

DRAFT MINUTES

Council Chambers
Ely, Minnesota
Tuesday, January 6, 2009
6:30 P.M. Regular Meeting
Ely City Council

Clerk-Treasurer Terri Boese administered the oath of office to Roger J. Skraba, Mayor (two-year term); Jerome Debeltz, Frank Salerno, Mark Zupec, Ely City Council Members (four year terms)

The regular meeting of the Ely City Council was called to order at 6:30 P.M. by Mayor Roger J. Skraba.

Present: Council members Debeltz, Nikkola, Omerza, Salerno, Shedly, Zupec, Mayor Skraba (7)

Absent: None (0)

A quorum was determined.

Moved by Zupec supported by Debeltz, that the minutes of the regular city council meeting of December 16, 2008 be approved without reading. Carried unanimously. Minutes to stand as recorded.

Council member Shedly requested the following addition be added to tonight's agenda: Selling city merchandise to be taken up under New Business, Item F. Moved by Debeltz supported by Zupec, that request for addition be approved. Carried unanimously.

Mayor Skraba requested the following addition be added to tonight's agenda under Mayor's Agenda Items, Item 7 – Geothermal request. Moved by Salerno supported by Omerza, that request for addition be approved. Carried unanimously.

Mayor Skraba then presented his STATE OF THE CITY ADDRESS:

“Good evening and thank you for coming and listening.

I want to thank the past council for leaving the city as good as I did two years ago and God willing, we will leave it even better in two years.

Our city is going to be faced with many challenges in the next 12 months, mainly budgetary. I hope the department heads will solve that problem, if not this council will.

We shouldn't feel like it is doom and gloom as there are many exciting opportunities to tackle. Some are: finishing the Rec Center, acquiring the old clinic building, working

with the various governmental and private agencies dealing with geothermal energy, spending 4 million dollars of state money on jobs in the highway 1 corridor and working with our neighbors on a multitude of issues including a fire district.

These are but a few and together, and I mean, this Council, and all the people in the Ely area, we can accomplish just about anything. I have faith in everyone, if everyone tries. We need to bridge our interests with others as we can no longer live on an island; the economy will not let us. Prosperity will have to be earned, and I hope you are ready for that challenge.

I leave you with one thought for the night; if we all think positive, nothing but positive will be the outcome of our endeavors.

Thank you.”

Mayor Skraba requested seating order at Council table be taken up on tonight’s agenda. He questioned Council members whether or not they were comfortable in the alphabetical seating arrangement, of which all council members were agreeable.

Mayor Skraba requested Council consideration in changing the current agenda format to allow comment from the public at the end of each Council Meeting, and amending ordinance Chapter 2, Section 2.04 of the City Code, so as to state that Matters inappropriate for consideration at a meeting, or not in the order specified, shall not be considered except (1) with the majority consent (currently states unanimously consent) Of the members of the Council. Mayor Skraba stated that he feels this action will show that the Council is approachable by the public. Council member Nikkola questioned the current deadline for submitting items for the Regular Monthly City Council Agendas, being the Thursday prior to the Tuesday meeting, and in the event an emergency situation does arise, request can always be taken up under additions to tonight’s agenda. Council member Sheddy expressed his concerns that the Council will be receiving paperwork at the last minute, and whether this forum for public comment will be for Ely residents only. Council member Salerno agreed with Council member Nikkola, in that the Council’s job is to listen to people but no official action should be taken on any requests made at this forum. Council member Omerza stated that the Ely School Board has public comment at the end of their agenda also. Council member Debeltz recommended that if any items taken up during this public comment period on the agenda, will be taking any length of time, they can always be brought to the following Council Study Session for further discussion. Moved by Omerza supported by Debeltz, that the Council approve of changing current agenda format to allow comment from the public at the end of each Council Meeting (after New Business and prior to Adjournment), and that current ordinance, Chapter 2, Section 2.04 be amended to reflect that matters inappropriate for consideration at a meeting, or not in the order specified, shall not be considered except with the majority consent of the members of the Council. Moved by Nikkola supported by Sheddy, that the following amendment be added to original motion; that no official action will be taken on any items brought forth during the public comment period on the agenda, and will be considered only informational at that time. Motion for above stated

amendment to be approved. Carried unanimously. Moved by Omerza supported by Debeltz that original motion as stated above including amendment, be approved. Carried unanimously.

Mayor Skraba recommended that the City Budget Committee for 2009 consist of all council members as a Committee of the Whole, and that their regular monthly meeting be scheduled as the first item of agenda business at every monthly City Council Study Session, which is the last Tuesday of the month, 6:00 P.M. Council Chambers of the Ely City Hall. Council member Omerza noted that Council member Nikkola had brought up this same recommendation last month, and she is agreeable to it being that it would be nice for all Council members to know what is going on budget wise, with the City of Ely. Council member Nikkola stated that when he discussed this matter last month it was with the idea to retain the City Budget Committee, but when the City became aware of any legislative changes in LGA, that the group meet as a Committee of the Whole. Moved by Nikkola supported by Salerno, that the City Budget Committee for 2009 be comprised of all city council members as a Committee of the Whole, with regular meeting dates scheduled as the first order of business on the regular monthly Ely City Council Study Session, which is the last Tuesday of the month, 6:00 P.M. Council Chambers of the Ely City Hall. Carried unanimously.

Mayor Skraba recommended that EEDA Meetings normally held on the second Tuesday of the month, be changed to ½ hour prior to a regular city council meeting. Moved by Omerza supported by Salerno, that the EEDA meetings for 2009 be scheduled for the third Tuesday of the month, 6:00 P.M. Council Chambers of the Ely City Hall. Carried unanimously.

Mayor Salerno recommended the following council appointments to fill vacancies on various city boards, commissions, committees:

City Employer Representative relative to union related issues – Moved by Shedly supported by Debeltz, that a member of the Employee Relations Committee be appointed to this position for the year 2009. (ER Committee to choose a member to serve in this capacity);

Planning and Zoning Commission – Two Council Members – current terms will be expiring for Jerome Debeltz and Frank Salerno. Mayor Skraba requested that only two Council members serve on this Commission (Gordon Shedly is currently a member of the Commission through January 31, 2011 but is willing to step down). Council members concurred with the appointment of Council member Debeltz and Salerno to serve three year terms on the Ely Planning and Zoning Commission, representing the Ely City Council, and that the City extend the time period for members of the public to apply for a seat on the Planning and Zoning Commission, if interested in serving.

Housing and Redevelopment Authority – One Council Member (five- year term) – Council member Shedly. Council members concurred with recommended appointment.

City Parks and Recreation Board – One Council member (three-year term) – Council member Omerza; Ad Hoc Member – Council member Debeltz. Council members concurred with recommended appointment.

Lodging Tax Board – One Council Member for year 2009 – Mayor Skraba. Council members concurred with recommended appointment.

Ely Rehab and Storefront Renovation Committee – One Council member (three-year term) – Council member Zupec. Council members concurred with recommended appointment.

Ambulance Committee – One Council Member for year 2009 – Mayor Skraba. Council members concurred with recommended appointment.

Acting Mayor for year 2009 – Council member Zupec. Council members concurred with recommended appointment. Discussion was held regarding designating a third elected official to fill in as Acting Mayor in the event that both Mayor Skraba and Council member Zupec are unavailable. Council member Omerza volunteered to serve in this capacity. Council members concurred with recommended appointment.

Employee Relations / Union Negotiating Committee – Three Council Members for year 2009 – Council members Omerza, Salerno, Mayor Skraba. Mayor Skraba then removed himself as to appointment to this committee, requesting that Council member Nikkola remain a member of this committee. Council members concurred with recommended appointment.

Projects, Land, Streets and Infrastructure Committee – Two Council Members (three-year terms) – Mayor Skraba, Council member Nikkola. Council members concurred with recommended appointment.

Highway #169 Task Force for year 2009 – Mayor Skraba. Council members concurred with recommended appointment.

Mesabi Trail Representative for year 2009 – Mayor Skraba. Council members concurred with recommended appointment.

Community Joint Powers Board for year 2009 – One Council member – Mayor Skraba; Alternate, Council member Omerza. Council members concurred with recommended appointment.

Sanitation Committee for year 2009 – One Council member – Council member Shedly; City Operations Director, Police Chief, City Attorney, Zoning Administrator/Civil Enforcement Officer. Council members concurred with recommended appointment.

RAMS for year 2009 – One Council member – Mayor Skraba; Alternate, Council member Omerza
Council members concurred with recommended appointment.

Coalition of Greater Minnesota Cities for year 2009 – One Council member – Council member Omerza; Alternate, Mayor Skraba
Council members concurred with recommended appointment.

EADA – Two Council members – Mayor Skraba to fill former Mayor Novak’s term through 2010; Council member Omerza was reappointed by the Ely City Council in January 2008 for a three year term; EADA is showing term expired January 2008, with no reappointment. The Clerk’s Office will check with the EADA as to term dates, with official information to be made known at the next regular council meeting.

Highway #1 Corridor Committee – Three Council Members - * was noted that this committee is no longer actively meeting. Mayor Skraba stated that he would like to see this committee reactivated to discuss a viable project.

EUC Ad Hoc for year 2009 – One Council member – Council member Shedly
Council members concurred with recommended appointment.

Ely Chamber of Commerce City Representative for year 2009 – One Council member – Council member Shedly
Council members concurred with recommended appointment.

Fire Committee, City representative for year 2009 – Mayor Skraba
Council members concurred with recommended appointment.

Council member Zupec also recommended that the Mayor and Clerk-Treasurer be appointed to represent the City Council to the Ely Volunteer Fire Department and that the Clerk-Treasurer be the designated data privacy officer for the City of Ely.
Moved by Debeltz supported by Salerno, that recommendations be approved.
Carried unanimously.

Mayor Skraba requested geothermal request for \$53K for Stanley Consultants concept design be placed on tonight’s agenda. He noted that last Friday Frank Salerno and himself had met with Stanley Consultants regarding obtaining grant monies for a community feasibility study on geothermal heating. At the current time Stanley Consultants is working for VCC, and would like to include the City of Ely in proposal. Mayor Skraba is requesting Council approval in having the City apply to funding sources to fund this study. Moved by Nikkola supported by Salerno, that Mayor Skraba be authorized to seek funding sources on behalf of the City of Ely to the IRR and any other funding agencies that may have fund available for city use. Carried unanimously.

Steve Piragis was present in tonight’s audience informing Council members that he is a member of the E3 group – energy efficient Ely, and that he feels the need to educate

people, conserve energy, so as to make the Ely community more greener and non polluting. He feels that there is a good chance the City of Ely could obtain funding for geothermal heating and that a feasibility study is needed first, with a price tag of \$40,000.00. He also suggested that the City look towards the IRR for funding; as the concept almost worked in the 1984 study conducted in this area. Ross Petersen was also present in tonight's audience noting the tremendous potential for jobs and positive impact a project such as this would bring to the Ely area.

The following consent agenda items were brought before the Council for approval:

1. Approval of 2009 Airport Hangar / Garage Rentals (Mayor and Clerk-Treasurer authorized to execute pending proper paperwork and fee);
2. Iron Range Housing – Sub-Regional Community Housing Action Plan Workshop – January 29th, Virginia, MN – Mesabi Range College (Mayor or designee authorized to attend);
3. Ely Area Jaycees – request for Special Events Liquor License, February 7th, Ely Community Center Auditorium (Mukluk Ball) – 7:00 P.M. – 1:00 A.M. (approve pending proper paperwork and license fee);
4. Patrick Conery, Building Official – re: old Ford garage, 46 East Conan Street, Ely – INFORMATION;
5. Adopting Roberts Rules of Order as guidelines in conducting official Ely City Council Meetings;
6. Designation of 1st and 3rd Tuesdays of the month, 6:30 P.M. Council Chambers of the Ely City Hall, for Regular Ely City Council Meetings;
7. Designation of last Tuesday of the month, 6:00 P.M. Council Chambers of the Ely City Hall, for Regular Ely City Council Monthly Study Sessions;
8. City depositories for 2009: Wells Fargo Bank, Queen City Federal, Boundary Waters Bank, Edward Jones and Co., L.P.
9. Authorization for City Council representative and/or alternate, to attend all 2009 regular scheduled RAMS Meetings;
10. Authorization to call for bids on City of Ely legal publishing requirements for year 2009;
11. 2008 Employment Applications to be declared null and void (excepting Confidential Accounting Clerk applications);
12. Mike Hillman – request to be appointed to Chapman Street Redevelopment Committee – (* this is a Special Committee)

Council member Salerno questioned above item #4 in that the current owner of the old Ford garage has been contacted on numerous occasions by the City and City Attorney's Office, and must now respond back to City's request in a timely manner.

Council member Omerza commented on above item #8, in that she is publicly disclosing that her husband works for Queen City Federal in Ely. Matter of information.

Moved by Salerno supported by Zupec that above items is approved referencing item #4 that the City of Ely wants an answer from the property owner, per request of Building Official Pat Conery's prior communication. Carried unanimously.

City Attorney Kelly Klun noted that the Planning and Zoning Commission sent a letter to the property owner giving them 21 days to respond, with an additional 30 days granted for response to letter from Building Official Patrick Conery. She noted that the building will be secured if the City has situations that are safety hazards.

Duane Whalen requested placement on tonight's agenda regarding Council consideration in eliminating a city primary election. He commented that he feels a higher percent of people speak in a general election verses a primary election. Mayor Skraba noted that in both a Primary and General Election, 100% of eligible voters have the option to cast a vote; that with the current local primary election a majority of people in the community elect a Mayor or Council member. Council member Zupec agreed with Duane in that he feels the local primary is a bad system. Mayor Skraba noted that the creation of a primary election was approved by the Ely City Charter Commission, and that Duane should address his concerns with that Commission. Duane also questioned as to what happened to the \$15,000 given towards the 2008 study of fiber to the premise; was this money paid by the City and if so, was the City ever reimbursed as the project never materialized. Clerk-Treasurer Boese was directed to look into this matter and report back to the Council.

Council member Salerno offered the following resolution: 2009 – 6

WHEREAS: Ely Blue Line Club, PO BOX 494, Ely, Minnesota 55731 has applied for a Minnesota Lawful Gambling Premises Permit Application at the Ely Bowling Center, 43 East Camp Street, Ely, Minnesota 55731, and;

WHEREAS: Such Class B License is to be used for conducting pull tabs, tipboards, paddlewheels, raffles at Ely Bowling Center, 43 East Camp Street, Ely, Minnesota 55731;

NOW, THEREFORE BE IT RESOLVED: That the Ely City Council approves of said application and that the Ely Blue Line Club be authorized to submit necessary paperwork to the State of Minnesota Department of Gaming, Gambling Control Division, contingent upon filing of proper paperwork, with the City of Ely and State of Minnesota, and that any waiting period be waived at this time in order to process this application.

Motion for the adoption of the foregoing resolution was made by Council member Salerno, seconded by Council member Sheddy, and declared carried on the following vote:

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)

NO: None (0)

ABSENT: None (0)

Adopted this 6th day of January 2009.

Council member Debeltz reported on behalf of the Ely Planning and Zoning Commission;

The Commission had reviewed the Ely Business Park covenants, discussing and recommending that the City look at changes to recommended uses and parking, by removing the word exclusively from Subd. 1 of Sec. 11.02 and to add letter “F” with light industry and assembly, along with removing the Parking item (G) from Sec 11.02. Moved by Debeltz supported by Zupec, that above recommendations be approved, and referred to the City Attorney to draft up proper paperwork reflecting these actions. Carried unanimously. City operations Director Harold Langowski presented a letter on right of way management, with discussion made about the process and questions arising about recourse if a permit for a ROW obstruction is denied. The section in discussion was Sec. 4.06 Subd. 8. Harold reported that this is a management issue stressing the importance of proper permits with approval of the planning and zoning office. Matter of information. Council member Debeltz also noted that the Planning and Zoning Commission had reviewed the Boundary Waters RV proposal, and everyone agreed the proposal fit within the comprehensive plan, recommending to the Council that the proposal is compatible with the comprehensive plan. Matter of information.

Council member Nikkola reported on the Scoping Document/Draft Scoping Decision Document for the Aurora-Ely Economic Corridor; Hoyt Lakes to Babbitt Connection Project. The official comment period for the document will begin Monday, January 12th and extend through February 11th. The Scoping Decision Document should include an additional enhanced no build corridor alternative, which would encompass the current route on Minnesota Trunk Highway (TH) 135 and County Road 21 but would detail roadway improvements and/or reconstruction of parts of the roadway to eliminate some of the sharp corners and other travel bottlenecks. The roadway improvements along the no-build corridor could reduce travel times to comparable times projected for other potential corridors. One other change is the inclusion of an “Enhanced Existing Corridor” option, following the existing travel route between Hoyt Lakes and Babbitt, but with the improvements to eliminate the right angle curves on CSAH 21 through Embarrass. Council member Nikkola noted that there will be two open houses; one in Hoyt Lakes on January 28th, 6:00 P.M. with the other in Babbitt on January 29th. Mayor Skraba noted that St. Louis County Commissioner Mike Forsman was a leader in getting the funding for this project.

City Attorney Kelly Klun presented a 2008 year end review, thanking the City for allowing the Klun Law Firm to represent the City of Ely. She proceeded to give Council members a detailed report on the legal work their firm performed for the City during the 2008 year. Matter of information.

City Attorney reported that Council members were provided a packet of information dated December 16, 2008 regarding the US Forest Service Complex Annexation for review, and at this time a Resolution needs to be adopted by the Ely City Council, which is currently on tonight’s agenda under New Business, Item E. She also reported that she is awaiting a letter from Mark Van Every requesting the orderly annexation. Matter of information.

City Attorney reported that the City now has a signed lease agreement with the Ely Igloo Snowmobile Club for rental space at the former public works garage, with the increase rent of \$500.00 per month, effective January 1, 2009. Moved by Nikkola supported by Shedly, that the City of Ely approve of amended lease with Ely Snowmobile Club dated January 1, 2009, for rental space at the former city garage, as presented by the City Attorney's Office. Carried unanimously.

City Attorney reported that the City of Ely has received a \$6,000.00 earnest money check for property in the Ely Business Park, from Duluth Metals. Matter of information.

Clerk-Treasurer Boese requested a Special Meeting of the Ely City Council to take place on Tuesday, January 20, 2009, 6:15 P.M. Council Chambers of the Ely City Hall, to address GO Street Reconstruction Bonds Sale. Moved by Debeltz supported by Nikkola, that request be approved. Carried unanimously.

Clerk-Treasurer Boese requested Council approval in the payment of City and EUC Bills and Payroll for the second half of December 2008, with totals as follows: General Fund prepaids/payroll - \$243,087.62; bills - \$173,311.49, totaling: \$416,399.11; EUC prepaids/payroll - \$ 72,025.72; bills - \$34,775.61, totaling: \$106,801.33. Moved by Zupec supported by Shedly, that bills and payroll be allowed and paid. Carried unanimously.

City Operations Director of Public Works and Utilities Langowski presented the following EUC Consent Agenda Items:

1. Approved payment of \$7,867.00 to KBM, Inc. for an Arc Flash Hazard study and updating and reformatting maps for the Arc Flash Program.
2. Authorized Terry Jackson and an Infrastructure Employee to attend the Collection System Operator's Conference in Brooklyn Park on January 21 – 23, 2009 using the city vehicle.
3. Approved Ken Hegman's proposal to assist with load management for \$30.00 per hour to \$2,400 total charges.
4. Approved purchase of an electric heater for the WWTP from Viking Electric for \$1,217.66.
5. Approved purchase of a diagnostic tool for the load management system for \$2,194.97.
6. Approved payment of the December 16, 2008 Bills payable for \$157,207.12.
7. Approved payment of the KBM Inc. Invoice #110811 for Feeder 6 for \$213.00.
8. Approved payment of the Minnesota Power November 2008 Invoice for \$122,676.39.

Council member Salerno questioned item #2, as to whether or not this conference was necessary to attend, due to current city budget problems. City Operations Director reported that per contract the City of Ely has with Terry Jackson, conferences are included. Council member Salerno also stated that in lieu of per diem that actual receipts be brought in for reimbursement by individuals attending these approved conferences. Council member Zupec concurred with Council member Salerno's recommendation.

City Operations Director will provide Council member Salerno and Zupec, with a copy of Terry Jackson's consultant contract with the City of Ely.

Moved by Zupec supported by Debeltz, that above items be approved and ordered filed.
Carried unanimously.

City Operations Director informed Council members that one quote was received from Mike Motors, on a public works plow vehicle, with quote coming in above actual budgeted item. He is recommending that this quote be rejected and that the City of Ely readvertise this item through January 30, 2009. Moved by Shedly supported by Nikkola, that request be approved. Carried unanimously.

Letter of retirement was received from Kathleen Furness, retiring from her position as Library Clerk at the Ely Public Library, effective February 28, 2009. She noted that she will be taking her accrued vacation and personal days beginning January 20, 2009, which will make her last actual day of work in the library as January 16, 2009. She is requesting payment for any partial vacation days to be added to the lump sum compensation for her accumulated sick leave at retirement. Moved by Debeltz supported by Salerno, that letter of retirement is accepted, with a letter of thanks sent to Kate Furness for her years of service. Carried unanimously.

The following claims for payment were presented:

- A. Community Economic Development Joint Powers
 - 1. 2009 Annual Membership - \$1,000.00
 - 2. Ely share of budget 2009, 1st quarter - \$12,250.00
- B. Ely Community Education – 2009 allocation - \$3,724.00
- C. Ely Community Resource – 1st quarter 2009 allocation - \$3,315.00
- D. RAMS – 2009 Membership Dues - \$700.00
- E. Paul Ness Consultant – Job Description Update per contract - \$1,485.00
- F. RLK Inc. – professional services, Spaulding Phase 3 Platting - \$130.00

Moved by Salerno supported by Nikkola, that above claims be approved and ordered filed.

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Shedly, Mayor Skraba (6)

NO: Council member Zupec (1)

ABSENT: None (0)

Motion carried.

Council member Zupec qualified his no vote by stating that he feels the Council should hold off paying the first three claims for payment, due to budgetary issues.

Moved by Omerza supported by Zupec, that the Council waive the readings in their entirety, of all ordinances and resolutions on tonight's agenda. Carried unanimously.

Council member Nikkola offered the following Ordinance:

Proposed Ordinance No. #227, Second Series, An Ordinance of The City of Ely, Minnesota, Adding To The Ely City Code, Chapter 20, Section 20.2.41, Authorizing The Sale of Lots in The Proposed Plat of East Spaulding Phase III

Mauro Caruso requested to speak before the Council, requesting that the Council consider amending this ordinance prior to second and final reading and publication, adding language to Section 2., Item #5, noting that a primary structure shall be constructed to substantial completion and a Certificate of Occupancy as required by Ely City Code and Minnesota Law shall be obtained within three (3) years after utilities are brought to property by the City of Ely. City Operations Director also recommended that this proposed ordinance be amended to reflect that language, prior to a second and final reading and publication. Moved by Sheddy supported by Debeltz that the Council table the second reading of Proposed Ordinance No. #227, reflecting proposed amendment to ordinance by Mauro Caruso and City Operations Director. Carried unanimously.

Council member Debeltz offered the following resolution: 2009-1

WHEREAS: During the coming year there may be meetings concerning the affairs of the city and other business, which are of vital interest to the city, which arises on short notice, and

WHEREAS: It becomes necessary from time to time for the Mayor to attend meetings, meet with public officials, contact businesses interested in the City of Ely and other persons or organizations related to the affairs and development of the City upon short notice, and

WHEREAS: In such situations it is desirable that the mayor and any city official or officials or personnel of the mayor's selection, carry out these activities at his/her discretion.

NOW, THEREFORE BE IT RESOLVED: That the Mayor shall have the authority to make trips which he/she deems necessary which are directly related to city business or directly related to approval authorization of the council. That approval of any travel expenses for the mayor and any official or personnel accompanying him/her may be made subsequent to such a trip. Otherwise, and if possible, any other officials or personnel, leaving the City of Ely shall advise the city clerk of the trip and nature of the business to be performed, and that the city clerk keep a record thereof.

RESOLVED: That any requests by other elected officials or city employees to attend meetings outside the City of Ely, or to travel outside the City of Ely on city business be in writing stating the dates involved and the purpose of such meeting or trip, and written request to be attached to the agenda.

BE IT RESOLVED: That claims for per diem or reimbursement for travel expense for the trips outside the City of Ely by elected officials, except the mayor's trips for City business and its development, or city employees, will be allowed only if the City council or the city clerk's office has obtained four signatures on a written request for said elected official or city employees to travel outside of the City of Ely.

ALSO BE IT RESOLVED: Excepting trips by the mayor and accompanying personnel or officials, that claims for per diem or reimbursement for travel expense for trips outside the City of Ely by elected officials or city employees will be allowed only if the city council has given approval for the trips at a Regular or Special meeting of the city council, with stipulation that actual receipts must be brought in for per diem (not to exceed \$35.00 per day) and reimbursement for travel expense,

Motion for the adoption of the foregoing resolution was made by Council member Debeltz, seconded by Council Salerno, and declared carried on the following vote:

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)

NO: None (0)

ABSENT: None (0)

Adopted this 6th day of January 2009.

Council member Sheddy offered the following resolution: 2008-2

WHEREAS: During the coming year there may be meetings concerning the affairs of the Ely Police Department, which are of vital interest to the City, which arises on short notice, and

WHEREAS: It becomes necessary from time to time for the Chief of Police or designated officer to attend meetings on short notice, and

WHEREAS: In such a situation it is desirable that the chief of police or person of his selection carry out these activities at his discretion.

NOW, THEREFORE BE IT RESOLVED: That the Chief of Police shall have the authority to make trips which he deems necessary which are directly related to Police department business, without obtaining prior approval or authorization of the council. That approval of any official or personnel accompanying him may be made subsequent to such a trip, other and if possible, if given enough lead time to place in appropriate time frame on council agenda, the police chief shall advise the council of the trip and nature of the trip, and that any such request to attend trips outside the city limits be made in writing stating the date involved and the purpose of said trip, with the stipulation

that actual receipts must be brought in for per diem (not to exceed \$35.00 per day) and reimbursement for travel expenses.

Motion for the adoption of the foregoing resolution was made by Council member Sheddy, seconded by Council member Debeltz, and declared carried on the following vote:

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)

NO: None (0)

ABSENT: None (0)

Adopted this 6th day of January 2009.

Council member Zupec offered the following resolution: 2009-3

Resolution of the City of Ely, Minnesota, Authorizing the Adoption of General Records Retention Schedule

WHEREAS: The City of Ely is a Municipal Corporation governed under the Charter of the City of Ely with powers vested in its City Council; and

WHEREAS: The City of Ely desires to provide a plan for managing governmental records; and

WHEREAS: The City General Records Retention Schedule was developed by the Minnesota State Department of Administration, Information Policy Analysis Division and the Minnesota Historical Society, Division of Archives and Manuscripts; and

WHEREAS: The City General Records Retention Schedule establishes minimum retention periods for city records based on their administrative, fiscal, legal and historical value.

NOW, THEREFORE BE IT RESOLVED: By the City Council of the City of Ely, that:

Clerk-Treasurer is authorized to execute the Notification of Adoption of City General Records Retention Schedule and to file it with the State Archives of the Minnesota Historical Society.

Motion for the adoption of the foregoing resolution was made by Council member Zupec, seconded by Council member Salerno, and declared carried on the following vote:

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)

NO: None (0)

ABSENT: None (0)

Adopted this 6th day of January 2009.

Council member Zupec offered the following resolution: 2009-4

Resolution Supporting Maintenance of Local Title and Registration Services

WHEREAS: The State of Minnesota established a public / private deputy registrar system to provide citizens convenient locations to conduct title registration services for motor vehicles and DNR recreational vehicles; and,

WHEREAS: The State of Minnesota in 1949 established a user service fee on motor vehicle transactions to be retained by the deputy registrar to defray the cost of providing the local service; and,

WHEREAS: The State of Minnesota has shifted increased costs and responsibilities onto the deputy registrar such as regular replacement schedules of computers and associated electronic equipment, printing of previously supplied state forms, and expanded auditing tasks with additional risks and potential liability that was previously the responsibility of the State, and;

WHEREAS: The State of Minnesota now competes with deputy registrar offices for the retention of some user fees that were traditionally retained primarily by deputy registrars; and

WHEREAS: Collectively the deputy registrar system handles over one billion dollars of state funds for the State of Minnesota annually on a cash basis only with considerable risk whereby dishonored checks are the responsibility of the deputy registrar in the full amount tendered after remitting the bulk of those funds to the State; and

WHEREAS: The user service fee that should fully support the cost for providing motor vehicle transactions no longer covers the operational costs to maintain most deputy registrar offices. Public deputy registrars must use property tax levy proceeds to subsidize this service. Rural areas with lower volumes are in jeopardy of losing service.

NOW, THEREFORE BE IT RESOLVED: That the City of Ely supports the State Legislature authorizing the acceptance of more secure alternative payments at deputy registrar offices; and to achieve a greater retention of existing fees or a user service fee increase in the year 2009 to maintain local title and registration service to the citizens of Minnesota.

Motion for the adoption of the foregoing resolution was made by Council member Zupec, seconded by Council member Omerza, and declared carried on the following vote:

YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)

NO: None (0)

ABSENT: None (0)

Adopted this 6th day of January 2009.

Council member Debeltz offered the following resolution: 2009-5

Joint Resolution

In The Matter of the Orderly Annexation Between the City of Ely and the Town of Morse Pursuant to Minnesota Statutes 414.0325

WHEREAS: The City of Ely (the “City”) and the Town of Morse (the “Town”) are in agreement as to the orderly annexation of the unincorporated land herein described; that both believe it will be to their benefit and to the benefit of their respective residents; and

WHEREAS: Minnesota Statutes 414.0325 provides a procedure whereby the City of Ely and the Town of Morse may agree on a process of orderly annexation of a designated areas; and

WHEREAS: The City and the Town have agreed to waive the notice required, regarding electric utility service, under Minnesota Statute 414.0325, Subd. 1 (a); and

WHEREAS: The City of Ely and the Town of Morse have agreed to all the terms and conditions for the annexation of the lands described within this document, and the signatories hereto agree that no consideration by the Office of Administrative Hearings – Municipal Boundary Adjustments is necessary, that the Office may review and comment, but shall within thirty (30) days, order the annexation in accordance with the terms of this resolution.

NOW, THEREFORE BE IT RESOLVED: Jointly by the City Council of the City of Ely and the Town Board of the Town of Morse as follows:

1. Property. That the following described lands in the Town of Morse are subject to orderly annexation pursuant to Minnesota Statutes 414.0325, and that the parties hereto designate those areas for orderly annexation, to-wit:

Land lying in Section 26, Township 63 North Range 12 West of the Fourth Principal Meridian, St. Louis County, Minnesota, described as follows, to wit:

Assuming the West line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) to bear South 00 degrees 37’01” East and from the Northwest Corner of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) run South 00 degrees 37’01” East 955.77 feet to the Point of Beginning thence North 88 degrees 30’11” East parallel with and 330.00 feet from the South line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) of 1145.78 feet thence South 05 degrees 53’34” East 230.38 feet to the Northerly Right Of Way of State Highway No. 169 thence South 61 degrees 14’15” West along said northerly Right Of Way 218.94 feet to the South line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) thence South 88 degrees 30’11” West along South line 973.89 feet to the Southwest Corner of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) thence North 00 degrees 37’01” West along the West line of Northwest Quarter of

Southeast Quarter (NW ¼ of SE ¼) 330.04 feet to the Point of Beginning. (Parcel Code Number 465-0020-04110)

AND

Southwest Quarter of Southeast Quarter (SW ¼ of SE ¼) except part lying within a parcel beginning at the South Quarter (S ¼) Corner of Section 26 which is marked by an aluminum capped pipe in the center of Hidden Valley Road thence 88 degrees 12'38" East along the South line of said Section 588.26 feet thence North 17 degrees 51'56" East 335.42 feet thence North 56 degrees 26'28" East 387.78 feet thence North 33 degrees 33'32" West 568.41 feet to a non tangent intersection with the centerline of State Highway 169 thence Southwesterly 645.54 feet along a non-tangential curve concave to the Southeast having a radius of 2864.90 feet a central angle of 18 degrees 44'28" (local chord bears South 49 degrees 23'47" West 644.17 (feet) thence continuing along the centerline of State Highway 169 South 42 degrees 56'40" West 715.35 feet thence Southwesterly 135.14 feet along a tangential curve concave to the Northwest having a radius of 1494.67 feet a central angle of 45 degrees 15'53" to a non tangent intersection with said South line of Section 26 (local chord bears South 45 degrees 32'04" West 135.09 feet) thence North 88 degrees 10'40" East along said South line 373.22 feet to the Point of Beginning (Parcel Code No. 465-0020-041020)

It is therefore agreed that the following property be immediately annexed to the City of Ely, to wit:

Land lying in Section 26, Township 63 North Range 12 West of the Fourth Principal Meridian, St. Louis County, Minnesota described as follows: to wit:

Assuming the West Line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) to bear South 00 degrees 37'01" East and from the Northwest Corner of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) run South 00 degrees 37'01", East 955.77 feet to the Point of Beginning thence North 88 degrees 30'11" East parallel with and 330.00 feet from the South line of Northwest Quarter of Southeast Quarter (SW ¼ of SE ¼) 1145.78 feet thence South 05 degrees 53' 34" East 230.38 feet to the Northerly Right of Way of State Highway No. 169 thence South 61 degrees 14'15" West along said Northerly Right of Way 218.94 feet to the South line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) thence South 88 degrees 30'11" West along South line 973.89 feet to the Southwest Corner of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) thence North 00 degrees 37'01" West along the West line of Northwest Quarter of Southeast Quarter (NW ¼ of SE ¼) 330.04 feet to the Point of Beginning. (Parcel Code Number 465-0020-04110)

AND

Southwest Quarter of Southeast Quarter (SW ¼ of SE ¼) except part lying within a parcel beginning at the South Quarter (S ¼) Corner of Section 26 which is marked by an aluminum capped pipe in the center of Hidden Valley Road thence North 88 degrees 12'38" East along the South line of said Section 588.26 feet thence North 17 degrees 51'56" East 335.42 feet thence North 56 degrees 26'28" East 387.78 feet thence North 33

degrees 33'32" West 568.41 feet to a non tangent intersection with the centerline of State Highway 169 thence Southwesterly 645.54 feet along a non-tangential curve concave to the Southeast having a radius of 2864.90 feet a central angle of 18 degrees 44'28" (local chord bears South 49 degrees 23'47" West 644.17 feet) thence continuing along the centerline of State Highway 169 South 42 degrees 56" 40" West 715.35 feet thence Southwesterly 135.14 feet along a tangential curve concave to the Northwest having a radius of 1494.67 feet a central angle of 45 degrees. 15'53" to a non tangent intersection with said South line of Section 26 (local chord bears South 45 degrees 32'04" West 135.09 feet) thence North 88 degrees 10'40" East, along said South line 373.22 feet to the Point of Beginning. (Parcel Code No. 465-0020-04120)

2. Acreage/Population/Usage. That the designated area consists of approximately 35.38 acres, the subject area is not populated, and the land type is federal public property upon which is located the International Wolf Center and the U.S. Forest Service office complex, informational center and bunk houses.

3. Jurisdiction. That the Town of Morse does, upon passage of this resolution and its adoption by the City Council of the City of Ely, and upon acceptance by the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, confer jurisdiction upon Municipal Boundary Adjustments so as to accomplish said orderly annexation in accordance with the terms of this resolution.

4. Need. That the above-described property is urban or suburban or about to become so, and since the City of Ely is capable of providing services to this area within a reasonable time, the annexation would be in the best interest of the area.

5. Planning. The Town of Morse and St. Louis County agree to exclude the subject area in this agreement from its zoning and subdivision ordinances, and the City of Ely may extend its zoning and subdivision regulations to include this area pursuant to Minnesota Statutes 414.0325 Subd. 5 (d) (1).

6. Municipal Reimbursement. Minnesota Statutes 414.036.

a. Reimbursement to Town for lost property taxes on annexed property.

Notwithstanding any reimbursement provisions to the contrary, for this joint resolution the parties agree that no reimbursement is appropriate since the property is not generating property taxes at this time.

b. Assessments and Debt.

That pursuant to Minn. Stat. 414.036 with respect to any special assessment assigned by the Town to the annexed property and any portion of debt incurred by the Town prior to the annexation and attributable to the property to be annexed, but for which no special assessments are outstanding for the area legally described herein, there are no special assessments or debt.

7. Review and Comment. The City of Ely and the Town of Morse agree that upon receipt of this resolution, passed and adopted by each party, the Office of Administrative Hearings/Municipal Boundary Adjustments, or its successor, may review and comment, but shall, within thirty (30) days, order the annexation in accordance with the terms of this resolution.

Motion for the adoption of the foregoing resolution was made by Council member Debeltz, seconded by Council member Zupec, and declared carried on the following vote:
YES: Council members Debeltz, Nikkola, Omerza, Salerno, Sheddy, Zupec, Mayor Skraba (7)
NO: any (0)
ABSENT: None (0)
Adopted this 6th day of January 2009.

Council member Sheddy requested Council approval in allowing the sale of Ely hats in the Clerk's Office, with a special line item to be designated for revenue received for the sale of this merchandise. Council members concurred that request be approved, to be placed under EEDA budget revenue account.

Moved by Salerno supported by Nikkola, that the meeting be adjourned.
Carried unanimously. Adjournment at 8:10 P.M.

Patricia M. Wellvang
Deputy Clerk
City of Ely