

Ely City Council Regular Meeting Minutes, December 17, 2013

1. CALL TO ORDER:
The Ely City Council Regular Meeting was called to order by Mayor Petersen at 5:41 pm on December 17, 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/Nikkola moved to approve the minutes from December 3, 2013 Regular Meeting, December 3, 2013 Public Hearing and December 9, 2013 Special Council meeting. Motion carried unanimously.
4. ADDITIONS OR OMISSIONS TO AGENDA:
A. Addition: 10.D. – Public comment hearing on Polymet at the DECC in Duluth on January 16, 2014
B. Addition: 13.I. – Prospectors Loop ATV Trail
Kess/Debeltz moved to approve additions A & B. Motion carried unanimously.
5. MAYOR’S REPORT
Mayor Petersen wished everyone a very Merry Christmas!
6. CONSENT AGENDA:
A. Motion to waive readings in entirety of all ordinances and resolutions on tonight’s agenda
Nikkola/Omerza moved to approve consent agenda item A. Motion carried unanimously.
7. REQUESTS TO APPEAR: None
8. COMMITTEE REPORTS:
A. Council member Shedly stated the HRA Board would like to add one more member from the community for a total Board membership of 6 (5 from the community & 1 from housing resident). It was decided this would be handled administratively in the Clerk’s office.

Council member Polyner questioned on behalf of the HPC where they should put donations given to the HPC for specific projects. It was advised that a separate group (such as Friends of the HPC) should be set up to receive and keep track of donations instead of the funds running through the City’s accounts.

STUDY SESSION FOR DECEMBER 31, 2013 IS CANCELLED.

Omerza/Kess moved the Park & Recreation recommendation for Ely Community Resource activities at the Ely Recreation Center will take priority over rentals of the building. Motion carried unanimously.

Council member Omerza mentioned the next Park & Rec meeting will be on January 6, 2014 at 5:30pm in City Hall. She also stated that the ice rink at the Rec Center is now open. Dates and times of operation will be on the City website.

Nikkola/Omerza moved Employee Relations recommendation to approve an MOU on the City’s Infrastructure Foreman to allow 160 vacation hours to roll into 2014 due to circumstances beyond his control which prevented him from using vacation hours in 2013. 80 vacation hours need to be used by June 2014. Motion carried unanimously.

Debeltz/Kess moved approval to purchase from St. Louis County for \$500 the “Needful Things Building” located on Sheridan St between Sir G’s and the Oriental Orchid which went back to the County as tax forfeited. Motion carried unanimously.

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, December 13, 2013:

1. Approved the 2014 EUC Budgets and Rate Recommendations with the 25% reduction to the Franchise Fee.
2. Approved requesting a public rate hearing for the water and sewer rate increases.
3. Rescheduled the next EUC meeting to December 18, 2013.
4. Approved the purchase of a 400 amp breaker for the WWTF from Utilities Plus Energy Services for \$4,550.00 plus shipping.
5. Approved payment of the EUC October Bills List for \$392,429.16.

Debeltz/Sheddy moved to approve EUC consent agenda items 1-5. Motion carried unanimously.

Debeltz/Kess moved to approve holding a public hearing on January 7, 2014 at 5:00pm for the water and sewer rate increases for 2014. Motion carried unanimously.

B. Fire Chief

Debeltz/Omerza moved to accept Jerome Skraba's letter of resignation from the safety officer position. He will still continue as a volunteer firefighter. Motion carried unanimously.

C. Library Director Heinrich stated there will be a Holiday Music Program at the Library tomorrow at 4:00pm. Also, she should have word on the Library Grant by the end of this week.

D. Police Chief

E. City Attorney

Debeltz/Nikkola moved to close the meeting at the end to discuss a settlement offer between Patricia Steger and the City of Ely. Motion carried unanimously.

Debeltz/Omerza moved to place discussion of Ordinance 284, 2nd Series – Maintenance of Private Property on the next month's Study Session on January 28, 2014. Motion carried 6 to 1 with Sheddy voting "no".

F. City Engineer

The Meyer's Group presented to the council four design options for the new library building. All 4 options have the same floor plan. Each council member stated their opinion on what they liked or didn't like about each option.

Omerza/Sheddy moved to eliminate options 3 & 4. Motion carried unanimously.

The Meyer's Group also discussed a few exterior options for the addition to City Hall.

Omerza/Debeltz moved approval to organize a Task Force Design Group for the new library building which will consist of three council members (Paul Kess, Heidi Omerza, Kara Polyner), three library board members (to be determined) plus Rachel Heinrich. The Committee will make recommendations back to the Library Board and the City Council. Harold Langowski will be an Ad Hoc non-voting member. Motion carried unanimously.

10. COMMUNICATIONS:

- A. Laurentian Vision Partnership meeting on January 13, 2014 from 9am to 12:30pm in the Mining and Reclamation Classroom, MN Discovery Center, Chisholm
- B. Letter from the Commissioner of Revenue regarding new sales tax exemption for cities and counties.
- C. Cooperative Weed Management Projects Application for Buckthorn reduction
- D. Gerald Tyler from Up North Jobs spoke to the council to inform them of the public comment hearing in Duluth at the DECC on January 16, 2014 in support of Polymet. There will be two buses sponsored by Mining Minnesota to take anyone who would like to attend this hearing. It is free of charge and snacks will be served. Those who wish to attend should call Up North Jobs at 218-365-3324 to reserve a seat.

11. CLAIMS FOR PAYMENT:

A. City and EUC claims for December 17, 2013 - \$576,086.00

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

12. OLD BUSINESS: None

13. NEW BUSINESS:

A. Debeltz/Sheddy moved to approve the Ely Winter Festival committee's request under the direction of Clerk Langowski for in-kind services from the City of Ely for their winter festival held on February 6-16, 2014. Motion carried unanimously.

B. Nikkola/Debeltz moved to approve JPJ Engineering, Inc change order request to the design for moving the column in the Fire Hall which was not part of the initial scope of work and will add \$3,910.00 to the cost of the project. Motion carried unanimously.

C. Sheddy/Nikkola moved to approve signing Walker, Giroux & Hahne – Terms of Engagement for their audit of the basic financial statements of the City of Ely for the year ended December 31, 2013. Motion carried unanimously.

D. Debeltz/Nikkola moved to approve Resolution #2013-045 accepting donation to the City of Ely, MN. WHEREAS, The City of Ely is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, WHEREAS, a former resident of the City of Ely has offered to donate a portion of his Life Insurance Death Benefits to the City of Ely, MN. WHEREAS, The City Council finds that it is appropriate to accept the donations offered. NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk-Treasurer are authorized to sign and submit all required forms associated with the acceptance of this donation on behalf of the City of Ely. NOW, BE IT FURTHER 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.

E. Debeltz/Omerza moved to approve advertising for open committee seats. Motion carried unanimously.

F. Omerza/Nikkola moved to approve signing the Liability Coverage Waiver Form from LMCIT. Motion carried unanimously.

G. Omerza/Nikkola moved to approve Resolution #2013-046 approving the City of Ely adjusted budget for the fiscal year 2013. WHEREAS, the Ely City Council is responsible for properly managing and maintaining the City's finances; and WHEREAS, the Ely City Council is ultimately responsible for the accountability of the City's expenditures and revenues; and WHEREAS, by the Ely City Council as follows: Section 1. The annual budget for the City of Ely for the Fiscal Year beginning January 1, 2013 and ending December 31, 2013 is hereby adjusted and incorporated herein by reference. Section 2. The sums and amounts of money herein set forth are hereby appropriated to respective accounts and funds therein set forth for expenditure during the Fiscal Year 2013, for each of the several items set forth in the budget. 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.

H. Approve Resolution #2013-047 approving the City of Ely transfer of \$400,000 from the general fund to the capital projects fund in the fiscal year 2013. WHEREAS, the Ely City Council is responsible for properly managing and maintaining the City's finances; and WHEREAS, the Ely City Council is ultimately responsible for the accountability of the City's expenditures and revenues; and WHEREAS, by the Ely City Council as follows: Transfer \$400,000 of fund balance from the General Fund to the Capital Projects Fund 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.

- I. Debeltz/Nikkola moved to approve Resolution #2013-048 supporting the Prospectors Loop ATV Trail. WHEREAS, there is a great interest by operators of ATVs and off highway motorcycles to be allowed to operate their vehicles for recreational purposes; and WHEREAS, currently there is a lack of trails open to ATV traffic in the Ely, Babbitt, Tower and Embarrass area; and WHEREAS, an expanded ATV trail system will provide additional vacation and recreational opportunities and enhance the economy by increasing tourism; and WHEREAS, the proposed Prospectors Loop ATV Trail system would connect four communities, multiple townships and two state parks while providing for a tourist destination for ATV users, particularly in the fall; and WHEREAS, a Minnesota University of Tourism Center found the statewide impacts attributed to ATVs generates \$228 million in spending, \$16.3 million in state and local taxes and 2,242 jobs; NOW, THEREFORE BE IT RESOLVED, the Ely City Council supports the proposed Prospectors Loop ATV Trail and 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.**

14. OPEN FORUM – None

Nikkola/Debeltz moved to close the meeting at 7:35pm for Steger vs City of Ely discussion. Motion carried unanimously.

Kess/Polyner moved to reopen the meeting at 7:59pm. Motion carried unanimously.

Kess/Sheddy moved to sell remaining business park lot to Patty Steger for \$20,000 with the original Purchase Agreement restrictions from 1997 or \$30,000 with no restrictions. Motion carried unanimously.

15. **Nikkola/Omerza moved to adjourn the meeting at 8:03pm. Motion carried unanimously.**

Claire Huisman
Deputy Clerk