

Council Minutes - November 21, 2017
Regular Meeting Ely City Council – City Hall, Council Chambers

1. CALL TO ORDER- Mayor Novak called the Regular City Council Meeting to order at 5:30pm.
2. PRESENT: Council members A.Forsman, Kess, Debeltz, Omerza, Callen, D.Forsman and Mayor Novak
ABSENT: None
3. APPROVAL OF MINUTES:
Debeltz/D.Forsman moved to approve the minutes from the November 7, 2017 Regular Meeting. Motion Carried Unanimously.
4. ADDITIONS OR OMISSIONS TO AGENDA:
 - A. Addition 6. B. Updated time of Special Council Meeting
 - B. Addition 8.A.i. Budget Committee
 - C. Addition 8.A. j. Event Coordinator Bureau
 - D. Addition 9.E.ii. Updated Purchase Agreement
 - E. Addition 9.E.v. Addendum to Purchase Agreement between City of Ely and Pastika Building, LLC
 - F. Addition 13. H. Updated Exhibit A for Resolution 2017-034
 - G. Addition 13. K. Premier Pyrotechnics Contract
 - H. Addition 13.L. Northern Grounds Sunday On-Sale Liquor License pending proper paperwork and fees.
 - I. Addition 13. M. 113 W Harvey – Sewer Inspection
 - J. Addition 13. N. Approve the Transfer of the Tobacco License for Holiday Stationstores, Inc to Holiday Stationstores, LLC on or about December 15, 2017.
 - K. Addition 13. O Resolution 2017-035 Resolution Supporting H.R. 3905 Minnesota Economic Rights (MINER) in the Superior National Forest Act**Items A-K added without objection.**
5. MAYOR’S REPORT
Mayor Novak reminded residents to be mindful of when they park downtown to try not to block the off the shoveled areas that give access to businesses.
6. CONSENT AGENDA:
 - A. Motion to waive readings in entirety of all ordinances and resolutions on tonight’s agenda.
 - B. Special Council Meeting on November 30, 2017 at 9:45am to meet with Commissioner Tom Rukavina and the Mayor of Duluth Emily Larson.**Debeltz/D.Forsman moved to approve the consent agenda items A and B. Motion Carried Unanimously.**
7. REQUESTS TO APPEAR: None

8. COMMITTEE REPORTS:

A. Standing/Special

Projects Committee

D.Forsman/Debeltz moved to approve the recommendation from the Projects Committee to submit the CDBG application for 7th Ave and the water tower supply line project. Motion Carried Unanimously.

D.Forsman/Debeltz moved to approve the recommendation from the Projects Committee to apply to the IRRRB for downtown beautification. Motion Carried Unanimously.

Housing & Redevelopment Authority

Mayor Novak reiterated that the HRA is not free housing; it is subsidized/reduced housing, based on the income of the residents.

Donald G. Gardner Humanities Trust

Callen stated that the trust reallocated the trust's portfolio and switched to Vanguard as the primary and only financial management bank for the Trust.

Kess thanked Tim Riley for volunteering to help the trust board as a financial advisor during this process.

Budget Committee

A.Forsman/Debeltz moved to approve the recommendation from the Budget Committee to pay the invoice from Ely Flower and Seed for watering and maintenance of the downtown flowers for 2017 totaling \$1,260. Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the recommendation from the Budget Committee to designate a \$10,000 donation from the Korpi Trust to the Cemetery Kiosk. Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the recommendation from the Budget Committee to designate \$2,500 to the park and recreation budget for 2018 for the downtown beautification project being completed in conjunction with Incredible Ely for the maintenance and watering of the hanging baskets and planters. Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the recommendation from the Budget Committee to purchase a 2009 Freightliner with 587 miles from the DNR for \$5000 with the completion of the conversion in 2020 and to continue the long range plan for firefighting apparatus.

Kess is opposed since he does feel that the council is ready to take on the refurbishing of the tanker, one estimate was around \$200,000 for the refurbishment. Kess is also concerned that there is not a need for the truck.

A.Forsman stated that this purchase is on the City's equipment replacement plan. This piece of equipment was around \$166,000 when new and to get it for \$5000 with only 587 miles on the truck this is a wise decision.

Motion Carries 6-1 with Kess opposed.

Events Coordinator Bureau

Mayor Novak reported that Stone Soup Events is not going to be the event coordinator anymore nor do the Canoe Fest, but they would like to continue to do the Ely Marathon. The Event Coordinator Bureau will also start to meet monthly.

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, November 15, 2017
 1. Approved the purchase of a pole and reel trailer for \$19,500.00 plus tax and freight from Rice Trailer Company.
 2. Approved payment of the September EUC Bills List for \$294,588.27
 3. Approved payment of the Lighthouse Power Invoice #15194 for \$1,549.02 for annual generator service at the WWTP and Invoice #15193 for \$1,149.25 for annual generator service at the Burntside pump house.
 4. Approved the lighting rebate for Crapola for \$738.73.

Debeltz/D.Forsman moved to approve the EUC Consent Agenda from November 15, 2017, Items 1-4. Motion Carried Unanimously.

- ii. 2017 Ely Residential Building Demolition Bids

Debeltz/D.Forsman moved to award the 2017 Ely Residential Building Demolition Bids to the low bidder, Low Impact Excavators, for \$51,300.00. Motion Carried 6-0-1 with Kess abstaining since he owns one of the properties.

B. Fire Chief

Chief Erchull stated that he will be coming to the council in December to hire one more firefighter. The fire department currently has 34 firefighters.

C. Library Director

Library Director Heinrich gave an update of the upcoming events at the library which can be located on the Library Website.

D. Police Chief

E. City Attorney

- i. Burntside Ridge Trail Association Bylaw Change

Kess/Debeltz moved to vote in favor of the proposed Resolution 2017-1 regarding the Burntside Ridge Trail Association Consolidated Bylaws. Motion Carried Unanimously.

- ii. Offer for Community Center (Closed Session)

Debeltz/D.Forsman moved to go to closed session under MN Statute 13D regarding the City of Ely receiving an offer from Princeton Commercial NE Holdings, LLC relative to the Ely Community Center we will be closing the meeting to review the offer and propose a counter offer. Motion Carried Unanimously.

iii. Conflict of Interest Policy

Omerza/Debeltz moved to accept the revised Conflict of Interest Policy that is in the packet which will be for all City Employees including the council. Motion Carried Unanimously.

iv. Agreement for Entry Between the City of Ely and Pastika Building, LLC

Omerza/Debeltz moved to accept the agreement for entry between the City of Ely and Pastika Building, LLC.

Attorney Klun stated the closing date for this building is December 8th and this agreement will give them access to the building to do repairs and winterize the building.

Motion Carried Unanimously.

v. Addendum to Purchase Agreement between City of Ely and Pastika Building, LLC

Omerza/Debeltz moved to approve the addendum to the purchase agreement between the City of Ely and Pastika Building, LLC.

Attorney Klun stated that the main part of the addendum is that the sanitary sewer line is nonfunctional and the intent is to have the buyer fix the sanitary sewer line within one year of purchase or a \$10,000 assessment will be placed against the property.

Motion Carried Unanimously.

F. City Engineer

10. COMMUNICATIONS:

- A. Ely-Winton Historical Society free guided tour of Museum on Monday, December 4 from 2-4pm.
- B. Correspondence from Finlandia Foundation Northland Chapter

11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for November 21, 2017 - \$305,877.98
- B. Partial Payment Estimate #3 for Chandler Area Improvements/Pioneer Road Improvements Project for \$47,765.53 to Quam Construction Company Inc.
- C. Northern Bedrock Historic Preservation Corps- Invoice for \$9,600.00

Debeltz/D.Forsman moved to accept the claims for payment items A-C. Motion Carried Unanimously.

12. OLD BUSINESS:

13. NEW BUSINESS:

- A. **Omerza/D.Forsman moved to approve Change Order #2 for the Chandler Area Improvements/Pioneer Road Improvements Project. Motion Carried Unanimously.**

- B. **Debeltz/Omerza moved to approve the Certificate of Substantial Completion for the Ely Chandler Area Improvements/Pioneer Road Improvements Project. Motion Carried Unanimously.**

- C. Debeltz/A.Forsman moved not to waive the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 on the League of Minnesota Cities Liability Coverage Waiver Form. Motion Carried Unanimously.**
- D. Omerza/Debeltz moved to nominate Paul Kess for the RAMs Board of Directors Nomination for the City of Ely. Motion Carried Unanimously.**
- E. Debeltz/Omerza moved to approve Signatures for the FAA for the Runway Crack Sealing, Apron Resurfacing, and Taxiway Predesign. Motion Carried Unanimously.**
- F. Omerza/Debeltz moved to approve Resolution 2017-032 Resolution Authorizing the Adoption of the National Incident Management System (NIMS) for the City of Ely. Roll Called: A.Forsman-Yes, Kess- Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, D.Forsman-Yes, Mayor Novak- Yes Motion Carried Unanimously.**
- G. Debeltz/D.Forsman moved to approve Resolution 2017-033 Authorizing the City of Ely to Make Application to and Accept Funds From the Downtown Business Corridor Grant Programs. Roll Called: A.Forsman-Yes, Kess- Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, D.Forsman-Yes, Mayor Novak- Yes Motion Carried Unanimously.**
- H. Debeltz/Omerza moved to approve Resolution 2017-034 Resolution Making Levy and Assessment Against Taxable Properties for Delinquent Water, Sewer, and Electric Accounts and Demolition Costs. Roll Called: A.Forsman-Yes, Kess- Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, D.Forsman-Yes, Mayor Novak- Yes Motion Carried Unanimously.**
- I. Debeltz/D.Forsman moved to approve the transfer of the On Sale Liquor License and Sunday Liquor License from Rockwood Bar and Grill of Ely Inc to ASIN-MITIG, LLC pending receiving proper paperwork and background checks. Motion Carried Unanimously.**
- J. Form a 3 person committee for the Negotiating Committee for the sale of the Community Center Building- Will be discussed during the Closed Meeting**
- K. Debeltz/Omerza moved to approve Premier Pyrotechnics to shoot the 2018 4th of July Fireworks for \$15,000 and to sign the contract with Premier Pyrotechnics. Motion Carried Unanimously.**
- L. Debeltz/D.Forsman moved to approve Northern Grounds Sunday On-Sale Liquor License pending proper paperwork and fees. Motion Carried Unanimously.**

M. 113 W Harvey St – Sewer Inspection

Langowski stated that the plumbing contractor did a Sewer Inspection on this property and found that this line has possibly three separate lines tied into the same sanitary sewer line. At this time the line is not in compliance with the current ordinance on shared sewer lines. The property owner wrote a letter to the council giving some background on the estate and issues they have had with the property.

Kess asked whether this sewer line is functional as it is now.

Langowski stated that it appears that the line is functional although it ties into a cross plumbing fitting so the flow would have to take a sharp turn and there are some roots in the line.

No action was taken.

N. Debeltz/D.Forsman moved to approve the Transfer of the Tobacco License for Holiday Stationstores, Inc to Holiday Stationstores, LLC on or about December 15, 2017. Motion Carried Unanimously.

O. Omerza/A.Forsman moved to approve Resolution 2017-035 Resolution Supporting H.R. 3905 Minnesota Economic Rights (MINER) in the Superior National Forest Act. Roll Called: A.Forsman-Yes, Kess- Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, D.Forsman-Yes, Mayor Novak- Yes Motion Carried Unanimously.

14. OPEN FORUM

Omerza stated that on November 30, 2017 at 6:30pm there will be a presentation on J-1 Visa Summer Workers for local business owners presented by the City of Ely, Ely Chamber of Commerce and Incredible Ely.

Mayor Novak stated that the Truth in Taxation Public Hearing is at 6pm on November 28, 2017, this is a public hearing about the City of Ely's 2018 Budget and Levy.

Mayor Novak recessed the meeting at 6:32pm.

Mayor Novak closed the meeting at 6:35pm.

Mayor Novak opened the meeting at 6:53pm.

A.Forsman/Omerza moved to form a negotiating committee regarding the Community Center with Paul Kess, Heidi Omerza, and HPC Member Celia Domich being on the Negotiating Committee and Al Forsman and Jerome Debeltz will be alternates on the Committee. Motion Carried Unanimously.

15. ADJOURN

Mayor Novak adjourned the meeting without objection at 6:55pm.

Casey Velcheff
Deputy Clerk