

Ely City Council Regular Meeting Minutes, October 15, 2013

1. CALL TO ORDER:  
The Ely City Council Regular Meeting was called to order by Mayor Petersen at 5:43 pm on October 15, 2013 at the Ely City Hall.
2. ROLL CALL:  
Present: Council members Debeltz, Kess, Nikkola, Omerza, Polyner, Shedly and Mayor Petersen (7)  
Absent: None
3. APPROVAL OF MINUTES:  
**Debeltz/Shedly moved to approve the minutes from October 1, 2013 Regular Meeting. Motion carried unanimously.**
4. ADDITIONS OR OMISSIONS TO AGENDA:
5. MAYOR'S REPORT
6. CONSENT AGENDA:  
A. Motion to waive readings in entirety of all ordinances and resolutions on tonight's agenda  
**Debeltz/Nikkola moved to approve consent agenda item A. Motion carried unanimously.**
7. REQUESTS TO APPEAR:  
A. George Eilertson, Northland Securities, presented to the Council three scenarios for the General Obligation Capital Improvement Plan Bonds, Series 2014A to cover the costs of the City Hall renovation and building the new library. The most favorable was Scenario 3 which included the potential City contribution of \$500,000 which would result in a 15 year bond term with an average annual debt service of \$235,004 and a total net debt service of \$3,525,062.  
**Nikkola/Kess moved approval of Northland Securities to begin preparing documents for bonding. Motion carried unanimously.**
8. COMMITTEE REPORTS:  
A. **Nikkola/Debeltz moved approval to have the next Study Session on Wednesday, October 30, 2013 at 5:30pm instead of the regular scheduled time for Tuesday, Oct. 29<sup>th</sup>. Motion carried unanimously.**

Clerk Langowski brought forth two items discussed at last night's Project meeting:

1. Three property owners have requested IRRRB assistance to have certain buildings on their property demolished.

**Omerza/Nikkola moved to approve Clerk Langowski to advertise for bids for demolition of three residential properties. Motion carried unanimously.**

**2. Nikkola/Omerza moved to have the West Sheridan St Place Plat and an Easement Sketch which is a separate document to allow access to the back Lot (Lot 1) through Lot 2, approved and recorded. Motion carried unanimously.**

Council member Omerza stated there will be no Park and Rec meeting in November. She also stated that Tony Sertich & the IRRRB Board formed a new group called the Better IRRRB Task Force. They will be having three public meetings to get input on how to make the IRRRB better. Meetings will be 4:30pm to 6:30pm on Monday, November 18, 2013 at the Northeast Service Coop in Mt Iron; Tuesday, November 19, 2013 at the Grand Rapids District Administrative office and Tuesday, November 26, 2013 in Babbitt at the City Council Chambers. She will also be in St. Paul tomorrow meeting with the Coalition and the League discussing policy additions and ideas in preparation for the upcoming Legislative Session.

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, October 9, 2013:
  1. Approved to continue with Wisconsin Energy Conservation Corporation for the Ely Conservation Improvement Program (CIP) for \$10,050.
  2. Approved in kind services at the Ely Baseball Field to install 2" water line from Pattison Street along the 1<sup>st</sup> base line to 2<sup>nd</sup> base. Ely Baseball Association will pay for all supplies and fusing.

**Debeltz/Nikkola moved to approve EUC consent agenda items 1 & 2. Motion carried unanimously.**

- ii. 2014 Preliminary Grant Application for CDBG & Public Works Grant Application for IRRRB for the City's 2014 Infrastructure Improvements which include the 1<sup>st</sup> Ave/Chandler Rd sewer extension and the Conan to White St Alley project for sewer and water.

**Nikkola/Debeltz moved to approve the 2014 CDBG preliminary grant application. The IRRRB Grant was approved at the last meeting with a Resolution. Motion carried unanimously.**

B. Fire Chief

C. Library Director

**Omerza/Debeltz moved to approve Resolution 2013-035 supporting Ely Public Library to apply for Public Library Accessibility & Improvement Grant through MN Dept of Education.**

**WHEREAS**, the public library services will improve with renovation and/or expansion of an existing building or new construction for a library building and; **WHEREAS**, the City of Ely has title to the site and building where the Ely Public Library is located or will be located and; **WHEREAS** the City of Ely has determined that such construction will cost \$1,499,978 and; **WHEREAS** the City of Ely has determined that it will need a matching grant from the Department of Education to pay for such construction and; **WHEREAS** the City of Ely shall provide matching funds for expenditures relating to the public library construction project in an amount at least equal to the amount of the grant from non-state sources and that such match shall be dollar-for-dollar and not matched by in-kind contributions and; **WHEREAS** the matching funds are any combination of (i) cash monies, (ii) legally binding commitments for money, or (iii) equivalent funds or contributions, including equity, and; **WHEREAS**; the source of the matching funds will be Unreserved Fund Balance (budget line 101-25300) and; **WHEREAS** the City of Ely understands and agrees to adhere to the list of assurances as stated in the grant application; **NOW THEREFORE BE IT RESOLVED** that the City of Ely authorizes the public library director to submit a grant application totaling \$608,700; and; **BE IT FURTHER RESOLVED** that the City of Ely shall provide any shortfall of funds should planned fund-raising not meet expectations; and; **BE IT FURTHER RESOLVED** that the city clerk-treasurer, mayor, public library director are authorized independently to sign and submit all applicable contracts, documents and agreements associated with the application or grant agreement on behalf of the City of Ely. **Roll called: Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes and Mayor Petersen-yes. Motion carried unanimously.**

Library Director Heinrich also informed the public of the upcoming events at the Library.

D. Police Chief

E. City Attorney

- i. **Nikkola/Omerza moved to approve Resolution 2013-033 declaring the buildings located at 36 E Conan St and 46 E Conan st in Ely, MN, hazardous property. 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 is authorized to exercise its municipal powers for the promotion of health and safety; **WHEREAS**, pursuant Ely City Code Sec. 10.22, Subd. 2, the existence of any structure or part thereof, which because of physical deterioration is no longer habitable or useful for any other purpose for which it may have been intended or permitted or the deterioration of which has become a hazard to the

general public shall not be allowed. **WHEREAS**, pursuant to Minnesota Statute § 463.15(3), a Hazardous Building or Hazardous Property is defined as “any building or property, which because of inadequate maintenance, dilapidation, physical damage, unsanitary condition, or abandonment, constitutes a fire hazard or a hazard to public safety or health.” **WHEREAS**, pursuant to Minnesota Statute § 463.161, the City of Ely may correct or remove the hazardous condition of any hazardous building or property within the municipality and charge against the real property the cost of such abatement; **NOW, THEREFORE**, the City Council of the City of Ely, finds that: (1)The buildings commonly referred to as the “Old Ford Garage” located on the real property at 36 East Conan Street and 46 East Conan Street in Ely, St. Louis County, Minnesota and legally described as Lots 9, 10, 11 and 12, Block 2, Conan’s Addition to Ely are hereby deemed deteriorated buildings pursuant to Ely City Code § 10.22. Subd. 2 and a hazardous property as defined in Minnesota Statute § 413.15(3). (2)The tax parcel codes for the real property are 030-0050-00150 and 030-0050-00170. The registered owner pursuant to St. Louis County tax and real property records is Conan LLC, 1923 W. Armitage Avenue, Chicago, IL 60622. The owners of Conan LLC are Victor Venturi and Susan Venturi. (3)Dennis Schilling, Building Official for the City of Ely, has received numerous complaints from neighbors regarding the condition of the real property. Mr. Schilling’s has reviewed these complaints and visually inspected the real property. Mr. Schilling found the buildings are deteriorated structures pursuant to Ely City Code Sec. 10.22, Subd. 2 and the buildings are unsafe structures pursuant to International Building Code Section 115.1-115.5. (4)Dennis Schilling initially contacted Mr. Venturi regarding demolition of the buildings in April of 2010. Mr. Schilling again contacted Mr. Venturi in December of 2012 regarding the hazardous condition of the buildings and requested that Mr. Venturi demolish the buildings. The City Attorney’s office also sent correspondence to Mr. Venturi on August 10, 2013 providing him 30 days to contact the Mr. Schilling regarding obtaining permits to improve the buildings or to demolish the buildings. Mr. Venturi has not responded to this correspondence. (5)The buildings are commercial buildings located in a residential neighborhood. The buildings have no windows or doors, no working utilities, no wiring and no plumbing. There is deteriorated brick and mortar on at least two of the building walls and some brick has completely fallen off of the building. The buildings are exposed to the elements as there is no roof on one building and only half of a roof on the other. There are also bricks falling out and deteriorated near the remaining roof trusses, which are also damaged and should be removed. One of the buildings contains fire damage and a portion of the wall is charred. The remaining roof on the building is collapsing. There is major cracking on the floors of both buildings. (6)The deficiencies of the buildings at 36 and 46 West Conan Street are a hazard and require that the buildings be razed and removed from the real property. Conan LLC shall raze and remove the building within 60 days of the execution of this Resolution. **BE IT ORDERED**, by the City Council of the City of Ely, that: The buildings, located at 36 and 46 West Conan Street, are hereby deemed Hazardous Buildings. Conan LLC is hereby ordered to raze and remove the buildings within 60 days of the adoption of this Resolution. Notice is hereby given to Conan LLC that the City of Ely will move the St. Louis County District Court, Sixth Judicial District, at Virginia, Minnesota for Summary Enforcement of this Order unless corrective action is taken or unless an answer is filed within 20 day pursuant to Minnesota Statute § 462.393. The City of Ely will seek reimbursement for all costs incurred enforcing this Order. **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, Shedly-yes and Mayor Petersen-yes. Motion carried unanimously.**

- ii. **Nikkola/Omerza moved to approve Second Reading of Ordinance 280, 2<sup>nd</sup> Series amending the City Code Chapter 20, listing of uncoded ordinances in effect by adding Section 20.36 declaring a temporary moratorium on the use and sampling of E-Cigarettes or similar products in public places and the sale and use of Synthetic Drugs within the City of Ely. Roll called: Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Shedly-yes and Mayor Petersen. Motion carried unanimously.**

- iii. **Debeltz/Omerza moved to approve Second Reading of Ordinance 281, 2<sup>nd</sup> Series amending Chapter 20, Section 20.2 sales of land City Code of the City of Ely. Authorizing the Council of the City of Ely to sell, either in whole or in part, land in W Sheridan Place plat. Roll called: Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes and Mayor Petersen. Motion carried unanimously.**
- iv. **Sheddy/Omerza moved to approve First Reading of Ordinance 282, 2<sup>nd</sup> Series amending Chapter 11, Section 11.41 Zoning District Schedule. The main change stated that in R-1, R-2 and RT Districts, accessory structure heights cannot exceed the height of the primary structure. Roll called: Debeltz-yes, Kess-yes, Nikkola-yes, Omerza-yes, Polyner-yes, Sheddy-yes and Mayor Petersen. Motion carried unanimously.**
- v. **Debeltz/Omerza moved approval to close the meeting at the end to discuss the purchase of Lot 3 in West Sheridan Place by Mauro Caruso. Motion carried unanimously.**
- vi. **Debeltz/Omerza moved to approve the easement request by Mr. Jay Echtenkamp, owner of Northern Lakes Co., along the aqueduct near Shagawa Lake (Longstorff Bay) which Mr. Echtenkamp currently owns one-half interest. Kess/Omerza moved to Table the motion until Attorney Klun provides to the Council the final draft of the easement. Motion carried unanimously.**

F. City Engineer

10. COMMUNICATIONS:

- A. St Louis County notice of eliminating assessment fees for cities and townships using County Assessor services.
- B. **Nikkola/Omerza moved for the Police Dept. to handle Lisa Fabish's request to organize a rally to suspend the wolf hunt on November 9, 2013. Motion carried unanimously.**
- C. Information regarding Local Board of Appeal and Equalization Training –Proof of Compliance

11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for October 15, 2013 - \$141,092.59.  
**Debeltz/Omerza moved to approve claims for payment A with the understanding that descriptions for some payments will be corrected. Langowski stated payment spreadsheet will be revised to show the brake down of each payment instead of only showing a lump sum. Motion carried unanimously.**

12. OLD BUSINESS:

- A. The 2014 Proposed Preliminary Budget was discussed briefly but will be discussed further at the next Study Session. Clerk Langowski will provide to the Council a schedule of the City's callable debt.

13. NEW BUSINESS:

- A. **Debeltz/Omerza moved to approve Partial Payment Application No. 1 -2013 CIP – Crack Repair to J&A Enterprises - \$60,325.00. Motion carried unanimously.**
- B. **Omerza/Nikkola moved to approve pay estimate #4 to Utility Systems of America for 8<sup>th</sup> Ave Alley Sewer Harvey to Sheridan St – Project #12-634 - \$8,478.70. Motion carried unanimously.**
- C. **Nikkola/Omerza moved to approve low bid for Whiteside Park Building Improvements from Huisman Concepts for \$50,098.00. In discussion, Kess stated that the City should not be putting money into the Band Shell. It was noted that some of the funds are coming from a \$12,500 Culture & Tourism Grant through the Chamber of Commerce & IRRRB. Motion carried 6 to 1 with Kess abstaining.**
- D. **Nikkola/Kess moved to approve high bid for 15 Maple Trees from Jake Mather for \$201.00. Motion carried unanimously.**
- E. **Omerza/Debeltz moved to approve Employee Relations Committee's recommendation to hire Tony Schaller for the Meter Reader position. Motion carried unanimously.**

14. OPEN FORUM

Zeke Smith congratulated the Council for getting things done in the City. He also commented on the propane tank the hospital wanted to put in their green space currently used as a park. The Building Official stated that they decided to place the tank in one of the hospitals parking slots instead.

**15. Nikkola/Debeltz moved to close the meeting at 7:20pm after a short recess. Motion carried unanimously.**

Meeting was reopened at 7:47pm.

**Omerza/Debeltz moved to work out purchase agreement with Mr. Caruso for sale of Lot 1 of the newly platted West Sheridan Place and to accept his offer of \$15,000 now and \$15,000 in two yearly payments. The City of Ely will be allowed to continue to use the pole barn for 2 years. Motion carried 6 to 1 with Kess voting "no".**

**Debeltz/Nikkola moved to adjourn the meeting at 7:50pm. Motion carried unanimously.**

Claire Huisman  
Deputy Clerk