

Council Study Session Minutes, June 26, 2012

I. CALL TO ORDER

The Ely City Council Study Session was called to order by Acting Mayor Debeltz at 6:00 p.m., on June 26, 2012 at Council Chambers, Ely City Hall.

Present: Council Members Nikkola, Omerza, Polyner, Sheddy, Zupec and Acting Mayor Debeltz

II. ADDITIONS/DELETIONS TO TONIGHT'S AGENDA: None

III. OLD BUSINESS:

John Fedo reported that he had received 3 inquiries regarding the "old county garage" location. He had asked each to provide him with their expected costs, expected incentives, etc. He felt that 2 of the 3 might further their interest. One was interested in a lease. The Council expressed the lease option as the least favored. John had indicated to the 3 prospects that the original appraisal from several years back was around \$500K, however he had expressed to them that the range that would likely be considered would be \$250K-\$500K, depending on proposed use.

Councilor Sheddy asked what the process would be if 1 of the prospects expressed enough interest but wished to remain unnamed at this time? John said he would work with the prospect and disclosure would not have to occur until the Council received an offer to purchase.

John also felt that the site would lend itself to subdivision and/or multiple uses that could coexist on the site. It might also be advantageous to seek funding to clean up the site and remove structures if those structures are an impediment to a sale or development.

John would keep the City informed as to the prospects at future updates.

IV. NEW BUSINESS:

The Council is aware that \$24K is in the EEDA 2012 budget for contracted services. Council Omerza had attended a presentation at the Duluth conference of the League of Minnesota Cities that provided handouts regarding the Minnesota Design Team (MDT). MDT assists communities in designing and planning a viable, appropriate future. John Fedo reported that the IRRRB had sometimes assisted with "visioning" through a Laurentian Vision group and that JPJ (the City's Engineering source) also had John on staff to assist with economic development and design assistance. John also spoke of the success Hibbing had regarding a multi-jurisdictional sanitation

district that came about as a result of looking at what a more “regional” approach to planning the vision of Hibbing’s future. John indicated he would speak with the City Clerk and City Operations Manager and try to present a more informational process regarding EEDA, Economic Development and future development plans.

Clerk Lowell informed the Council that he would be approaching the Charter Commission regarding Section 7.05-Council Action on Budget of the current City Charter. The current charter requires the City Council to adopt a budget not later than the 1st week in October. The Minnesota Statutes sets that requirement at December 31st. He will ask to change the language to read “THE COUNCIL will adopt the budget in accordance with Minnesota Statutes”.

Clerk Lowell presented pictures of the “plugged sewer” event located near the Piragis outlet building and canoe storage area. It appears the recent rain event of June 26th resulted in the 48” ancient clay storm drain to rupture, saturate the soil and the weight of that saturated soil caused a break in the 6” water line located under the storm drain, which in turn add more saturation to the soil, which resulted in a collapse of the 12” sanitary sewer line located beneath the water line and the storm drain, and filling the sanitary sewer line with soil and therefore plugging the line and that caused a back-up of wastewater. Because of the rain event, the I & I (infiltration and infrastructure) resulted in the sanitary sewer line flowage to increase dramatically, which amplified the sanitary sewer back-up issue resulting in flooded basements, etc. The sheer scope of the damage would require equipment that is not in the City’s inventory and more manpower than available staff. Harold Langowski had contacted Utility Systems of America (USA) to complete the repair and replacement necessary. This is not a budgeted item, but must be done. The City may have to use fund balance to cover the cost of this repair. That cost would be borne by both the EUC and the General Fund.

Because no further business was discussed, the meeting adjourned at 6:35 p.m.

Submitted by: Terry Lowell, City Clerk