

**Council Minutes, February 7, 2017**  
**Regular Meeting Ely City Council – City Hall, Council Chambers**

1. CALL TO ORDER
2. PRESENT: Council members A.Forsman, Debeltz, Omerza, Callen, D.Forsman and Mayor Novak  
ABSENT: Council Member Kess
3. APPROVAL OF MINUTES:  
**Debeltz/D.Forsman moved to approve the minutes from the January 17, 2017 Public Hearing on Point of Sale and the January 17, 2017 Regular Meeting. Motion Carried 6-0-1 with Kess Absent.**
4. ADDITIONS OR OMISSIONS TO AGENDA:
  - A. Addition 5. A. CGMC Legislative Action Day Update
  - B. Addition 9. B. i. Hiring of New Firefighters
  - C. Addition 9.C.ii. Hiring of Library Clerk
  - D. Addition 12. A. EUC Commission – Open Seat – Term Expires January 31, 2018
  - E. Addition 13. E. Approve Grant Reward - State of Minnesota Grant Agreement –IRRRB Sheridan Street Beautification Grant for \$34,000
  - F. Addition 13. F. Resolution 2017-003 A Resolution Requesting Funds from the State of Minnesota for Infrastructure Improvements for 17<sup>th</sup> Avenue East, Vermilion Community College, and the Business Park
  - G. Addition 13. G Resolution 2017-004 A Resolution Requesting Funds from the State of Minnesota for Infrastructure Improvements to Improve Access to the Ely Bloomenson Hospital and Provide the Development of a Multi-Use Trail Head Facility.
  - H. Addition 6.E. Approve Council and Staff to attend the 2017 Legislative Conference for Cities  
**Additions A-H added without objection**
5. MAYOR'S REPORT  
Mayor Novak recapped his trip to St. Paul for the CGMC Legislative Action Day and his meetings with several House Representatives, Senators, Commissioners, and the Governor.
6. CONSENT AGENDA:
  - A. Motion to waive readings in entirety of all ordinances and resolutions on tonight's agenda
  - B. (19) Recommendation from the Employee Relations Committee to not accept Jason Carlson's resignation and continue the termination process.
  - C. (19-22A) Recommendation from the Employee Relations Committee to accept the revised job description for the Library Clerk.
  - D. (9) Approve Chief Lahtonen to attend the MN Chief of Police Conference in St. Cloud, MN April 23-27, 2017
  - E. Approve Council and Staff to attend the 2017 Legislative Conference for Cities  
**Debeltz/D.Forsman moved to approve the Consent Agenda Items A-E. Motion Carried 6-0-1 with Kess Absent.**
7. REQUESTS TO APPEAR: None
8. COMMITTEE REPORTS: None

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, January 25, 2017:
  1. Approved purchase of meter adapters from Dakota Supply for \$4,469.05 for the AMI Project.
  2. Approved the 2017 EUC Rates.
  3. Approved sending Steve Krtinich and Harold Langowski to the MPCA Wastewater Operators Conference on March 29 – 31, 2017 in Brooklyn Park.
  4. Approved payment of the December EUC Bills List for \$443,946.15.
  5. Approved payment of \$9,128.15 to MN-PFA for bond interest.
  6. Approved payment of MMUA membership dues for \$6,307.00
  7. Approved payment of \$811.13 to Energy Insights, Inc. for energy management services.

**Debeltz/D.Forsman moved to approve the EUC Consent Agenda Items 1-7 from the January 25, 2017 EUC Meeting. Motion Carried 6-0-1 with Kess Absent.**

- ii. **D.Forsman/Debeltz moved to schedule a Public Hearing for EUC Rate Recommendations for February 21, 2017 at 5pm. Motion Carried 6-0-1 with Kess Absent.**

- iii. **Debeltz/D.Forsman moved to approve the Northern Door & Hardware, Inc Quote for \$8562.00 for automatic door openers on the handicap door entrance at City Hall. Motion Carried 6-0-1 with Kess Absent.**

B. Fire Chief

Fire Chief Erchull gave the annual report for 2016 indicating that there were 37 fire calls in the city limits last year, as well as 139 first responder calls.

**Debeltz/D.Forsman moved to recommend the hire of 5 new firefighters: Josh Ojala, Alex Povhe, Kael Richards, Ernie Horvat, and Scott Polyrner contingent upon physical, drug test, and background check. Motion Carried 6-0-1 with Kess Absent.**

C. Library Director

- i. **Debeltz/D.Forsman moved to accept the request from the Friends of the Library to use the City Hall Council Chambers for their annual book sale June 15-17, 2017. The request includes:**
  - **Allowing the Friends of the Library to use the Council Chambers (and chosen collection area) from June 1-14, 2017**
  - **Move the location of the EEDA Meeting scheduled for June 13 to another location**
  - **Move the location of the EUC Meeting scheduled for June 14 to another location**
  - **To be willing to have some stacked boxes of books at the rear of the Council Chambers during the June 6 City Council meeting.**

**Motion Carried 6-0-1 with Kess Absent**

- ii. **Omerza/D.Forsman moved to hire Jessica Dunn as the New Library Clerk contingent upon background check. Motion Carried 6-0-1 with Kess Absent.**

Library Director Heinrich gave an update of the upcoming events at the library which are located on the Library website.

D. Police Chief

Chief Lahtonen stated that the new Police Officer Bradley Roy is on his 2<sup>nd</sup> week of work and is very excited to be working for the City of Ely.

E. City Attorney:

- i. **Debeltz/Omerza moved to approve the AFSCME Local Union No 1490 –Base Unit and AFSCME Local Union No 1490 –Essential Unit Union Contracts for January 1, 2017-December 31, 2019. Motion Carried 6-0-1 with Kess Absent.**

- ii. Officer Carlson

Attorney Klun reviewed the current standing with regard to Officer Carlson. At the last council meeting the council asked that Attorney Klun proceed with an internal investigation pursuant with Carlson's plea for Public Officer Misconduct. Attorney Klun stated that Officer Carlson submitted his resignation with the City on January 26, 2017; the resignation was brought to the Employee Relations Committee and they recommended to the council to deny the resignation request. The resignation request would have possibly allowed a full payout of benefits which would have included a payout of vacation and sick time. Attorney Klun spoke to the Union Steward and told them this was unlikely to be approved by the council. Officer Carlson submitted a resignation agreement in lieu of termination prior to the meeting. This offer is a resignation in lieu of termination which releases all claims against the city and any opportunity for grievance and in return they are asking for \$15,000 severance payout.

Mayor Novak opened the meeting up for informal discussion.

A.Forsman stated that he is in favor of the draft resignation in lieu of termination that was presented.

Debeltz stated that this has gone along for too long and he is in favor of the resignation in lieu of termination and paying the severance payment of \$15,000.

Mayor Novak state that he is not in favor of the \$15,000. Mayor Novak stated that the City needs to look at the policies for actions like this one and the policies for paid administrative leave.

Langowski stated that the City has been negotiating with LELS for their new contract and this has been a big part of the contract negotiating and is holding up the process.

D.Forsman stated that he is in favor of this offer rather than the resignation that was brought to Employee Relations. D.Forsman stated that in the future we need to put the council in charge more so items do not drag out this long.

**A.Forsman/D.Forsman moved to approve the resignation in lieu of termination agreement as presented. Motion Carried 6-0-1 with Kess Absent.**

Mayor Novak opened the meeting up for informal discussion.

A.Forsman stated that Attorney Klun has submitted a number to the council as to what was requested from Mr. Carlson.

Attorney Klun stated that the \$15,000 was an offer from Mr. Carlson.

**A.Forsman/Omerza moved to insert the amount of \$15,000 into the resignation in lieu in termination agreement. Motion Carried 6-0-1 with Kess Absent.**

iii. Sale to Luthera Smith

Attorney Klun stated that the purchase of the lots has been completed, the deed has been executed and the money has been transferred. Attorney Klun stated that she has received a draft satisfaction and the City will have clear title to the lots.

iv. AFSCME Arbitration- Richard Miller

Attorney Klun stated that arbitration has been set with regard to the Planning and Zoning Administrator for March 29, 2017. Richard Miller is the Arbitrator and has done work with the city before.

v. Old Ford Garage Transaction Update

Attorney Klun stated that we have a fully signed purchased agreement for the sale of the Old Ford Garage and the sale of the Old Ford Garage to the Otts. Attorney Klun stated that she will proceed with obtaining title to the property and the transfer.

F. City Engineer

10. COMMUNICATIONS: Matter of Information

- A. Correspondence from AFSCME Council 65 - Mr. Jeremy Hoover will be the temporary representative assigned to represent the AFSCME Employees of City of Ely – Local 1490.
- B. TKDA General Agreement for Continuing Services – 2017 Rate Schedule

11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for February 7, 2017 - \$777,689.31
- B. Ely Community Resources 1<sup>st</sup> Quarter payment of \$3875.00
- C. Payment Estimate #6 to Northland Constructors of Duluth for the Runway 12/30 Reconstruction for \$166,476.28
- D. Payment Estimate #4 to Hoover Construction Co for the 2016 Connector Taxiway for \$13,181.25

**Debeltz/D.Forsman moved to approve the Claims for Payment A-D. Motion Carried 6-0-1 with Kess Absent.**

12. OLD BUSINESS:

A. Approve Committee Appointments

**A.Forsman/D.Forsman moved to accept the following Committee Appointments:  
Donald G. Gardner Humanities Trust – Andrea Strom (NLAA Representative) –  
Mid Term Expires January 31, 2019**

**Library Board – Rebecca Reiss – Term Expires January 31, 2020**

**TAB – Gordon Shetty- Term Expires January 31, 2019**

**Motion Carried 6-0-1 with Kess Absent**

**Debeltz/D.Forsman moved to post for the following open seats:  
Planning and Zoning- Open Seat- Term Expires January 31, 2020  
EUC Commission - Open Seat – Term Expires January 31, 2018  
Motion Carried 6-0-1 with Kess Absent**

**B. Omerza/Debeltz moved to approve Ordinance 306, 2<sup>nd</sup> Series An Ordinance of the City of Ely, Minnesota, Amending Chapter 3, Section 3.08 Point of Sale Certification. Roll Called: Council Members A.Forsman- Yes, , Debeltz- Yes, Omerza- Yes, Callen- Yes, D.Forsman- Yes and Mayor Novak – Yes with Kess -Absent**

13. NEW BUSINESS:

**A. Debeltz/Omerza moved to approve the January 1, 2017 City Fee Schedule. Motion Carried 6-0-1 with Kess Absent.**

**B. Debeltz/Omerza moved to approve the JPJ Work Confirmation for 2017 Improvements with estimated fees being \$88,000. Motion Carried 6-0-1 with Kess Absent.**

**C. Omerza/Debeltz moved to approve the Pay Equity Compliance Report for Report Year 2017 Motion Carried 6-0-1 with Kess Absent.**

**D. Debeltz/D.Forsman moved to post for volunteers for the 4<sup>th</sup> of July Parade Committee. Motion Carried 6-0-1 with Kess Absent.**

**E. Debeltz/Omerza moved to approve Grant Award for the State of Minnesota Grant Agreement –IRRRB Sheridan Street Beautification Grant for \$34,000. Motion Carried 6-0-1 with Kess Absent.**

**C. Omerza/D.Forsman moved to approve Resolution 2017-003 A Resolution Requesting Funds from the State of Minnesota for Infrastructure Improvements for 17<sup>th</sup> Avenue East, Vermilion Community College, and the Business Park. Roll Called: Council Members A.Forsman- Yes, , Debeltz- Yes, Omerza- Yes, Callen- Yes, D.Forsman- Yes and Mayor Novak – Yes with Kess -Absent**

**D. D.Forsman/Debeltz moved to approve Resolution 2017-004 A Resolution Requesting Funds from the State of Minnesota for Infrastructure Improvements to Improve Access to the Ely Bloomenson Hospital and Provide the Development of a Multi-Use Trail Head Facility. Roll Called: Council Members A.Forsman- Yes, , Debeltz- Yes, Omerza- Yes, Callen- Yes, D.Forsman- Yes and Mayor Novak – Yes with Kess -Absent**

14. OPEN FORUM: None

15. ADJOURN

Mayor Novak adjourned the meeting at 6:37pm without objection.

Casey Velcheff  
Deputy Clerk