

Ely City Council Regular Meeting

The Ely City Council regular meeting was called to order by Acting Mayor Zupec at 6:30 p.m. on June 16, 2009 at the Ely City Hall.

PRESENT: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy and Acting Mayor Zupec
(6) ABSENT: Mayor Skraba (1)

Moved by Salerno supported by Debeltz to approve the minutes of the May 19, 2009 Regular Meeting; June 2, 2009 Regular Meeting and the June 9, 2009 Budget Meeting as presented. Motion carried unanimously.

Additions to the agenda were as follows:

1. The Airport Commission will hold a special meeting on June 18th at 7:00 p.m. at the airport.
2. Water shut offs on Wednesday between 9 am-5pm
3. Clerk-Treasurer's Report: Nordic Ski Trail Grant payment of \$1,800
4. Operations Director Report: 4th of July parade

Mayor's Agenda

Acting Mayor Zupec requested that the council continue to meet as a committee of the whole on the budget instead of appointing a budget committee. Council member Nikkola suggested that it would be easier to meet with department heads and a couple of council representatives to work on next year's budget, however for any budget cuts that need to be made for the current year the council should work as a whole to make those budget cuts. Council member Omerza requested that if the council were to work on the budget as a committee of the whole they meet in the board room where it is more process would be more functional. Acting Mayor Zupec and council members Salerno and Nikkola volunteered to be on the budget committee. Zupec suggested that Mayor Skraba may also want to be on the committee. The council received the 2009 unallotment notice

Motion by Nikkola supported by Omerza to appoint Mayor Skraba, Zupec and Salerno to the budget committee. Motion carried unanimously.

Acting Mayor Zupec reminded everyone that the water will be shut off from Harvey to Sheridan and from 3rd Ave W to Central Ave from 9 am – 5 pm on Wednesday, June 17, 2009 to upgrade existing connections in the current road construction project area. Zupec will make this announcement on the regular Mayor's address on the radio Wednesday morning.

Consent Agenda Items:

1. Gambling license for Rotary - canoe raffle (approve pending receipt of all required documents)
2. Temporary liquor license for Ely Jaycees – Blue Berry Arts Festival (approve pending receipt of all required documents)
3. On sale malt liquor and wine licenses – Michael Trumbull DBA Northern Grounds (approve pending receipt of all required documents)
4. Accept 2008 audit report as presented by Walker, Giroux & Hanhne
5. Appointment of Alternative Energy Task Force Members
6. Authorize Alternative Energy Task Force to apply for Biomass feasibility study grant

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

Ann Spangler, representing the school district

COMMITTEE REPORTS

Council member Sheddy requested Police Chief Saw attend the sanitation committee meetings, with the next meeting being Thursday, June 18th at Klun Law Office.

Sheddy also reported as the Chamber liaison that the Chamber is considering pouring a concrete pad and adding 2 port-a-lets at the Chamber building. This option would be significantly cheaper than adding bathrooms to the existing structure. A 3 sided screen will be added around the port-a-lets. The Chamber will present drawings to the city for this project. Attorney Klun will review the Chamber's lease with the City in regard to this issue.

Moved by Debeltz supported by Sheddy to support the chamber project of installing port-a-lets on a concrete pad with a 3-sided enclosure at the chamber building site. Motion carried unanimously.

Sheddy reviewed Planning & Zoning's development of the interim use permit and fee.

Council member Omerza reviewed the Park & Recreation Board concept drawing for new playground equipment. She reminded everyone that the beach attendants are not babysitters and parents are responsible for their children at Semer's beach. Omerza reported that the city should receive notice this week with regard to funding of the \$40,000 grant application through IRR.

Moved by Omerza supported by Debeltz to send a letter of thanks to the High School class for their participation in the completion of the recreation center building. Motion carried unanimously.

Omerza reminded everyone that the summer reading program has started at the library and the program is available for all ages. Also the Friends of the Library book sale will be held soon.

Council member Nikkola had been previously appointed by the council to review the allegations against Patti Wellvang.

Moved by Nikkola to terminate Patti Wellvang, Deputy Clerk at this time based on his review. Motion supported by Sheddy. Nikkola stated that this is an ongoing investigation and any questions should be directed to the County Attorney. Omerza questioned if Nikkola was confident with this decision. Nikkola responded that he was after seeing what he saw and his understanding from the State Auditor's office what causes would be for termination. Zupec commented that he did not feel comfortable voting on this issue as he did not have enough information. Debeltz stated he trusted Nikkola's review but it was a hard decision for him to make. Nikkola reiterated that it was in the city's best interest not to discuss this issue any further. Zupec stated he felt it was not in the city's nor his best interest to vote on this issue without having more information. Roll call: Debeltz-abstain; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-abstain. Motion carried.

Department Head Reports

Moved by Debeltz supported by Salerno to appoint Acting Chief John Saw to the position of Police Chief as recommended by the Police Commission. Motion carried unanimously.

Moved by Shedly supported by Salerno to post notice internally for the position of Assistant Police Chief. Motion carried unanimously.

City Attorney

Moved by Omerza supported by Debeltz to approve the Ely TV Contract as presented pending the receipt of Exhibits A & B. Motion carried unanimously.

Moved by Debeltz supported by Nikkola to approve the Boundary Waters Blues Contract as presented. Roll call: Debeltz-yes; Nikkola-yes; Omerza-no; Salerno-yes; Shedly-yes; Zupec-yes. Motion carried.

Attorney Klun reviewed the Luestek claim mediation dates. Airport Manager Jim Preblich will not be able to attend the mediation. Moved by Debeltz supported by Salerno to appoint the following members to the mediation committee: Attorney Klun; Mayor Skraba; Council members Nikkola and Omerza; Harold Langowski; and Dave Peterson of the airport commission. Motion carried unanimously.

Moved by Shedly supported by Debeltz to execute the \$3,000 rebate commitment to Kevin Geiger on Lot 7, Block 2, East Spaulding Addition as recommended by Attorney Klun. Motion carried unanimously.

Attorney Klun presented a draft purchase agreement for lots in Spaulding 2nd Addition for council review.

DEPARTMENTAL REPORTS

Fire Chief

Chief Gerzin reported on the 1st responder program that was approved by the council last year is almost complete. Training will be completed August 11th and the paperwork has been submitted to St. Louis County. By the end of August there will be 10 medically trained 1st responders operating out of the Ely Fire Department.

Clerk-Treasurer

Moved by Nikkola supported by Salerno to approve payment of the EUC and city bills and payroll as presented. Motion carried unanimously.

Moved by Shedly supported by Omerza to approve reimbursement of the Ski Club grant funds of \$1,800 as presented. Motion carried unanimously.

The airport committee will hold a special meeting on June 18th at 7 p.m. at the airport to discuss a grant application for a snowplowing truck.

Ann Spangler appeared at this time to represent the Ely School District. The safe routes to school committee has finalized the document for council review. The Arrowhead Regional Development Commission will be hiring a safe routes to school coordinator. The committee has received funding in the amount of approximately \$13,000. The coordinator will work with Director Langowski to continue

working on funding for infrastructure. Ms. Spangler commended Langowski and Larry Polyner of St. Louis County for their work on this project.

DEPARTMENTAL REPORTS CONTINUED

City Operations Director

Director Langowski presented the sub-grant agreement preliminary resolution for the overhead power line project which serves the pump house on Burntside Lake and is estimated to cost \$395,000.

Moved by Debeltz supported by Sheddy to pass the Department of Homeland Security sub-grant agreement resolution as presented. Roll call: Debeltz-yes; Nikkola-yes; Omerza-yes; Salerno-yes; Sheddy-yes; Zupec-yes. Motion carried unanimously.

Langowski reviewed the events being planned for 4th of July. Two public works employees will be working along with the police department on setup and coordination of the 4th of July events. The council members were invited to ride in a city truck and distribute candy in the parade.

EUC Consent Agenda Items:

1. Recommended amending the joint Ely City Council/EPUC Resolution 1991-32 "Street and Sidewalk" Fund to charge all properties, not just rate payers the Street Maintenance charge
2. Approved purchase of 2 transducers and a float switch for the level control of the water tower for \$1850.35 from Quality Flow Systems, Inc.
3. Approve payment of the MN Dept of Commerce Indirect Assessment of \$570.92
4. Approved payment of the RLK, Inc Invoice #7 for the Second Ave W Utilities Project for \$2,370.00
5. Approve payment of the RLK, Inc Invoice #2 for the Central Ave Utility Improvements for \$1,055.00
6. Approved payment of the MN Dept of Health Community Water Supply Service Connection Fee for \$2,981.00

Moved by Debeltz supported by Sheddy to approve payment of items 1-6 of the EUC consent agenda as presented above. Duane Whalen questioned item #2 stating he felt that vacant lots should not be charged as proposed by the EUC. Director Langowski explained that all properties received a benefit from street and infrastructure improvements. Motion carried unanimously.

COMMUNICATIONS

Moved by Salerno supported by Omerza to approve attendance to the 2009 CGMC Summer Conference in Brainerd, July 29-31. Staff and council members interested in attending should contact the clerk's office. Motion carried unanimously.

Moved by Sheddy supported by Salerno to approve attendance to the Iron Range Economic Alliance quarterly meeting, June 24th in Mountain Iron. Staff and council members interested in attending should contact the clerk's office. Motion carried unanimously.

The council reviewed the governor's proposed 2009 unallotment of \$77,902 or \$22/capita and 2010 \$194,755 or \$55/capita.

CLAIMS FOR PAYMENT

- A. Fryberger, Buchanan, Smith & Frederick, Invoice #6569-36 \$2,500 for issuance of GO Bonds Series 2009B
- B. Klun Law Firm, Invoices # 15212 \$762.30 and #15213 \$95.94 for professional services
- C. dsqw Architects, Invoice #3 \$1,854.87 for city center study
- D. League of MN Cities Insurance. Trust, Invoice #31562 \$31,643.75 – 3rd installment general liability insurance
- E. Terry's Operational Service, May, 2009 Invoice \$600.00
- F. Walker, Giroux and Hahne Ltd, Invoice #38104 \$23,100.00 for audit of 2008 financial statements

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

OLD BUSINESS

Moved by Omerza supported by Salerno to waive readings in entirety of all ordinances and resolutions. Motion unanimously carried.

Moved by Debeltz supported by Shedly to move the discussion of the health insurance MOU to the end of the agenda and to close the meeting to discuss negotiation strategies at that time. Motion carried unanimously.

NEW BUSINESS

The council reviewed requests from Jim Hogan Fun Run Benefit Committee, Ely Greenstone and Happy Days to waive park rental fees.

Moved by Shedly supported by Salerno to deny waiving all rental fees as requested. After some discussion motion and support withdrawn.

The clerk will contact the Jim Hogan Fun Run committee and recommend they contact the Nordic Ski Club for camping arrangements at Hidden Valley.

Moved by Nikkola supported by Shedly to direct Librarian Rachel Heinrich to send a letter to every organization currently renting the Community Center that effective September 1, 2009 no rental fees will be waived and a new fee structure will be in place. Motion carried unanimously.

Moved by Shedly supported by Nikkola effective September 1, 2009 no rental fees will be waived for any city parks or buildings. Motion carried unanimously.

Moved by Shedly to deny waiving Semer's park rental fees for Jim Hogan Fun Run Benefit, Ely Greenstone and Happy Days bake sale as presented. Motion died for lack of second.

Moved by Omerza supported by Debeltz to waive Semer's park rental fees for Jim Hogan Fun Run Benefit, Ely Greenstone and Happy Days bake sale as presented. Roll call: Debeltz-yes; Nikkola-no; Omerza-yes; Salerno-yes; Shedly-no; Zupec-yes. Motion carried.

Moved by Debeltz supported by Omerza to schedule CDBG grant application public hearing for July 21, 2009 at 6:30 p.m. Motion carried unanimously.

Acting Mayor Zupec will review waiving of city rental fees on the weekly Mayor's radio address tomorrow morning.

Moved by Debeltz supported by Salerno to close the meeting at 7:59 p.m. following a 5 minute break.

Meeting reopened at 8:03 p.m.

No action was taken to change the Memorandum of Understanding for the health insurance as requested by Union 1490.

Moved by Nikkola supported by Omerza to adjourn at 8:07 p.m. Motion carried unanimously.

Adjournment