prior to approving this request. She will prepare a recommendation for the next meeting.

Moved by Salerno supported by Zupec to table the Spaulding land trade request until the next meeting. Motion carried unanimously.

Attorney Klun reported that the terms of Mr. Conery's contract stand and he does not have the option of changing the terms of his contract. Mr. Conery has been sent a letter to begin the process of termination. He has 30 days to cure any defaults that he has under the contract, if he does not cure the defaults the city can or will automatically terminate his contract. Attorney Klun requested that going forward any contract the city has with Mr. Conery should be in writing instead of verbal.

Moved by Salerno supported by Zupec that all communication between city council members and Building Official, Patrick Conery is made in writing through the City Attorney's office. Motion carried unanimously.

#### DEPARTMENTAL REPORTS

##### Clerk/Treasurer

Moved by Debeltz supported by Salerno to approve the City and EUC bills and payroll as presented. Motion carried unanimously.

Moved by Debeltz supported by Salerno to appoint the Employee Relations Committee, Librarian Rachel Heinrich and a member of the Library Board as the interview committee for the Library Clerk position. Motion carried unanimously.

#### CITY OPERATIONS DIRECTOR

Director Langowski reported that he had received an annexation request from Mary Ellen Gotchnik on Brisson's Point. He has sent out questionnaires to the property owners in that area who currently have electric utility accounts through the city, inquiring as to their interest in annexation and receiving sewer services. He stated that he had received approximately 75% of the surveys back with the response being no at this time. This issue will be address on the next EUC agenda.

Moved by Shedly supported by Zupec to purchase a used 2005 International pump truck for \$38,825.00 plus tax and registration from Skubic Bros. International as presented. Motion carried unanimously.

Moved by Debeltz supported by Salerno to waive the time restriction on the sale of the city's grader as previously advertised. Motion carried unanimously.

Moved by Debeltz supported by Salerno to sell the grader for the minimum bid of \$20,000.00 to C C Winger. Motion carried unanimously.

Moved by Shedly supported by Zupec to approve Change Order #1add/alternate on the 2<sup>nd</sup> Ave W Improvement project in the amount of \$51, 296.00 as presented. Motion carried unanimously.

Moved by Salerno supported by Zupec to approve EUC consent agenda items 1-5 as follows:

1. Authorize RLK, Inc to prepare cost estimate for water and sewer to Brian Coombe's property
2. Approved paying half of the cost of safety training contract with MN Power for one year \$3,914.00
3. Approved purchase of 9,000 lbs of clarifier media for the WTP for \$13,500 with installation from Dow.
4. Approved payment of MN Power invoice April, 2009 for \$122,889.37
5. Approved payment of KBM, Inc. invoice #040910 for 2009 reconductoring project \$3,343.42

Motion carried unanimously.

## COMMUNICATIONS

A thank you letter to the Fire Department from Bob and Chris Touruat was reviewed by the council.

House research bill H060DE1, Taconite Area Environmental funding for Ely \$200,000 for Reconstruction of 2<sup>nd</sup> Ave W project was presented.

## CLAIMS FOR PAYMENT

Moved by Debeltz supported by Shedly to approve the claims for payment A-E as follows:

- A. St. Louis County - \$85,328.47 final invoice 2007 road project
- B. LMC/Berkley Risk – Insurance claim #11068133 \$726.00
- C. RLK – Invoice # 2008125L00011 \$5,029.73, Spaulding Phase 3 platting RLK - Invoice # 2007-427-H \$0, General Engineering Services
- D. Patrick Conery, Building Official – monthly billings for April \$2,815.32 & May \$3,542.49
- E. Unemployment Claim \$1,042.58

Item A will be reviewed prior to payment by Director Langowski. Motion carried unanimously.

## OLD BUSINESS

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

Attorney Klun reported that she has received a request from Laura McEntyre stating she would be purchasing a home in Ely and needs the proceeds from the sale of her lot in Spaulding for the down payment. Ms. McEntyre has requested the council exercise the right of re-entry/reversion prior to the expiration date of 8/20/10 under the terms of her contract she currently has with the city. She has not identified the property she intends to purchase at this time.

Moved by Salerno supported by Zupec to request Ms. McEntyre present a purchase agreement for a home within Ely corporate limits including a contingency that the city exercise their right or re-entry for her lot in Spaulding. Motion carried unanimously.

Council member Omerza requested council procedures be reviewed and she thanked the Mayor for his letter of apology. She reviewed the discussion from the May 19<sup>th</sup> meeting regarding the health insurance memorandum of understanding. Mayor Skraba apologized to Clerk Boese and Attorney Klun for the misunderstanding he had regarding this issue.

## NEW BUSINESS

Moved by Salerno supported by Zupec to pass resolution 2009-015 authorizing Clerk Boese to make application to IRR for public works infrastructure grant application for 2<sup>nd</sup> Ave W utility and street reconductoring project. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Shedly-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Moved by Omerza supported by Salerno to pass resolution 2009-014 authorizing Clerk Boese to make application to IRR for public works infrastructure grant for funds from Iron Range Youth

in Action to be used at the Ely recreation center. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Moved by Zupec supported Nikkola to pass resolution 2009-016 authorizing Clerk Boese to make application to St. Louis County for 2010 recycling and waste reduction grant. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Moved by Zupec supported by Nikkola to pass resolution 2009-017 approving gambling permit application by Spiritwood Foundation. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Moved by Salerno supported by Zupec to pass resolution 2009-018 approving gambling permit application by Conservationists with Common Sense. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes; Mayor Skraba-yes. Motion carried unanimously.

Moved by Zupec supported by Debeltz authorizing Mayor Skraba to sign the joint check agreement as presented for the 2<sup>nd</sup> Ave W project. Motion carried unanimously.

Moved by Omerza supported by Debeltz to approve the Nordic Ski Club grant application in the amount of \$1,200 and approve the Maintenance & Grooming reimbursement request of \$2,000. Motion carried unanimously.

Moved by Debeltz supported by Nikkola to close the meeting at 7:30 p.m. to discuss health insurance contract strategies. Motion carried unanimously.

The meeting was reopened at 8:18 p.m.

Moved by Omerza supported by Salerno to authorize Clerk Boese to send notification to Northeast Service Cooperative to terminate the Blue Cross/Blue Shield health insurance contract effective 7/1/09. Motion carried unanimously.

Moved by Salerno supported by Omerza to approve the health insurance memorandum of understanding as presented by Attorney Klun and to distribute to all unions. Motion carried unanimously.

Moved by Nikkola supported by Omerza to adjourn the meeting at 8:20 p.m. Motion carried unanimously.

Terri Boese  
Clerk/Treasurer