

Council Minutes - August 20, 2019
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, and Mayor Novak
ABSENT: Council Member Campbell
3. APPROVAL OF MINUTES:
Debeltz/Callen moved to approve the minutes from the August 6, 2019 Regular Meeting. Motion Carried 6-0-1 with Council Member Campbell absent.
4. ADDITIONS OR OMISSIONS TO AGENDA:
A. Addition 13.B Sunday Off Sale Liquor Sales
Addition A approved without objection.
5. MAYOR’S REPORT
6. CONSENT AGENDA:
A. Motion to waive readings in entirety of all ordinances and resolutions on tonight’s agenda
B. Approve the water and wastewater operators to attend the MN Rural Water 2019 Water & Wastewater Certification Refresher and Exam in St. Cloud on September 30 – October 2, 2019.
Debeltz/Omerza moved to approve the Consent Agenda items A and B. Motion Carried 6-0-1 with Council Member Campbell absent.
7. REQUESTS TO APPEAR: None
8. COMMITTEE REPORTS:
A. Standing/Special
Planning and Zoning Commission
Callen stated that Planning and Zoning would like to come to the August Study Session to discuss Short Term Rentals.

Projects Committee
Callen/A.Forsman moved to approve the recommendation from the Projects Committee to approve the James Street Project, 3rd Avenue from James to Pattison, and 7th Avenue from James to Pattison be prioritized for 2020. Motion Carried 6-0-1 with Council Member Campbell absent.

Lodging Tax Report: Matter of Information
9. DEPARTMENTAL REPORTS:
A. Clerk-Treasurer

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

Chief Lahtonen indicated that interviews for a new police officer will be in September, they have two applicants.

E. City Attorney

i. Klun Law Firm Legal Representation

Attorney Klun indicated that Klun Law Firm has represented the City for more than 20 years. Klun stated they are proposing the same flat fee retainer for standard tasks of \$60,000 per year for 2020-2021. For non-standard tasks, they are proposing a slight increase of \$10.00 per hour to \$120.00 per hour, with a legal assistant rate of \$85.00 per hour.

Debeltz/Kess moved to approve the legal representation for the City Attorney for 2020-2021 to Klun Law Firm. Motion Carried 6-0-1 with Council Member Campbell absent.

ii. **Callen/Omerza moved to approve the Note and Mortgage for Derek Jensen for a \$10,000 Residential Rehab Loan at 11 E James St. Motion Carried 6-0-1 with Council Member Campbell absent.**

iii. **Debeltz/Omerza moved to approve the Note and Mortgage for Russell and Nadine Long for a \$10,000 Residential Rehab Loan at 245 E White St. Motion Carried 6-0-1 with Council Member Campbell absent.**

iv. EBA Enterprises Inc/Tim Brennan and Bryan Anderson City Rehabilitation Loan
Attorney Klun stated that EBA Enterprises has foreclosed and Northview Bank has reclaimed possession on a quit claim deed subject to existing encumbrances which includes the store front loan with the City of Ely. Klun indicated that this means when the bank sells the property, the loan must be paid off to give clear title to the potential buyer. Attorney Klun will follow up with Northview Bank and will report back to the council.

v. **Debeltz/Callen moved to approve the 2nd Reading of Ordinance 331, 2nd Series, An Ordinance of the City of Ely, Minnesota, Adding to the Ely City Code, Chapter 20, Section 20.13.32, Entitled Vacation of a Portion of a City-Owned Property, Lockhart Street. Roll Called: Council Member A.Forsman- Yes, Kess-Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, Campbell – absent, and Mayor Novak-yes. Motion Carried 6-0-1 with Campbell Absent. .**

vi. **Debeltz/Callen moved to approve the 2nd Reading of Ordinance 336 2nd Series An Ordinance of the City of Ely, Minnesota, Adding to the Ely City Code, Chapter 20, Section 20.13.23, Entitled Vacation of a Portion of City-Owned Property, Power Street. Roll Called: Council Member A.Forsman- Yes, Kess-Yes, Debeltz-Yes, Omerza-Yes, Callen-Yes, Campbell – absent, and Mayor Novak-yes. Motion Carried 6-0-1 with Campbell Absent. .**

F. City Engineer

10. COMMUNICATIONS:

- A. Correspondence from the Arrowhead Regional Development Commission

11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for August 20, 2019 – \$1,719,791.04
- B. 2020 CGMC Dues for \$6,157.00
- C. 2020 CGMC Voluntary Assessment for Environmental Action Fund for \$1,020.00
- D. Invoice # 1908-40 from Benchmark Engineering Inc for the Vermillion Bridge Project for \$3807.50.
- E. Invoice #371829 from SEH for the Vermillion Bridge Project for \$1,438.05.

Debeltz/Omerza moved to approve the Claims for payment items A-E.

Kess stated that he is still not entirely clear about what the CGMC Voluntary Assessment is for, but he is willing to participate with the thought that if all of the cities join together, it can be effective.

Mayor Novak indicated that the Environmental Action Fund also looks at the Sulfate Standards and different things that affect our wastewater treatment plant.

Omerza stated that if all of the cities ban together, we can get things done. If you look at the list of things the CGMC Environmental Action fund has accomplished, there are several items that affect our City including the flushable wipes issue. Omerza stated that CGMC has talked about adding the Environmental Action Fund into the regular CGMC Dues.

A.Forsman stated that they are working on the Mercury Standards and the additional funding for water and waste water infrastructure; these are all things that can benefit the city.

Mayor Novak stated that the council could also make a motion to have the Mayor send a letter of support of putting the voluntary assessment into the regular CGMC Dues.

Motion Carried 6-0-1 with Council Member Campbell Absent.

Omerza/Kess moved to have Mayor Novak write a letter in support of putting the voluntary assessment into the regular CGMC Dues. Motion Carried 6-0-1 with Council Member Campbell Absent.

12. OLD BUSINESS:

Omerza/Callen moved to approve the Library Board Applicant with a mid-term expiring January 2021 – Christopher Steele. Motion Carried 6-0-1 with Council Member Campbell Absent.

13. NEW BUSINESS:

- A. **Debeltz/Kess moved to approve Change Order #2 for West Camp Street, Pattison Street East Improvements Project to award Add Alternate No. 2 – Second Avenue West which increases the contract amount by \$52,725.00.**

A.Forsman asked for clarification on what the change order is for.

Langowski indicated that this was bid as an add alternate. We were waiting to see how the rest of the project went before we added Second Avenue West from Sheridan to Camp Street to the project. On Second Ave West we are looking to underground the overhead power and add some decorative street lighting along Camp Street to get rid of some power poles.

Motion Carried 6-0-1 with Council Member Campbell Absent.

B. Sunday Off Sale Liquor Sales

Mayor Novak indicated that this was brought up because of a letter that was received from the new owner of Lakeshore Liquor, who is requesting Sunday off sales.

A.Forsman stated when this was brought up the last time the 3 liquor stores in town were unanimously against it. Now with a new owner considering Sunday off sales we need some time to gather more thoughts and information. A.Forsman indicated that having this as an addition, without all the information, he indicated he is not willing to make a motion for or against this.

Omerza stated she is in favor of the ordinance change; Eric St. Martin made good points in his letter. We need to give people the opportunity to come to Ely and to come back to Ely to shop and to give businesses the opportunity to thrive. It can be up to each store owner if they want to be open on Sunday or not.

Mayor Novak stated he is in support of moving forward with an ordinance change that would go through two readings and a public hearing.

Debeltz/Callen moved to task the attorney to draft an ordinance to allow Sunday Off Sales.

Debeltz stated he would like to give the people that own liquor stores in town the opportunity to be open.

Kess indicated he would like to hear from the people and then make a decision.

Motion Carried 5-1-1 with A.Forsman voting No and Campbell Absent. .

14. OPEN FORUM: None

15. ADJOURN

Mayor Novak adjourned the meeting at 6:08pm without objection.

Casey Velcheff
Deputy Clerk