

## Ely City Council Regular Meeting Minutes, June 19, 2012

1. CALL TO ORDER:

The Ely City Council Regular Meeting was called to order by Mayor Skraba at 6:05pm on June 19, 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 June 5, 2012 Regular Meeting as presented.

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

4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition 5.A. – Baseball

B. Addition 5.B. – Jaycees – 4<sup>th</sup> of July

C. Addition 9.F.i. – At&t cell tower update

D. Addition 9.F.ii. – County Annexation Report

**Nikkola/Omerza moved approval of Additions A-D. Motion carried unanimously.**

5. MAYOR'S REPORT:

A. Mayor Skraba thanked Tom Coombe and the baseball team for their excellent season and for achieving the opportunity to play in the State Tournament. Tom Coombe thanked the community of Ely on behalf of Frank Ivancich, the coaches and players. The team received 6<sup>th</sup> place out of 165 class "A" baseball teams. Summer ball has begun and there will be approximately 90 games in Ely between June 10<sup>th</sup> and August 4<sup>th</sup>.

B. Mayor Skraba reminded everyone that the Ely Jaycees will be at the parade passing a fireman's boot for donations for the fireworks.

6. CONSENT AGENDA:

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

B. Approve Chief Lahtonen request for Sandy Thom to attend BCA Criminal Justice Information Users Conference in St. Cloud on September 11-12, 2012.

**Omerza/Debeltz moved approval of consent agenda items A&B. Motion carried unanimously.**

7. REQUESTS TO APPEAR:

A. David Oliver with Twin Metals Minnesota discussed the expansion of TMM facilities in Ely. They want to purchase Lots 5, 6 & 7 in the Business Park. They intend to build a cold storage facility, approximately 80' X 200'.

**Nikkola/Debeltz moved approval to grant Twin Metals of Minnesota the right of trespass and entry on Lots 5, 6 & 7 to begin Phase I surface testing on the property. Also, for Attorney Klun to proceed with the draft of a purchase agreement. Motion carried unanimously.**

Nikkola, Zupec & Langowski will work with Attorney Klun to come up with a purchase price for property.

8. COMMITTEE REPORTS:

Council member Debeltz stated Cemetery Committee will meet Thursday, June 21, 2012 at 6:30pm.

**Nikkola/Omerza moved approval of Budget Committee recommendation to pursue Option 5 which is to build a brand new building at the old city garage site to house City Hall offices, Library, Police & Fire Departments and to have JPJ draw a conceptual plan.**

**Nikkola/Omerza moved approval of Budget Committee recommendation to use line item 101-41400-131-01, City Clerk Employer Paid Health with an available balance of \$22,000 to cover the cost of paying the approximate \$12,000 in back overtime pay to the Assistant Treasurer and Deputy Clerk as required due to their revised classification as non-exempt employees under the FLSA (Fair Labor Standards Act). Motion carried unanimously.**

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**Nikkola/Zupec moved approval of Budget Committee recommendation to create a new line item in the Cemetery Fund for equipment replacement (Capital Outlay) and move \$4,500 from line item 230-49010-202-07 to the new line item with an additional \$4,200 from the Cemetery Beautification Fund to pay for the two new mowers that were purchased to replace old inoperable mowers. Motion carried unanimously.**

Council member Omerza stated the Park & Rec Meeting will be held on Monday, July 9, 2012. She also extended a "Thank you" to Kara Polyner for filling in for Heidi and speaking about the Whiteside Park project at the Secret Sisters Event.

Council member Polyner stated Volunteer Day at the Park last Saturday went well. They installed new edging around the playground area. New dome structure was put together and will be set in place and diggers for the sand box will be arriving shortly. Tomorrow night is a Planning & Zoning meeting at 5:30pm in the Community Center card room.

Mayor Skraba stated the Airport Commission requested of the Council for approval to appoint Scott Miller (non-resident) to fill the vacant seat on the Airport Commission. Council member Zupec felt the rules should not be bent and a resident should be picked to serve.

**Nikkola/Zupec moved approval to appoint Roger Skraba to the vacant seat on the Airport Commission. Motion carried 6 to 1 in favor with Mayor Skraba abstaining.**

Mayor & Langowski attended a MN Dot meeting last Wednesday. Hwy 169 in town will be resurfaced with a 3" overlay next year. Also, intermittent resurfacing will be done between Soudan and Ely along with safety concerns being addressed.

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer Lowell stated office will be closed tomorrow at 10:30am to 4:30pm due to Clerk election training in Clinton.

B. Fire Chief

C. Library Director

D. Operations Director:

i. EUC Consent Agenda Items: The following items of business were recommended for approval at the regular EUC meeting of Wednesday, June 13, 2012:

1. Authorized Operations Director Harold Langowski to attend the MMUA Annual Summer Conference in Brainerd on August 20-22, 2012

2. Approved the LED Lighting Rebate for the Paddle Inn for \$6,615.00.

3. Approved replacement of the auto dialer card in the WWTF SCADA computer for \$2,981.48 from In Control, Inc.

**Zupec/Debeltz moved approval of EUC consent agenda items 1-3. Motion carried unanimously.**

ii. Policy proposal concerning planting, maintenance and removal of trees and shrubs in public places and Draft of Tree Ordinance.

**Nikkola/Sheddy moved approval to turn these policies over to the Projects Committee to discuss and then bring back to the next regular council meeting after Projects next meeting with their recommendation for a Tree Policy/Ordinance. Motion carried unanimously.**

E. Police Chief:

**Nikkola/Omerza moved approval of the recommendation from the ER Committee & the Police Commission for the new structure & job description of a Sergeant Position in the Police Department. The Assistant Chief of Police position will be replaced with two Sergeant Positions. This will cause less overtime pay and added supervisor positions to cover for vacation time. Motion carried unanimously.**

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**Debeltz/Omerza moved approval to allow the Police Department to post internally for the two new Sergeant Positions. Motion carried unanimously.**

F. City Attorney:

Attorney Klun reported that the Court of Appeals reversed the opinion previously issued which placed an injunction on building a cell tower at 450ft. in the Boundary Waters. Attorneys at At&t thanked the City of Ely for their support. Friends of the Boundary Waters can still appeal this decision but it would then go to the Supreme Court of MN.

Attorney Klun stated the Annexation by Ordinance request sent to the Office of Administrative Hearing has been received back with approval. Town of Morse has sent a letter stating they disagree with Ordinance. The judge may request from the City more information regarding the annexed property but Attorney Klun assured that this is normal procedure and she will keep the council updated on the situation.

G. City Engineer

10. COMMUNICATIONS:

A. Correspondence from Elizabeth Wefel from Flaherty-Hood P.A.

B. MN Dept of Transportation permission for the City of Ely to hold a 4<sup>th</sup> of July Parade

C. Chamber of Commerce notice regarding Blueberry Art Festival

**Debeltz/Zupec moved approval to send a "Thank You" to Rita Grose from the Ely Chamber of Commerce for her years of hard work in organizing the Ely Blueberry Festival. Motion carried unanimously.**

Mayor Skraba also publicly thanked the Chamber for encouraging those in Blueberry Festival to park their vehicles and trailers in the school parking lot to free up the streets around the park in particular 8<sup>th</sup> Ave.

D. Letter from Police Chief Lahtonen to Officer Kopenen

E. Letter from City Clerk to Matthew Roderick regarding purchase of Lots 12-15, Block 14 of Auditors Plat Chandler Addition to Ely

F. EUC correspondence to Ely-Bloomenson Community Hospital regarding Emergency Water Supply Agreement

11. CLAIMS FOR PAYMENT:

A. City and EUC claims for June 19, 2012 - \$356,385.33

B. Ely Community Resource 3<sup>rd</sup> quarter payment of \$3,140 for services rendered.

**Debeltz/Nikkola moved approval of claims for payment A&B. Motion carried unanimously.**

12. OLD BUSINESS:

A. Fund determination for Deputy Clerk and Assistant Treasurer Overtime pay. This item was addressed under Committee Reports.

13. NEW BUSINESS:

A. Approve Northern Lights Clubhouse to hold a Raffle Fundraiser on September 9, 2012 at 3:00pm at Ely Whiteside Park. Raffles with combined raffle prizes totaling less than \$1,500 do not need a permit according to the MN Gambling Control Board.

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

B. Approve second reading of Ordinance 252, 2<sup>nd</sup> Series amending section on land use regulation (zoning) & adding section related to fencing.

**Sheddy/Polyner 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 second reading of Ordinance 258, 2<sup>nd</sup> Series amending section related to refuse collection & disposal.

**Debeltz/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 second reading of Ordinance 259, 2<sup>nd</sup> Series amending section related to noise control with added verbiage to include “current on ‘sale liquor license” and also requirement for a \$10 permit to be obtained at least 7 calendar days prior to the event.

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

E. Approve Resolution 2012-030 establishing a process for the sale of city owned property.

**WHEREAS**, the City of Ely has real estate holdings that could be sold and placed on the tax rolls and generate Ad Valorem taxes for the City, ISD 696, St. Louis County and the State of Minnesota, and

**WHEREAS**, when five (5) City Council Members agree to market a parcel of City owned property and so motion at a regular City Council meeting, and

**WHEREAS**, the St. Louis County Assessor has placed a Total Estimated Market Value on said property by parcel number, and

**WHEREAS**, the City of Ely has adopted a comprehensive land use plan and has in place a Planning & Zoning Commission and Ordinances that identify permitted uses for property in the City Limits. **THEREFORE BE IT RESOLVED**, that the City of Ely shall use the process stated below for the sale of City owned property:

1. Five (5) Councilors pass a motion to market a city owned parcel.
2. Parcels will be sold “as is”, unless otherwise advertised.
3. The sale is conducted by sealed bid after advertising in the Official City Newspaper (Ely Echo), the Ely Timberjay, and/or the Virginia, Duluth, Minneapolis/St. Paul, Minnesota, newspaper’s for one (1) month and also on the City’s web site.
4. A “reserve price” or minimum bid shall be established and it will normally be the Total Estimated Market Value identified by the St. Louis County Assessor in their most recent Payable Tax Statement Data, unless real estate market conditions dictate otherwise.
5. Bids will be received for thirty (30) days from the date of Council action to market said parcel with the close of business (COB) as the bid closing date.
6. The bids will be opened on the first business day following bid closing.
7. If the “reserved price” is not met, the Council can either leave the ‘reserved price’ as an open amount subject to the first offer at that price, determine an acceptable bid price lower than the “reserve price”, re-advertise for bids, or remove the parcel from consideration.
8. To be considered as an acceptable bid, all bids must be made by a qualified buyer. To be considered as a qualified buyer, the sealed bid must include a valid, current letter of credit from a bone-fide financial institution for the full bid price.
9. If an acceptable bid is received, the Council will direct the City Attorney to prepare an Ordinance to affect the sale and a Purchase Agreement with the sale contingent upon passage of said Ordinance.
10. When a bid is awarded, the buyer is expected to sign the Purchase Agreement and is responsible for completing their part of the transaction. If the Buyer does not execute the Purchase Agreement, the City may pursue liquidated damages.
11. Sales are not considered final until a City Ordinance is properly adopted and effective and all closing documents are executed and finalized.

**Zupec/Sheddy moved approval. In discussion, Council member Zupec feels one of the steps of the process should be to get approval from Planning and Zoning. Attorney Klun stated properties should be itemized out in the process plan. Clerk Lowell suggested different parcels would have different processes instead of one blanket process for all properties. Roll called: Debeltz-no, Nikkola-no, Omerza-no, Polyner-no, Sheddy-no, Zupec-no and Mayor Skraba-no. Motion failed unanimously.**

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F. Approve Resolution 2012-031 to set fees for the City Hall parking lot.

**WHEREAS**, the site of the old clinic building across from City Hall is vacant, and

**WHEREAS**, the site is determined to be an ideal location for a parking lot for visitors to City Hall, and

**WHEREAS**, it is evident that some space needs to be provided for previous overnight users of the former private clinic parking lot, and

**WHEREAS**, the Council has determined that the lot should not be used for equipment, boat, ATV or storage, and

**WHEREAS**, the Council has determined that the parking, both paid and free should be limited to vehicles of specific type, weight and length.

**NOW, THEREFORE BE IT RESOLVED**, that cars and light trucks (single rear axle) with a GVWR of not more than 20,000 pounds, length of not more than 22 feet are permitted to park in the public lot hereinafter called the City Hall Parking Lot.

**BE IT FURTHER RESOLVED**, that the East and West ends of said lot will be designated for overnight parking by paid permit only, for a specific vehicle (s), and that the fee for this exclusive use will be \$20.00 per month, payable in advance and with a permit issued by the City Clerk.

**BE IT FURTHER RESOLVED**, that the remainder of the lot will be free daytime public parking and available on a first come-first serve basis.

**BE IT FURTHER RESOLVED**, that violators will be towed at the violators expense.

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

G. Approve Resolution 2012-032 to set fees for the use of Whiteside Park.

**WHEREAS**, the requests for exclusive use of Whiteside Park has increased to the point of needing controlled permitting, and

**WHEREAS**, the Council, as recommended by the Parks and Recreation and Projects Committees has proposed dividing the park into three (3) zones that could be available for exclusive use, and

**WHEREAS**, those zones will be known as the Northwest, Pavilion, and Band Shell Zones as depicted on the attached Whiteside Park Aerial schematic, and

**WHEREAS**, the aforementioned Committees and City Council has determined that a fee should be established that would be charged to all parties desiring exclusive use of the Whiteside Park.

**NOW, THEREFORE BE IT RESOLVED**, that following fees will be effective January 1, 2013 and that a day will be defined as the twenty-four hour period between 12 A.M. to 11:59:59 P.M.

1. One (1) to Four (4) hours of exclusive use per Zone per day will be \$15.00 per Zone.

2. More than four (4) hours in one day but not beyond 11:59:59 P.M. time as anything past that time will be considered another day per Zone will be \$30.00 per Zone.

**BE IT FURTHER RESOLVED**, that the fee shall be payable to the City of Ely and paid to the City Clerk prior to the issuance of an exclusive permit by the City Clerk.

**Omerza/Polyner moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-no (supports motion but objects to the process). Motion carried 6 to 1 in favor.**

H. Approve Resolution 2012-033 releasing obligations related to the Trezona Hills Development.

**WHEREAS**, the City of Ely entered into an agreement with Emery S. Bulinski and Dolores P. Bulinski wherein Emery S. Bulinski and Dolores P. Bulinski assumed various debt obligations related to the Trezona Hills Development;

**WHEREAS**, as part of said agreement, Emery S. Bulinski and Dolores P. Bulinski, executed a Mortgage dated August 1, 2002, and filed for record in the Office of the Lake County Recorder on January 30, 2003, as Document No. 149676, providing the City of Ely a lien against the Bulinski property on Shagawa Lake legally described as:

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Lot One (1), Section Twenty-two (22), Township Sixty-two (62), Range Eleven (11), in Fall Lake Township, County of Lake AND Northwest Quarter of Northwest Quarter (NW ¼ of NW ¼) of Section Twenty-four (24), Township Sixty-two (62), Range Eleven (11), in Fall Lake Township, County of Lake.

**WHEREAS**, as part of said agreement, Emery S. Bulinski and Dolores P. Bulinski also executed a Personal Guaranty, an Assumption Agreement and an Amendment to Project Development requiring certain obligations related to the Trezona Hills Development project.

**WHEREAS**, Emery S. Bulinski and Dolores P. Bulinski have requested the City of Ely release them from any further debt obligations related to the Trezona Hills Development and the City of Ely wishes to grant such a release.

**NOW, THEREFORE BE IT RESOLVED**, that the City of Ely hereby declares that Emery S. Bulinski and Dolores P. Bulinski shall be released from any further obligation for payment to the City of Ely related to the Trezona Hills Development and declares that the City of Ely shall execute a Satisfaction of Mortgage for the Mortgage dated August 1, 2002, and filed January 30, 2003 in the office of the Lake County Recorder as Document No. 149676.

**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 this resolution.

**Debeltz/Nikkola moved approval. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-no (feels this has already been done) and Mayor Skraba-yes. Motion carried 6 to 1 in favor.**

I. Approve Resolution 2012-034 appointing responsible employee for the Data Practices Act.

**WHEREAS**, Minnesota Statute 13.02, subd. 16,; requires the appointment, by resolution, of a lone, city employee as the responsible authority for the collection, use and dissemination of government data (aka Data Practices Act), and

**WHEREAS**, those same statutes require the naming of a data practices act compliance officer.

**WHEREAS**, that appointment must be name specific.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Ely herewith appoints and names Terry Lowell, Interim City Clerk as the Responsible Authority for the collection, use and dissemination of government data and is also named as data practices act compliance officer.

**Debeltz/Nikkola moved approval. Council member Zupec clarified the responsible employee is also referred to as the Information Officer. Roll called: Debeltz-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes, Zupec-yes and Mayor Skraba-yes. Motion carried unanimously.**

14. OPEN FORUM

15. ADJOURN

**Nikkola/Omerza moved to adjourn the meeting at 7:40pm. Motion carried unanimously.**

Claire Huisman  
Deputy Clerk