

**Council Minutes - August 7, 2018 – 5:30 p.m.**  
**Regular Meeting Ely City Council – City Hall, Council Chambers**

1. CALL TO ORDER: Mayor Novak called the Regular 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 July 17, 2018 Regular Council Meeting. Motion Carried Unanimously.**
4. ADDITIONS OR OMISSIONS TO AGENDA
  - A. Addition 7.A Angela Campbell – Sale of Community Center
  - B. Addition 9.E.iv Vang vs City of Ely
  - C. Addition 11. B. 2019 CGMC Dues General Dues Assessment for \$6014.
  - D. Addition 11.C. 2019 CGMC Voluntary Assessment for Environmental Action Fund for \$1191.
  - E. Addition 13. E. Partial Payment Estimate #1 for the Semers Park Pavilion for \$27,550.00 to TL Construction.
  - F. Addition 13. F. Resolution 2018-024 Resolution Authorizing Application of Ruffed Grouse Society Crazy Flight Chapter to Apply for Raffle Permit.**Items A-F Added without objection.**
5. MAYOR'S REPORT  
Letter from Bakk and Ecklund to the Department of Revenue  
Mayor Novak stated that a response will be coming from Commissioner Bauerly stating that the Department of Revenue is going to be doing the extra research with existing staff.
6. CONSENT AGENDA
  - A. **Debeltz/ D.Forsman moved to waive the readings in entirety of all ordinances and resolutions on tonight's agenda. Motion Carried Unanimously.**
7. REQUESTS TO APPEAR
  - A. Angela Campbell – Sale of Community Center  
Campbell stated that the Community Center is a valuable asset to Ely. She is concerned with the secrecy of closed meetings to discuss the Community Center, she wants there to be public input on the sale of the Community Center.  
Mayor Novak stated that to sell City property is will be sold by ordinance. An ordinance will be brought to the council in two readings and there will be a public hearing before the 2<sup>nd</sup> reading.
8. COMMITTEE REPORTS
  - A. Standing/Special  
Planning and Zoning  
Callen stated that Planning and Zoning is going to hold a Public Hearing in October 2018 after the Marathon to hear public comment.

Park and Recreation

Langowski stated that the slab and piers are poured at the Semer's Park Pavilion, we are waiting on the timber frame which should be here in 2-3 weeks.  
Ads for bids are out for the Skate Park.

Sanitation Committee

The a couple St Louis County workers were present at the meeting to discuss the Trailhead/Recycle Center. The fees on the property tax statements go towards the lower fees to drop off TVs/Appliances and other things at the transfer site. The Ely Recycling Center has three times the volume as Northwoods Transfer. A recycling center needs to be on public property. At the Sanitation Meeting they made a motion to have the Mayor/Clerk draft a letter to joint powers to bring the recycle center to the next joint powers meeting.

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer

- i. The following items of business were recommended for approval at the regular EUC meeting of Wednesday, July 25, 2018:

1. Approved payment of the May EUC Bills for \$377,541.75

**Debeltz/D.Forsman moved to approve the EUC Consent Agenda. Motion Carried Unanimously.**

- ii. Regional Trail Grant Program

Langowski stated at the next council meeting there will be two resolutions one for Hidden Valley Mt. Bike Trail and one for the Prospectors Loop to make application and accept funds from the IRRRB. There will also be a motion for the City of Ely to be the fiscal agent on the prospectors loop trail.

B. Fire Chief

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. **Debeltz/D.Forsman moved to approve the Note, Mortgage and personal guaranty for Serson Enterprises Inc. for a \$17,500 Storefront Rehab Loan. Motion Carried Unanimously.**

- ii. **A.Forsman/D.Forsman moved to approve the Mortgage Satisfaction for Music Outfitters. Motion Carried Unanimously.**

- iii. Community Center Purchase Agreement (Closed Session)

**A.Forsman/D.Forsman moved to close the meeting after open forum to develop a counter offer with K-America Foundation for the Community Center at 30 S 1<sup>st</sup> Ave E per MN Statute 13D. Motion Carried Unanimously.**

- iv. Vang vs City of Ely

**Omerza/Callen moved to close the meeting after open forum to discuss the ongoing litigation of Vang vs City of Ely per MN Statute 13D. Motion Carried Unanimously.**

F. City Engineer

10. COMMUNICATIONS:

- A. Correspondence from MN Public Utilities Commission regarding Frontier Communications Public Hearings.
- B. Memorandum from League of Minnesota Cities Legislators of Distinction for 2018
- C. Arrowhead Regional Development Preliminary Budget
- D. Constituent Letter

11. CLAIMS FOR PAYMENT:

- A. Debeltz/D.Forsman moved to approve the City and EUC claims for August 7, 2018 for \$802,364.83. Motion Carried Unanimously.**
- B. Kess/Callen moved to approve the 2019 CGMC Dues General Dues Assessment for \$6014. Motion Carried Unanimously.**
- C. Callen/A.Forsman moved to approve the 2019 CGMC Voluntary Assessment for Environmental Action Fund for \$1191.**  
Kess would like to refer this to EUC.  
A.Forsman stated that the City has declined this in the past, but have noticed we have been affected by these issues. They are fighting on our behalf, and we get a lot of legal advice for \$1191.  
**Motion Carried Unanimously.**

12. OLD BUSINESS:

13. NEW BUSINESS:

- A. Debeltz/D.Forsman moved to approve the Partial Payment Estimate No. 1 for the 17<sup>th</sup> Avenue East/7<sup>th</sup> Avenue East/Water Tower Supply Line project for \$67,230.55 to Casper Construction Inc. Motion Carried Unanimously.**
- B. Debeltz/D.Forsman moved to approve the Partial Payment Estimate No. 3 for the 17<sup>th</sup> Avenue East/7<sup>th</sup> Avenue East/Water Tower Supply Line project for \$228,756.8 to Casper Construction Inc. Motion Carried Unanimously.**
- C. Debeltz/D.Forsman moved to approve the in kind services for the Northern Lights Clubhouse 5k Glow Run on September 21, 2018. Motion Carried Unanimously.**

**D. Kess/ Callen moved to approve the Liquor Licenses for Sept. 1<sup>st</sup> 2018-August 31<sup>st</sup> 2019 pending receipt of proper fees and paperwork.**

<b>ON-SALE INTOXICATING</b> Amici's Boathouse Brewery Catz Billiards and Blues Dee's Bar - the Next Generation Ely Bowling Center Ely Steak House Grand Ely Lodge Insula Jasper Company DBA Northern Grounds Kwazy Wabbit Rockwood Bar & Grill Zaverl's Bar	<b>SUNDAY ON-SALE</b> Boathouse Brewery Catz Billiards and Blues Dee's Bar - the Next Generation Ely Bowling Center Ely Steak House Grand Ely Lodge Insula Jasper Company DBA Northern Grounds Rockwood Bar & Grill Zaverl's Bar
<b>WINE</b> Gator's Grilled Cheese Emporium Organic Roots Sir G's Italian Restaurant Stony Ridge on Shagawa Lake	<b>ON-SALE 3.2 NON-INTOXICATING MALT</b> Gator's Grilled Cheese Emporium Organic Roots Sir G's Italian Restaurant Stony Ridge on Shagawa Lake
<b>OFF-SALE 3.2 NON-INTOXICATING MALT</b> Ely Northland Market Zupancich Brothers Inc Shopko	<b>OFF SALE INTOXICATING</b> Lake Shore Liquor Mike's Drive In Liquor Wild Life Liquor
<b>BREW PUB OFF SALE MALT LIQUOR</b> Boathouse Brewery	<b>2AM CLOSING LICENSE</b> Ely Bowling Center

**Motion Carried Unanimously**

**E. Debeltz/D.Forsman moved to approve the Partial Payment Estimate #1 for the Semers Park Pavilion for \$27,550.00 to TL Construction. Motion Carried Unanimously.**

**F. Debeltz/D.Forsman moved to approve Resolution 2018-024 Resolution Authorizing Application of Ruffed Grouse Society Crazy Flight Chapter to Apply for Raffle Permit. Roll Called: A.Forsman – Yes, Kess –Yes, Debeltz – Yes, Omerza – Yes, Callen – Yes, D.Forsman – Yes and Mayor Novak – Yes. Motion Carried Unanimously.**

14. OPEN FORUM

Mayor Novak recessed the meeting at 6:15pm.

Mayor Novak closed the meeting at 6:30pm to discuss the ongoing litigation of Vang vs City of Ely.

Attorney Klun updated the council regarding a pending motion for a new trial.

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Mayor Novak opened the meeting at 6:35pm

Mayor Novak closed the meeting at 6:36pm to develop a counter offer with K-America Foundation for the Community Center at 30 S 1<sup>st</sup> Ave E.

Mayor Novak opened the meeting at 7:00pm.

**Omerza/Debeltz moved to have staff draft and propose the counteroffer terms and conditions per council discussion Motion Carried Unanimously.**

15. ADJOURN

Mayor Novak adjourned the meeting without objection at 7:03pm.

Casey Velcheff  
Deputy Clerk