

Ely City Council Regular Meeting Minutes, September 3, 2013

1. CALL TO ORDER:

The Ely City Council Regular Meeting was called to order by Mayor Petersen at 5:30 pm on September 3, 2013 at the Ely City Hall.

2. ROLL CALL:

Present: Council members Debeltz, Kess (arrived at 5:35p), Nikkola, Omerza, Polyner, Sheddy and Mayor Petersen (7)

Absent: None

3. APPROVAL OF MINUTES:

Nikkola/Debeltz moved to approve the minutes from August 20, 2013 Regular Meeting, August 27, 2013 Special Council/Public Hearing and August 27, 2013 Study Session. Mayor Petersen wanted it noted in the Study Session minutes that he wanted Attorney Klun to move forward with the legal proceedings for getting the Old Ford building torn down. Motion passed unanimously.

4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition: 7.B. – Rob Ege report on the Sheridan St Traffic Light

B. Addition: 9.E.iii. – Overland Group, Purchase Agreement Addendum

C. Addition: 13.B. – MnDot Agreement & Resolution for Airport Improvements

D. Addition: 13.C. – Up North Jobs – operating expenses & equipment purchases

Debeltz/Nikkola moved approval of the additions A-D. Motion carried unanimously.

5. MAYOR'S REPORT

Nikkola/Omerza moved to approve calling a Special Council meeting to allow all council members to attend the gathering at the Ely Airport & International Wolf Center with the USDA Forest Service representatives on September 10, 2013 from 4:00pm to 7:30pm. Motion carried unanimously.

6. CONSENT AGENDA:

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

B. Approve Council and/or Clerk-Treasurer to attend 2013 LMC Regional meeting in October 2013.

Debeltz/Omerza moved to approve consent agenda items A & B. Motion carried unanimously.

7. REQUESTS TO APPEAR:

A. Phil Hogan, representative from the Citizens for the Community Center Group, presented to the Council a proposal which stated that their committee would agree to discontinue all referendum action if the City Council would agree to the following process: the city would proceed with action on the bond and City Hall activity as planned, but agree to hold all activity on a new library until the following actions have occurred (estimated to be less than 6 months).; wait for the Rova study to be completed; wait for the new \$10,000 usage study to be completed; wait a period of an additional month to allow all parties time to review the study reports; allow our citizens committee to make a formal presentation to the City Council of the committee's position after reviewing all data; the council agrees to take all new information into account and take a new vote on the council's final library plan; our committee agrees to abide by that vote no matter its outcome and not to take any further referendum action about the library.

Mayor Petersen feels 6 or 7 months is too long to wait for the usage study.

Council member Sheddy stated that the cost of a new library is less than the cost to renovate the Community Center. He feels the proposal offered is holding the Council hostage.

Council member Nikkola stated that studies have been done since 2004 (and earlier) on this building and no one likes the numbers that the engineers produce. Any group can do a reverse referendum, but he has confidence in the community that it will not pass. Everything that has happened in the past to City Hall and the Community Center has been the band aid approach. He stated that by delaying everything, interest rates will go up and it will be taxpayer's dollars being spent. Bonding interest rates have already gone up since April which is a \$600,000 increase.

Council member Kess supports this type of compromise. He feels to say that this has been going on for 30 years and nothing got done is incorrect. He feels that saving the building is what got done. He feels waiting 6 months is a reasonable timeline to wait on this.

Council member Debeltz stated that you need to be a citizen of Ely to petition for a referendum. Also, to renovate both buildings would cost \$4.7 million and the City cannot bond for that amount.

Mr. Hogan stated that they are not confident with those numbers but they feel that the usage studies will provide them with valid numbers.

Library Director Heinrich stated the Regional Library requirements for membership state that public libraries need to meet ADA compliance and Building Codes by January 1, 2016. The Library Improvement Grant deadline is October 17, 2013. A resolution approving the project and a footprint of the project will be needed to be submitted with the grant application. It is a 50/50 matching grant with funds up to \$600,000 depending on the cycle limit. This type of grant has been given for building new buildings or additions. She is not sure if it would cover a remodel project. The grant application states project must produce a significantly better space for the library and she feels that spending \$1.2 million to remodel may not be significant enough. If they miss this year's deadline for the grant, the library can apply again next year as long as their bonding cycle passes again for that year.

Attorney Klun stated the two timelines are: October 2nd to come up with the petition and October 16th for the bond. She asked Mr. Hogan if Mr. Rova speed up his study in order to give them the information they need by these two dates.

Polyner/Nikkola moved approval to have a Special Council meeting on September 10, 2013 at 8:30pm to discuss the building issue. Clerk Langowski will bring information from Northland Securities Bond Counsel regarding the usage of the bonds as well as clarifying information on the Library Improvement Grant. Motion carried unanimously.

- B. Rob Ege, MnDot Traffic Engineer, report on Sheridan St Traffic Light removal. He stated that all the studies that were done on the intersection, showed that there was not enough traffic to warrant a Traffic Light. Due to a large amount of pedestrian traffic, MnDot proposed placing LED Rectangular Rapid-Flash Beacon (RRFB) at each corner of the intersection to alert traffic to stop for pedestrians crossing. This will be placed at no cost to the City. Clerk Langowski will look into requesting MnDot for RRFB's to be placed at 5th & Sheridan for the safe walk to school route.

8. COMMITTEE REPORTS:

- A. Council member Debeltz thanked the City employees who helped prepare the fields for the Softball Tournament.

Kess/Debeltz moved to send a "Thank You" note to Congressman Nolan for his support on the Ely Airport Project. Motion carried unanimously.

Council member Omerza informed every one of the new Library Rules of Conduct. She also stated that the Park & Rec meeting for Sept 9th has been cancelled. Omerza reminded everyone that school has started so they should be aware of children in the cross walks. She read a tribute to Frank Salerno that was in a newsletter put out by Jim Miller from the League of MN Cities.

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer

- i. EUC Consent Agenda Items: The following items of business were recommended for approval at the regular EUC meeting of Wednesday, August 14, 2013:
 - 1. Approved the HeatShare Agreement with the Salvation Army for 2013 – 2014.
 - 2. Approved purchase of an effluent sampler from HACH Company for \$5,001.00 plus tax for the WWTP.
 - 3. Approved the sale of used power poles for \$5.00 each, first come first served, with a liability agreement.
 - 4. Approved payment of the KBM, Inc. Invoice #081323 for \$159.00 and #081324 for \$159.00 for electrical engineering services.

Debeltz/Nikkola moved to approve the EUC consent agenda items 1-4. Motion carried unanimously.

Clerk Langowski stated that the County Board passed the TIF Legislation that the City of Ely was requesting. He thanked Commissioner Forsman for helping to get this carried through.

- B. Fire Chief Erchull announced that on September 25, 2013 from 3:30pm to 6:30pm at the Fire Hall, the Ely Fire Department will be hosting a Fire Prevention & Safety Event with demonstrations, food, drink and prizes. He also gave a general warning to the public to be special careful during lightning storms.
- C. Library Director
 - i. **Omerza/Debeltz moved to approve Library Director to attend the Minnesota Library Association annual conference in St. Cloud on October 10-11, 2013. Motion carried unanimously.**
- D. Police Chief
- E. City Attorney
 - i. **Nikkola/Omerza moved to approve the proposed 2014-2015 Retainer Agreement between the City of Ely and Klun Law Firm. Motion carried 5 to 1 with Sheddy abstaining and Mayor Peterson voting “no”.**
 - ii. Attorney Klun stated that LELS has filed intent to negotiate but she is working on a contract with them so this may not reach the negotiating table. AFCSME has brought forth a final agreement which is for a two year period and she will bring it to the next agenda.
 - iii. **Nikkola/Sheddy moved to approve the Addendum to the Purchase & Sale Contract of Real Property between City of Ely and The Overland Group, LLC which moves the closing date to November 1, 2013 pending clarification from Attorney Klun that there are no more 60 day extensions allowed. Motion carried unanimously.**

F. City Engineer

10. COMMUNICATIONS: None

11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for September 3, 2013 - \$115,359.03
Sheddy/Nikkola moved to approve claims for payment item A. Motion carried unanimously.

12. OLD BUSINESS:

13. NEW BUSINESS:

- A. **Nikkola/Omerza moved to approve Resolution #2013-029 adopting proposed tax levy collectible in 2014. WHEREAS**, the City of Ely is required by Minnesota Law to adopt a proposed tax levy for 2014 and to certify it to the St. Louis County Auditor. **NOW, THEREFORE BE IT RESOLVED** that the Ely City Council adopts and approves the following proposed tax levy to be levied for the current year, collectible in 2014, upon taxable property in the City of Ely, for the following proposes:

General Fund	\$ 1,223,700
Library Fund	\$ 218,900
<u>Debt Service Fund</u>	<u>\$ 211,300</u>
Total Levy	\$ 1,653,900

BE IT ALSO RESOLVED, that the Ely City Clerk/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of St. Louis County, Minnesota prior to September 15, 2013.

Kess moved an amendment to the motion to reduce the proposed levy by 2%. He feels the increase in LGA was meant to help lower the taxes that had been increased in the past. The amendment dies for lack of a second.

Roll called: Council member Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes and Mayor Petersen-yes. Motion carried unanimously.

- B. **Kess/Omerza moved to approve MnDot Agreement #04583 and Resolution #2013-030 authorizing the execution of MnDot Grant Agreement for Airport Improvement excluding**

Land Acquisition. WHEREAS, it is resolved by the City of Ely as follows: 1. That the State of Minnesota Agreement No. 04583, "Grant Agreement for Airport Improvement Excluding Land Acquisition," for State Project No. A6920-42 at the Ely Municipal Airport is accepted. 2. That the Mayor and Clerk/Treasurer are authorized to execute this Agreement and any amendments on behalf of the City of Ely. **NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Ely, Minnesota does hereby adopt this resolution. **Roll called: Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes and Mayor Petersen-yes. Motion carried unanimously.**

- C. Gerald Tyler with Up North Jobs presented a schedule of expenditures and operating costs. It did not include costs for liability insurance, travel expenses, compensation for staff/volunteers, printing or legal counsel. He stated they definitely need funding aid from a Joint Powers Organization. Mayor Petersen asked Mr. Tyler for a written document stating what Up North Jobs will be doing to promote jobs and what the taxpayers will be getting for their money if the City joins. Mr. Tyler stated he will provide the Mayor with the information he is requesting but it is also contained in their Articles of Incorporation. They already have 340 members.

14. OPEN FORUM

Phil Myer, Lakeview Ave N, asked what it means to go to a referendum. If the bonds were stopped by the referendum, would the taxpayers have to pay the \$3.2 million? The Mayor stated that in the case of a referendum, the project would be stopped until they could find other funding. Mr. Myer also stated that he is in support of building a new building. He stated that remodels are difficult and expensive and he feels the City should move forward with the new construction.

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

Claire Huisman
Deputy Clerk