

Ely City Council Regular Meeting October 6, 2009

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

PRESENT: Council members Debeltz, Nikkola, Salerno, Sheddy, Zupec, and Mayor Skraba.
ABSENT: Omerza

Moved by Salerno supported by Zupec to approve the minutes of the regular meetings September 1, 2009 and September 15, 2009 and special meetings September 8, 2009 and September 23, 2009. Motion carried unanimously.

Additions or omissions to tonight's agenda:

1. City Attorney Items: 5. Old Ford Garage and 6. Palcher property
2. New Business Item C. Continuation of the October 6, 2009 meeting

Moved by Sheddy supported by Salerno to approve the additions to the agenda as listed above. Motion carried unanimously.

Consent Agenda Items:

1. Hometown Minnesota, Downtown Design Standards Workshops
2. Duluth Chamber of Commerce Annual Meeting, October 14, 2009

Moved by Sheddy supported by Nikkola to approve consent agenda items 1-2 as presented above. Motion carried unanimously.

Moved by Salerno supported by Debeltz to authorize the Mayor to attend both workshops as presented in items 1-2 above. Motion carried unanimously.

COMMITTEE REPORTS

Council member Debeltz reported that the Gardner Trust is starting to build its funds back up again and there should be more money available in the future for grants.

Mayor Skraba announced his thanks to Muffin Nelson and folks for the success of Ely 2016 Rally held at Whiteside Park, Thursday October 1st. Thank you to following groups/ organizations/businesses helped make the Rally a success: Ely Marching High School Band, Dance Team, Largemouth Brass, Ely Pipes and Drums, 5-OH!, Washington Elementary PTO, Ely Track Club, Dorothy Molter Museum, NLAA, North American Bear Center, Ely Memorial High School Key club, G-Men, Range LP Gas, Piragis Northwoods Company, Grand Ely Lodge, Pamalot Roberts (as Buzzy the Mosquito), Ely DQ Grill & Chill, Ely Northland Market, Zups Market, Boy Scout Troop 170, AJ's Fast Lube, and the Chamber, City, and volunteers.

Ely Area Development Association is having a Business Mixer from 5-7:00 p.m., Wednesday, October 07, 2009 at the Economic Development Center.

City Attorney

Attorney Klun requested the council hold a special meeting regarding the Leustek claim to meet with Attorney Blomberg from the League of MN Cities. Moved by Salerno supported by Nikkola that a closed meeting be held with Attorney Blomberg at 6:00 p.m. on October 20, 2009. Motion carried unanimously.

Attorney Klun presented information on the Beirbaum property – Lot 1, Block 1, East Spaulding Addition. She reported that the Beirbaum's have not completed construction of the foundation for the primary structure prior to October 1, 2009 as they had agreed and she will be sending them a letter notifying them of the \$2,500.00 penalty.

Attorney Klun reported on the encroachment on west end – Harvey/Chapman/Conan Streets. A survey is needed to determine the amount of property over the line for the city to consider deeding property to homeowners. One homeowner stated that it would be cost prohibitive to him but it would be of benefit if the other homeowners will gather together to have the survey done. Council member Sheddy stated that the City would not bear the cost of the survey. Council member Salerno stated two things are needed: 1) determine the area by a survey and 2) creating a legal description. Attorney Klun will advise the homeowners that they can move forward by getting a survey done and then bring it back to Council.

Attorney Klun stated she had a phone call from Victor Venturi regarding the Old Ford garage property. He has had major health issues and he intends to rebuild the building. Council member Salerno has been in contact with Mr. Venturi and stated 1) we need something from Venturi with time limits, 2) there are safety issues, and 3) Venturi is sending a fax stating what and when he will do it. Salerno expects to receive this within a day and will make copies for Council, Clerk, and Attorney Klun. Mr. Venturi claimed he did not get correspondence even though it was sent return receipt. Attorney Klun reported that Mr. Venturi has 30 days to secure the building which would be October 10, 2009. She asked if council wanted to put this on hold until the council hears back from Mr. Venturi or to move ahead? Director Langowski stated he had met with Mr. Venturi's representative and the building official in April, at which time the building official also inspected the building, and both believed, in their professional opinion, that it was not salvageable. He stated securing brick from falling down is difficult. The Council agreed to put the issue on hold until the letter is received from Mr. Venturi.

Attorney Klun reported that the U.S. Forest Service Annexation was brought up at the Joint Meeting with Morse Township. Moved by Sheddy supported by Zupec to approve the annexation of the U.S. Forest Service property as presented by Attorney Klun and authorize the Mayor and Clerk to sign the Joint Resolution. Motion carried unanimously.

Attorney Klun requested Council's approval to release Bernie & Jeanette Palcher from the stipulation in their purchase agreement since they have substantially completed their house by October 2009. Moved by Zupec supported by Sheddy to have Attorney Klun send a letter informing the Palchers that they have fulfilled the requirements of their purchase agreement. Motion carried unanimously.

Attorney Klun forwarded the notification from St. Louis County to the City, as a nearby landowner, of a conditional use permit request being heard by the Planning commission on Thursday, October 8 at 9:30 a.m. Lake Country Power has requested to upgrade an existing electrical substation as a Utility Facility. The project is located adjacent to the city of Ely and will be assessed of the Savoy Road, site address 1345 Grant-McMahan Boulevard. Mayor Skraba stated that the City is developing land around the existing substation and it may be viewed as unattractive. He feels it would be okay if the application is strictly for expansion of substation, however, if it is for storage that would be a problem, affecting Spaulding property values. Council member Zupec explained his concerns regarding the electrical boundary set in 1973 agreement with Lake Country in the Beacon Hill area. Director Langowski expressed the same concerns regarding storage, he would need more information for what the plan is and there is drainage of the bog directly to the Shagawa River. Mark Lindhorst has approved, with conditions regarding wetlands. Mayor Skraba suggested Attorney Klun attend the meeting. Moved by Zupec supported by Debeltz to send one or more representatives to attend the St. Louis County hearing and oppose the conditional use permit request as presented. Motion carried unanimously.

DEPARTMENTAL REPORTS

Moved by Salerno supported by Zupec to approve payment of 2nd half of September City and EUC Bills and Payroll as presented. Motion carried unanimously.

City Operations Director

Director Langowski requested Council to make changes to the public works department budget. Moved by Debeltz supported by Zupec to approve an increase in revenue #101-43100-34951 Sale of Equipment increase \$25,333 (Grader \$20,000, Ford Pickup \$5,000, and Plow Blade \$333) and expenditure #101-43100-581 Equipment Replacement increase \$25,333 as presented. Motion carried unanimously.

Director Langowski presented for discussion Mesabi Masonry cost estimate to restore Miners Dry building floor. Proposal of \$4,000 for floor grinding at \$10 a square foot for 20' x 20' section. \$48,000 to grind it down and there are issues with side drains. He has concerns on spending money for areas that are soft and stained and cracks in floor from no heat. There are 3 possible approaches to restoring the floor: hammer – the first suggestion by architect, grind it down, and cover flooring. Hammer it out and re-pour would be the cheaper with an estimate of \$30,000. Rubber matting would be tough to transition with unlevel/ sloping/ large cracks. He believes this is a good project with significant improvement to the building and with in-kind and grant money to pay for it. Director Langowski will go to the State historical architect to make sure hammer and re-pour would be acceptable. The building can then be used and rented. The work would be done over the winter months into the spring. Need to check on grand deadline with IRR. Director Langowski will get back to council after contacting the State historical architect, and then can go after bids for hammering and re-pour on the project.

Director Langowski reported on letter from Widseth, Smith and Nolting in reference to Access Agreement with Minnesota Pollution Control Agency (MPCA) Site: former Pete's Garage, 904 South Central Avenue. This concerns contaminated soil and any damage to

sidewalks, streets will be replaced according to the agreement. Moved by Debeltz supported by Salerno to sign Access Agreement between MPCA and the city of Ely. Motion carried unanimously.

EUC Consent Agenda Items:

1. Approved payment of the September 15, 2009 Bills Payable for \$169,052.48.
3. Approved payment of the Lighthouse Power Systems Invoice #2180 for lift station and Burntside Pump Station servicing for \$1,786.29.
4. Approved payment of KBM, Inc. Invoice #080917 for the 2009 Reconductoring for \$71.00 and Invoice #080916 for Miscellaneous Electrical Services for \$72.50.
5. Approved payment of the Lakes States Construction Payment Request #1 for the Washington Street Reconductoring for \$35,233.05.

Moved by Nikkola supported by Salerno to approve payment of items 1-4 of the EUC consent agenda as presented above. Motion carried unanimously.

COMMUNICATIONS

Review of letter from Will Hauser, Noise Ordinance Complaint. Salerno would like to discuss options with Police Chief Saw, himself and two council members and to post a meeting notice for Noise Ordinance Committee. Sheddy and Mayor Skraba agreed to serve on committee. Moved by Salerno supported by Nikkola to authorize Salerno, Sheddy, Skraba and Saw to meet and discuss the noise ordinance. Motion carried unanimously.

Council reviewed letter from Mark Blanchfield thanking the promoters of the Boundary Waters Blues Festival for the event.

Thank you letter received from St. Louis County thanking to all who helped get the berm at the cemetery prepared and planted.

Thank you letter received from the Chamber of Commerce for the city's participation with the Harvest Moon Festival.

Thank you letter received from Northeast Service Cooperative for the city's letter of support for the fiber optic project federal funding proposal.

Thank you received from Sheri Dochat regarding the new recycling center site and the workers at the site.

The council received notice regarding the Ely-Bloomenson Community Hospital Annual Shareholder meeting scheduled for December 7, 2009. Formal notices will be sent on October 31st.

The city received notice from St Louis County the CDBG Citizen's Advisory Committee has initially recommended 2010 funding for the Central Avenue Utilities project in the amount of \$275,000.

Mayor Skraba discussed the letter received from the Bicycling Around Minnesota group. Ely is a potential host city candidate. The Council supports the event, however, the city will need to consider liability to work with them, i.e. finding an area for camping, emergency shelter if needed, and moving campers to shelter if necessary. Sheddy suggested contacting the bicycle shop and other merchants to work with them, motels, etc. The event is scheduled for August 24th with 200 to 300 people

participating. Debeltz stated the group should contact the Chamber. Director Langowski said there will be a need for porta-potties and dumpsters if the softball field or park areas are used.

Notice reviewed from IRR stating they received the city's request for funding for the Biomass feasibility study.

Mayor Skraba announced the All Night Grad Party Committee is seeking donations for the party.

Congressman Oberstar notified the city of energy assistance and weatherization funding received by the state of MN under the American Recovery and Reinvestment Act.

A copy of The Magic of Ely, in haiku, book was donated to the city by the author by Sandi LeMaster. Moved by Debeltz supported by Salerno to send Ms. LeMaster send a thank letter for the donation. Motion carried unanimously.

CLAIMS FOR PAYMENT

- a. LMC Worker's Comp Premium 4th installment, Invoice #16472, \$20,777.75
- b. NTS, Professional services, Invoice #09-5360, \$187.50 and Invoice #09-5362, \$587.50
- c. TKDA, Professional services, Invoice #200902422, \$1,686.07
- d. TKDA, Professional services, Invoice #200902667, \$1,368.34
- e. MMUA, 2009 Dues, Invoice #34052, \$516.60
- f. Flaherty & Hood, Professional services, Invoice #4286, \$50.23
- g. MN Mayors Association, annual membership dues \$20.00
- h. St Louis County, 2009 Assessor fees \$49,660.00

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

OLD BUSINESS

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

NEW BUSINESS

Moved by Salerno supported by Debeltz to pass resolution approving bingo application for Knights of Columbus to be held 11/15/09 and 12/6/09 at St. Anthony's Church. Roll call: Debeltz-yes; Nikkola-yes; Salerno-yes; Sheddy-yes; Zupiec-yes; Skraba-yes. Motion carried unanimously.

Moved by Salerno supported by Sheddy to pass resolution approving raffle permit for Crazy flight chapter of the ruffed Grouse Society to be held 10/22/09 at the Grand Ely Lodge. Roll call: Debeltz-yes; Nikkola-yes; Salerno-yes; Sheddy-yes; Zupiec-yes; Skraba-yes. Motion carried unanimously.

OPEN FORUM

Duane Whalen questioned whether or not the bicycle event would need an interim use permit.

Moved by Salerno supported by Debeltz to close the meeting and reconvene at 7:15 p.m. on Monday, October 12, 2009 in the council chambers. Motion carried unanimously.

Terri Boese
Clerk/Treasurer