

Ely City Council Regular Meeting Minutes, May 15, 2012

1. CALL TO ORDER:

The Ely City Council Regular Meeting was called to order by mayor Skraba at 6:00pm on May 15, 2012 at the Ely City Hall.

2. ROLL CALL:

Present: Council members Debeltz, Nikkola, Omerza, Polyner, Sheddy, Zupec, Mayor Skraba (7)  
Absent: None

3. APPROVAL OF MINUTES:

Approve the minutes from May 1, 2012 regular council meeting, May 1, 2012 Public Hearing and May 8, 2012 reconvened council meeting as presented.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition 8.D.ii. – EUC Consent Agenda

B. Addition 8.D.iii. – 2012 Sanitary/Storm Sewer Improvement Project Bids

C. Addition 10.E. – Mesabi Station Grand Opening

D. Addition 12.A. – Lucky Boy Dam

E. Addition 13.K. – Resolution approving bid for 2012 Sanitary/Storm Sewer Improvement Project

**Debeltz/Zupec moved approval. Motion carried unanimously.**

5. MAYOR'S REPORT:

A. Approve letter to League of MN Cities in support of nomination of Heidi Omerza to the MN Cities Board of Directors.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

B. Ride your motorcycle to work day is June 18, 2012. More information can be found at [ridetowork.org](http://ridetowork.org). Proclamation for this day will be brought to the council in June.

6. CONSENT AGENDA:

A. Motion to waive readings in entirety of all ordinances and resolutions on tonight's agenda.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

7. REQUESTS TO APPEAR:

A. John Esse of 344 W Harvey St, Ely stated that the City should adopt a Code of Ethics which is in the best interest of the public regardless of the size of the City by the elected officials. Mr Esse expressed concern of the City offering in-kind services. He stated it should be done for all sport organizations and not just the Ice Hockey arena. Operations Director Langowski clarified that in-kind services are tracked and they do their best to keep it fair across the board. Mr Esse also brought forth the need to have some sort of entrance to our city that depicts what Ely is about. His last comment was on communication through emails. He feels the council members should be more diligent in answering emails that are directed to them whether through full response or just an acknowledgement that the email was received.

8. COMMITTEE REPORTS:

A. Council member Debeltz reported that at the last Cemetery Committee they discussed the Columbarium issue as well as election of new officers. There will be a Cemetery clean-up day on May 26<sup>th</sup> at 9:00am in preparation for Memorial Day. The question was asked, "Whose responsibility was it to water the flowers at the cemetery?" Langowski stated that when city cemetery workers are there, they can water but the cemetery committee will have to water when the city workers are not there. Also, hoses should not be left running all night long. Mulch is also

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scheduled to be delivered. If anyone would like to volunteer to help beautify the cemetery, please call Sandy Nyman.

Langowski stated Safety training was conducted last week for CPR. Next training will be June 26<sup>th</sup> for part-time employee Right-to-Know, Awair and Blood Borne Pathogens. Grant request on fall restraint equipment for confined space entry which is budgeted through the Utility Commission. Emergency Action Plan needs to be updated. Request to upgrade Boots & Safety glasses allotment from \$100 every one year to \$200 every two years to allow for purchasing better quality equipment.

Council member Nikkola stated proposal by Projects Committee is setting up a Public & Commercial parking lot on the Old Clinic building area. Land clarifications near Amici's and Evergreen Construction on the North side of town need to be addressed by July 1<sup>st</sup>. Projects Committee has come up with two recommendations for a new city building. All of these items will be discussed in depth at the next Council Study Session on May 29<sup>th</sup>.

Council member Omerza stated TAB members are still in need. There are two new part-time employees at the Library. She thanked the Charter Commission for the timely delivery of their minutes. She stated the Legislative Session has ended and Governor Dayton did sign on to the LGA freeze where we will receive the higher of our 2012 allocations or the 2013 formula. Five trees have been planted in Whiteside Park. Also, the monkey bars have been taken down due to their unsafe status.

Council member Shedly stated that the Planning & Zoning Commission is recommending an overlay zoning (R1) for recreation of all trails in the City. Master Map of all trails is in the P&Z Office.

Mayor Skraba went to Chisholm for a Laurentian Vision Meeting concerning both ferrous and non-ferrous mining.

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer/Terry Lowell stated he will be out of town June 6<sup>th</sup>, 7<sup>th</sup> & 8<sup>th</sup>.

B. Fire Chief

C. Library Director Heinrich stated there will be a Photo Workshop on May 23<sup>rd</sup> at the Library with John Gregor and then on May 29<sup>th</sup> is Movie Day showing "The Age of Innocence" rated PG at 3:30pm.

D. Operations Director Langowski gave recommendation by the Utilities Commission to go back to the old billing software, Banyon for the utility billing portion and remove that module from the new software contract since the new software is not working as intended. Clerk Lowell stated that the software contract was \$64,250 of which the city has paid \$37,500 so far. The city will negotiate to eliminate some modules from the contract that are not needed including the utility billing module and hopefully reduce the final price to what the city has already paid. It will cost approximately \$900 to get the Banyon software up to speed for the utility department.

The following items of business were recommended for approval at the regular EUC meeting of Wednesday, May 9, 2012:

1. Approved abandoning Civic Systems for utility billing and returning to Banyon Data Systems.
2. Approved proceeding with the 1<sup>st</sup> Avenue East Sewer Extension Project.
3. Approved bidding out the contract for biosolids application.

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4. Approved contracting with Infinity Wireless for repair of the two way radios.
5. Approved the proceeding with the Pole Rental Agreement.
6. Approved payment of the revised Dig America, Inc. Invoice for \$99,167.19 for the Burntside Power Line Project.

**Nikkola/Debeltz moved approval of EUC Consent Agenda items 1-6. Motion carried unanimously.**

E. Police Chief Lahtonen stated that on May 20<sup>th</sup> at 1:00pm there will be Bike Safety Training for kids at the Community Center put on by the Cops & Kids program, the Ely Jaycees and the Ely Police Department. Free Helmets will also be given away.

F. City Attorney

Approve Enventis Pole Rental Fee Agreement.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

Approve Midcontinent Communications Franchise & Pole Agreement.

**Debeltz/Nikkola moved approval. Motion carried unanimously.**

Regarding the closure of the Northern Terrace Manufactured Home Park, Clerk Lowell informed the Council that Attorney Fletcher Freeman, has agreed to act on behalf of the City as the neutral third party at the public hearing on May 29<sup>th</sup> at the Joint Maintenance Facility at 5:30pm to be followed by the Council Study Session.

Attorney Klun discussed the current Noise Ordinance and the possibility for changing the Ordinance to allow for a permitting system that would allow businesses who wish to extend the noise ordinance requirements into the late evening so they can have outdoor events that may involve music and dance on a specific day. Clerk Lowell stated the Charter rules for changing an Ordinance include specific timetables to allow for a First Reading, Public Hearing, Second reading & Publication. The Ordinance would not be able to go into effect until July 9, 2012. Council member Zupec asked why it could not be allowed for this July 4<sup>th</sup> under City Code 10.29 Subd 2(G) which provides for a Civic Celebration authorized by the City. Attorney Klun stated interpretation of what a Civic Celebration encompasses would then be under discussion. Tim Brennan from the Ely Bowling Alley stated he understands this won't take effect for this July 4<sup>th</sup> event and he is fine with that. Police Chief Lahtonen, Clerk Lowell, Council member Zupec, Attorney Klun, Mayor Skraba and Tim Brennan will meet to discuss the particulars regarding the permitting process such as setting decibel limits and how the permits are to be handled.

Discuss Resolution to terminate the collateral and remaining payment requirements in the Trezona Hills Development, near Grand Ely Lodge, which was established in the early 2000's where by the IRRRB contributed in the form of a grant approximately \$130,000 for infrastructure, sewer, roads, etc. An assumption agreement has been filed against the property and the developers. This project has not reached its fulfillment so they are requesting a release of the mortgage. Council member Zupec stated that this was resolved years ago at another council meeting but no evidence of this past resolution has been found.

**Zupec/Debeltz moved to approve Attorney Klun to draft a resolution to satisfy the mortgage if further searching does not uncover the original resolution to do so. Motion carried unanimously.**

G. Building Official Schilling requested to remove from the Rental Ordinance the requirement for a rental inspection to a HUD property since it will be inspected by HUD inspectors anyway. A copy of the HUD inspection would be required. The Council decided it would be best to wait a year in case other changes are needed and then to make all the changes to the Ordinance at one time.

10. COMMUNICATIONS:

- A. Correspondence from Iron Range Youth in Action & Partners-Local Governments with Youth
- B. Ely Rotary Club is having a gathering on May 30<sup>th</sup> at noon in Whiteside Park as a windup of their park bench project. The Mayor and Council members are invited to attend.
- C. Minnesota Association of Small Cities application for 2012-2013 membership. (Join? yes or no) The council chose not to join at this time.
- D. St Louis County proposed sale of State tax forfeited Land – No action was taken
- E. Mesabi Station Grand Opening – Monday, June 4, 2012 from 1:00-3:00pm at 111 Station 44 Rd, Eveleth MN.

11. CLAIMS FOR PAYMENT:

- A. City and EUC Claims for May 15, 2012 - \$246,297.82

**Nikkola/Debeltz moved approval of Claim for Payment A. Motion carried unanimously.**

- B. JPJ Engineering, Inc – Ely White Street Alleys – Inv# 3 - \$5,489.40  
JPJ Engineering, Inc – 2<sup>nd</sup> to 4<sup>th</sup> Ave Sanitary Sewer – Inv# 3 - \$9,000.00  
JPJ Engineering, Inc – 6<sup>th</sup> to 7<sup>th</sup> Ave-Pattison St – Inv# 3 - \$3,675.00  
JPJ Engineering, Inc – Ely City engineer 2012-2013 – Inv # 1 – 0.00

**Debeltz/Zupec moved approval of Claim for Payment B. Motion carried unanimously.**

12. OLD BUSINESS:

Council member Zupec spoke regarding the Lucky Boy Dam and the two issues there that need to get resolved. 1<sup>st</sup> – Timbering of the property needs completion. The Clerk/Treasurer was directed to contact Eric Mayernen to get this done. Clerk Lowell stated that the Golf Course Club needs to be included in that discussion. 2<sup>nd</sup> – Ownership of the acreage on West side of the City as you enter on 169 (right hand side) needs to be addressed. Clerk Lowell was directed to work with the City Attorney to identify and initiate this process referred to as a Quiet Title Action on those parcels with fractional ownership.

13. NEW BUSINESS:

- A. Approve **RESOLUTION SUPPORTING GRANT APPLICATION TO THE MN DNR CROSS-COUNTRY SKI TRAIL ASSISTANCE PROGRAM FOR MAINTENANCE AND GROOMING**

**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;

**WHEREAS**, the City of Ely has identified the need to assist the Ely Nordic Association Ski Club in developing and maintaining the Hidden Valley Ski Trails,

**NOW, THEREFORE BE IT RESOLVED**, that the City hereby declares its support of the Ely Nordic Association Ski Club and grants by passage of this resolution, governmental sponsorship and approval of the grant application to the Minnesota Department of Natural Resources Cross-Country Ski Trail Assistance Program for Maintenance and Grooming.

**BE IT FURTHER RESOLVED**, that the City will comply with all applicable laws and regulations as stated in the agreement and the City Treasurer will act as a fiscal agent on behalf of the City of Ely.

**BE IT FURTHER RESOLVED**, that the Mayor and City Clerk-Treasurer are hereby authorized to sign any and all applicable contract documents or agreements pertaining to resolution and project.

**Debeltz/Zupec moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

- B. Approve **RESOLUTION DESIGNATING A CASH GIFT TO THE LIBRARY BE PLACED IN THE UNRESERVED, DESIGNATED LIBRARY FUND BALANCE IN THE CITY'S FINANCIAL STATEMENTS**

**WHEREAS**, the estate of Geraldine Ann Ryberg made a \$15,114.30 cash contribution as a gift to the Ely Public Library, and

**WHEREAS**, the Library Board has indicated that the gift is to be used for Library improvements and renovation, and

**WHEREAS**, the Ely City Council wants the gift to be acknowledged and identified in the Library Fund Balance as unreserved yet designated for its intended purpose until expended toward that purpose.

**NOW, THEREFORE BE IT RESOLVED**, that the \$15,114.30 cash contribution to the Ely Public Library from the estate of Geraldine Ann Ryberg be placed in the Library Fund Balance as unreserved and designated for the purpose of library improvements and/or reservation.

**Zupec/Omerza moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

C. Approve **RESOLUTION APPROVING VERMILION COMMUNITY COLLEGE OFF-CAMPUS COMMUNITY SERVICE AGREEMENT**

**WHEREAS**, the City of Ely wishes to provide work to students eligible to participate in the Federal or Minnesota Work Study Programs and

**WHEREAS**, Vermilion Community College has agreed to participate in this program with the City of Ely.

**NOW, THEREFORE BE IT RESOLVED**, that the Mayor and City Clerk are directed to sign the Vermilion Community College Off-Campus Community Service Agreement in order to provide this service.

**Zupec/Nikkola moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

D. Approve **RESOLUTION ADOPTING MN/DOT AGREEMENT #00968**

**WHEREAS**, an Agreement has been entered into between St. Louis County (SLC), Lake County, City of Ely and the State of Minnesota (MN/DOT) regarding a Joint Maintenance Facility and,

**WHEREAS**, the parties built a salt/sand storage building in 2008 as part of the aforementioned agreement (Damion No. 2008-4165); and

**WHEREAS**, SLC has determined that due to structural defects the salt/sand building must be replaced; and

**WHEREAS**, all parties to this Agreement desire to maximize and improve road services by constructing a new nine thousand (9,000) ton capacity arch-type salt/sand storage building (the Project) on the Joint Public Works Facility in Ely, Minnesota; and

**WHEREAS**, SLC was and is the lead agency in the prior agreement and has bid the replacement work and,

**WHEREAS**, A&B Construction LTD, of Harper, IA, was the lowest responsible bidder for the Project with a bid price of \$218,820.00 for a total cost of \$218,820.00. Said \$218,820.00 includes site preparation, and construction of a salt/sand storage building.

**NOW, THEREFORE**, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties to this Agreement do hereby agree as follows: City of Ely Responsibilities:

A. After completion of said Project, Ely shall contribute 6% or \$13,129.20 in cash as its total monetary share of the costs of the Project. Said share shall be paid within 30 days after receiving the invoice from SLC.

B. Ely shall pay 34.04 percent of all maintenance costs associated with the salt/sand storage building and shall pay said share within 30 days after receiving an invoice from SLC as agreed in the original agreement.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Ely, Minnesota does hereby adopt this resolution and approve Mayor and Clerk to sign the MN/DOT Agreement #00968.

**Debeltz/Nikkola moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-no and Mayor Skraba-yes. Motion carried 6 to 1 in favor.**

**Debeltz/Nikkola moved to refer MN/DOT Agreement #00968 to the Budget Committee. Motion carried unanimously.**

E. Approve JPJ Engineering, Inc – White Street Alley Improvements Project No. 2009-207 – Partial Pay Estimate No. 1 - \$166,343.56.

**Nikkola/Zupec moved approval. Motion carried unanimously.**

F. Approve JPJ Engineering, Inc – White Street Alley Improvements Project No. 2009-207 – Change Order No. 2 which increases the contract amount by \$35,156.00.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

G. Approve TKDA Pay Application No. 4 (final) to Lenci Enterprises, Inc for \$7,578.10

**Debeltz/Polyner moved approval. Motion carried unanimously.**

H. Approve JPJ Engineering, Inc – Partial Pay Estimate No. 1 for Old Clinic & Old Pamida Buildings - \$29,355.00.

**Nikkola/Debeltz moved approval. Motion carried unanimously.**

I. Approve **RESOLUTION SUPPORTING GRANT APPLICATION TO THE MN DNR GRANT-IN-AID SNOWMOBILE TRAIL ASSISTANCE PROGRAM FOR MAINTENANCE AND GROOMING**

**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;

**WHEREAS**, the City of Ely has identified the need to assist the Ely Igloo Snowmobile Club in developing and maintaining the Lake Trails between Shagawa & Lake Vermilion,

**NOW, THEREFORE BE IT RESOLVED**, that the City hereby declares its support of the Ely Igloo Snowmobile Club and grants by passage of this resolution, governmental sponsorship and approval of the grant application to the Minnesota Department of Natural Resources Grant-in-Aid Snowmobile Trail Program for Maintenance and Grooming.

**BE IT FURTHER RESOLVED**, that the City will comply with all applicable laws and regulations as stated in the agreement and the City Treasurer will act as a fiscal agent on behalf of the City of Ely.

**BE IT FURTHER RESOLVED**, that the Mayor and City Clerk-Treasurer are hereby authorized to sign any and all applicable contract documents or agreements pertaining to resolution and project.

**Zupec/Debeltz moved approval with the appropriate corrections made to the resolution. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

J. Approve Ely Jaycees request to apply for a temporary liquor license to operate a beer garden at the Ely Blueberry Festival on July 27-29, 2012 and to waive the requirement for an onsite police officer.

**Debeltz/Zupec moved approval. Motion carried unanimously.**

K. Approve **RESOLUTION APPROVING BID FOR 2012 SANITARY/STORM SEWER IMPROVEMENTS – PROJECT #11-550**

**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;

**WHEREAS**, bids on the project were opened at Ely City Hall at 11:00am on May 15, 2012 and the apparent lowest responsible bidder was Low Impact Excavators, Inc for \$271,567.00.

**WHEREAS**, the resolution for award is subject to state and federal concurrence and availability of funding.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Ely, Minnesota does hereby

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award the bid for 2012 Sanitary/Storm Sewer Improvements-Project #11-550 to Low Impact Excavators, Inc.

**Debeltz/Zupec moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

**Nikkola/Sheddy moved approval of changing the next Council Study Session to May 29, 2012 at the Joint Maintenance Facility immediately following the Public Hearing for the Manufactured Home Park Closure at 5:30pm. Motion carried unanimously.**

14. OPEN FORUM:

15. ADJOURN:

**Omerza/Polyner moved to adjourn at 7:49pm. Motion carried unanimously.**

Claire Huisman  
Deputy Clerk