

## Ely City Council Regular Meeting Minutes, April 7, 2015

### 1. CALL TO ORDER

The Ely City Council Regular Meeting was called to order by Mayor Novak at 5:30 pm on April 7, 2015 at the City Hall Council Chambers.

### 2. ROLL CALL:

PRESENT: Council members A.Forsman, Kess, Debeltz, Omerza, Polyner, D.Forsman, Mayor Novak (7)

ABSENT: None

### 3. APPROVAL OF MINUTES:

**Debeltz/A.Forsman moved to approve the minutes from March 17, 2015 Regular Meeting and March 31, 2015 Study Session. Motion carried unanimously.**

### 4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition: 10.C. - Letter from 7<sup>th</sup> grader on mining.

B. Addition: 13.D. - Resolution 2015-013 application to IRRRB FY15 Development Infrastructure Grant Program

C. Addition: 12.B. – Concrete deadline for Rental Inspections and Blight compliance

D. Addition: 12.C. – Community Center Historical Registration

E. Addition: 13.E. – Approve bid abstract for the 8<sup>th</sup> Ave. E reconstruction project.

F. Addition: 9.A.ii. – Timber Sale Bids

**Debeltz/Omerza moved to approve additions A-F to the agenda. Motion carried unanimously.**

### 5. MAYOR'S REPORT

Mayor Novak stated that he will be traveling to St. Paul and will be meeting with Legislators next week. He asked for any items or concerns from the public that they felt he should discuss during his meetings in St. Paul.

### 6. CONSENT AGENDA:

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

B. Approve Library Boards appointment of Cade Thibodaux to sit as the Library Board Alternate on the Gardner Trust Board.

C. Approve Mayor to attend the 2015 MN Mayors Association Annual Conference in White Bear Lake on April 24<sup>th</sup> & 25<sup>th</sup>, 2015.

D. Approve renewal of Wine and Strong Beer license for the Taste of Ely after acceptance of all proper filings and fees for the period from May 1, 2015 to August 31, 2015.

E. Approve Full On-Sale and Sunday Liquor license for W-V, Inc dba Insula at 145 E Sheridan St. after acceptance of all proper filings and fees for the period from May 1, 2015 to August 31, 2015. Owners are Daniel and Sarah Vollom.

F. Approve Council, Mayor and/or Staff to attend the Ely Chamber of Commerce – Smile Your in Ely event to be held Thursday, April 16<sup>th</sup> at the Grand Ely Lodge.

**Debeltz/D.Forsman moved to approve consent agenda items A-F. Motion carried unanimously.**

7. REQUESTS TO APPEAR:

A. Greg Heide with the Ely Folk School presented a brief overview of their new school opening in Ely at 209 E Sheridan St. (Old Fisherman's Headquarters location). They will start out with a couple of classes but will eventually have a year round curriculum. Council member Kess and Mayor Novak stated they feel the Folk School adds a richness and diversity that is good for the City of Ely.

B. Luther Smith – did not appear

8. COMMITTEE REPORTS:

A. Council member Omerza stated that Park & Rec met last night and the minutes will be forthcoming. The Library Board is currently working on their Strategic Plan. She will be in St. Paul next week and she also encouraged others to attend the 2015 Summer Conference in Duluth in June.

**Polyner/Kess moved to approve to task Attorney Klun to draft Ordinance for a mass re-zoning of City Properties including the property involved with the Hospital Project. Motion carried unanimously.**

Council member Kess asked for an update on the Old Ford Garage property. Attorney Klun stated that the owner is interested in deeding the property to the City of Ely but he would like to see it remain for public use. Clerk Langowski stated that this would not be favorable for the City, but the matter is still under discussion. Council member Kess also stated that a variance requested by the Hospital was approved by the Board of Adjustments.

Mayor Novak stated he attended an HRA meeting today and there is a Joint Powers meeting is next week. Council member A.Forsman will attend in the Mayor's place.

Sanitation Committee has set up a clean-up day in Ely for May 15<sup>th</sup> and 16<sup>th</sup>. More information will be forthcoming.

Council member Kess asked for the total cost of the Commercial Feeder Re-Build Project. Clerk Langowski will provide that number at the next meeting.

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, March 18, 2015:
  1. Approved renewing the Emergency Water Supply Agreement with the Ely-Bloomenson Community Hospital.
  2. Approved payment of the KBM, Inc. – Michels Power Final Pay Estimate for \$5,173.58 for the Commercial Feeder Rebuild Project.
  3. Approved payment of the Energy Insight, Inc. Invoice #5019 for \$2,128.75 for CIP Projects.
  4. Approved payment of the EUC February Bills List for \$478,664.24.

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

- ii. **A.Forsman/Omerza moved to award the Timber Sale Bid to the highest bidder, Keuhl's Logging for \$38,769.50. The Timber Sale involves three areas: Lucky Boy; concrete plant; and the Ely Airport. Motion carried unanimously.**

B. Fire Chief

C. Library Director Heinrich gave an update on the upcoming programs for the week. It was also noted that next week is National Library week.

D. Police Chief:

- i. **Debeltz/D.Forsman moved to approve the Police Chief's request to purchase a police vehicle which would be a 2014 Dodge Charger from Mike Motors for \$23,000 to replace their old 2008 Ford Crown Victoria. Motion carried unanimously.**

The Police Chief read aloud a Press Release which explained the recent threat against the Ely School. He stated the person making the threats on Facebook is in custody on \$20,000 bail.

E. City Attorney:

- i. **Omerza/D.Forsman moved to approve the first reading of Ordinance 297, 2<sup>nd</sup> Series which is a revision to Ord. 294 –Sale of Property to John Ott. The need for the revision is to assign the sale of the properties to the correct business entities owned by Mr. Ott. This will enable his funding for the properties to be initiated. Roll called: A.Forsman-yes, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-yes, D.Forsman-yes and Mayor Novak-yes. Motion carried unanimously.**

F. City Engineer

#### 10. COMMUNICATIONS:

- A. St. Louis County Environmental Services Dept announcing household & business hazardous waste collection days and sites.
- B. Communication from concerned citizen on Mining in the BWCA.
- C. Letter from concerned 7<sup>th</sup> grader on Mining in the BWCA.

#### 11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for April 7, 2015 - \$531,177.74
  - B. Ely Community Resource – 1<sup>st</sup> quarter payment for services provided - \$3,875.
  - C. TL Construction – payment application #9 for City Hall project - \$178,957.20.
- Debeltz/Omerza moved to approve claims for payment A-C. Motion carried unanimously.**

12. OLD BUSINESS:

- A. After a lengthy debate on the Building Official contract as presented:

**Omerza/Debeltz moved to call the question regarding the Building Officials contract. Roll called: A.Forsman-no, Kess-no, Debeltz-yes, Omerza-yes, Polyner-yes, D.Forsman-no and Mayor Novak-yes. Motion failed 4 yes to 3 no.**

Council member Kess noted for the record that he is opposed to the contract and feels the percentage of the fees that goes to the Building Official is too high and that the contract is incomplete on certain issues.

Discussion proceeded among the Council both for and against the contract. Mr. Whitney stated that he wants to provide the City with good service and with good value.

Clerk Langowski stated that the fee schedule will be brought forth to the ER committee for discussion and to also discuss the possibility of reassigning some of the Building Official duties to other departments.

**Omerza/Debeltz moved to approve the Building Official contract as presented with the understanding that the fee schedule will be addressed for possible revisions. Motion passed 6 to 1 with Council member Kess voting “no”.**

- B. Polyner/Debeltz moved to approve to set July 1, 2015 as date to begin enforcement on non-compliance of the rental & blight ordinances. Attorney Klun stated that enforcement of these issues can be expensive for the resident. This expense should be made aware of to the residents who are in non-compliance. Roll called: A.Forsman-no, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-yes, D.Forsman-no and Mayor Novak-yes. Motion carried 4 yes to 2 no.**
- C. Polyner/A.Forsman moved to approve the HPC’s recommendation to accept Mr. Greg Gaut’s proposal of \$7,000 to prepare the nomination of the Ely Community Center to the National Register of Historic Places. Celia Domich, HPC member, presented to the Council stating that they chose Mr. Gaut’s proposal based on his background as an historian and his experience as a developer of many successful nominations. The monies for this project are available through a grant by the State of MN from the Arts and Cultural Heritage Fund through the MN Historical Society. Any funds from the grant that are not used will go back to the state. Motion carried unanimously.**

13. NEW BUSINESS:

- A. Debeltz/Omerza moved to approve Resolution #2015-10 requesting funds from the State of MN for infrastructure improvements to improve access to the Ely Bloomenson Hospital and provide the development of a multi-use trail head facility. WHEREAS,** the Ely City Council is working to provide infrastructure to improve emergency access to the Ely Bloomenson Hospital and provide for future Hospital and emergency services expansion and develop a trail head for the Taconite Trail, Future Mesabi Trail and the proposed Prospectors Loop ATV Trail. **WHEREAS,** the Ely City Council is working to provide residential and recreational opportunities in this region of the State and to promote economic

development. **WHEREAS**, the City of Ely along with the Prospector's Trail Alliance and Mesabi Trail Group are actively working to complete multi-use trails to connect communities in this region and provide for economic development. **NOW, THEREFORE, BE IT RESOLVED** that the City of Ely does hereby request \$1,269,400 from the 2015 Bonding Bill to complete the design and construction of the City of Ely's Hospital Access and West End Infrastructure Improvements Project. This project is the City of Ely's number two priority for the 2015 Legislative Bonding Bill. **Roll called: A.Forsman-yes, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-yes, D.Forsman-yes and Mayor Novak-yes. Motion carried unanimously.**

**B. D.Forsman/Debeltz moved to approve Resolution #2015-011 requesting funds from the State of MN for infrastructure improvements for Vermilion Community College, 17<sup>th</sup> Ave. E. and Business Park. WHEREAS**, Vermilion Community College is an important educational institution in the State of Minnesota, and, **WHEREAS**, the Ely City Council is working with the college to improve roadway access and safety to the college housing and recreation facilities, and, **WHEREAS**, 17th Avenue East is a truck route accessing the Ely Business Park and Industrial Park. **WHEREAS**, the City of Ely is requesting funds from the 2015 Bonding Bill, Department of Employment and Economic Development, and the Iron Range Resources and Rehabilitation Board. **NOW, THEREFORE, BE IT RESOLVED** that the City of Ely does hereby request \$1,800,000 from the 2015 Bonding Bill to complete the design and construction for Infrastructure Improvements for Vermilion Community College, 17<sup>th</sup> Avenue East Roadway and Utilities Improvement Project and the Ely Business Park. The overall project cost is estimated to be \$8,200,300. This project is the City of Ely's number one priority for the 2015 Legislative Bonding Bill. **In discussion, Council member Polyner felt the lots in the proposed Business Park should be sold before money was spent to make them building ready. Roll called: A.Forsman-yes, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-no, D.Forsman-yes and Mayor Novak-yes. Motion carried 6 to 1.**

**C. D.Forsman/Omerza moved to approve Resolution #2015-012 to submit application to the Business Development Public Infrastructure (BDPI) Grant Program. BE IT RESOLVED**, the City of Ely act as the legal sponsor for project(s) contained in the Business Development Infrastructure Application to be submitted on April 7, 2015 and that the Mayor and Clerk-Treasurer are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of Ely. **BE IT FURTHER RESOLVED**, that the City of Ely has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds, adequate construction, operation, maintenance and replacement of the proposed project for its design life. **BE IT FURTHER RESOLVED**, that the City of Ely has not violated any Federal, State or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice. **BE IT FURTHER RESOLVED**, that upon approval of its application by the state, the City of Ely may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that it will comply with all applicable laws and regulations as stated in all contract agreements. **BE IT FURTHER RESOLVED**, that upon approval of its application by the state, the City of Ely, will commit \$140,000 towards the local match requirement. **BE IT FURTHER RESOLVED**, that the City of Ely will then repay the grant if milestones are not realized by the completion date identified in the Application. The City of Ely certifies that it will comply with all applicable laws, regulations and rules of the Business Development

Infrastructure Application. **NOW, THEREFORE, BE IT RESOLVED** that the Mayor and City Clerk-Treasurer or their successors in office are hereby authorized to execute such agreements and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant. **Roll called: A.Forsman-yes, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-no, D.Forsman-yes and Mayor Novak-yes. Motion carried 6 to 1.**

- D. D.Forsman/Debeltz moved to approve Resolution 2015-013 authorizing City Clerk to make application to IRRRB FY15 Development Infrastructure Grant Program for the development of the Business Park 2 and associated infrastructure improvements. WHEREAS, the City Council approves of the above application because it supports community and economic development. WHEREAS, the City Council and the Ely Economic Development Association has designated this project as the top priority. NOW, THEREFORE BE IT RESOLVED, that the City Council of Ely, Minnesota does hereby adopt this resolution. Roll called: A.Forsman-yes, Kess-yes, Debeltz-yes, Omerza-yes, Polyner-no, D.Forsman-yes and Mayor Novak-yes. Motion carried 6 to 1.**
- E. D.Forsman/Omerza moved to approve JPJ Engineering recommendation to award the bid to Hibbing Excavating, Inc for the 8<sup>th</sup> Ave. E. project for \$290,242.10 which does not include the Pioneer Apartment sewer lining portion of the project. Motion carried unanimously.**

14. OPEN FORUM: None

15. Mayor Novak adjourned the meeting at 7:20pm.

Deputy Clerk  
Claire Huisman