

Council Minutes - August 04, 2020
Regular Meeting Ely City Council – City Hall, Council Chambers

1. CALL TO ORDER

The regular city council meeting was called to order by Mayor Novak at 5:30pm.

2. PRESENT: Council members A.Forsman, Kess, Debeltz, Omerza, Callen, Campbell, and Mayor Novak
ABSENT: None

3. APPROVAL OF MINUTES:

Debeltz/Campbell moved to approve the minutes from the July 21, 2020 Regular Council Meeting. Motion Carried Unanimously.

4. ADDITIONS OR OMISSIONS TO AGENDA:

- A. Addition 8.A Ely Area Ambulance Joint Powers Board
 - B. Addition 9.A Supplemental information for CARES Act Eligible expenses/reporting/requests
 - C. Addition 9.A Possible refunding of the 2014A Capital Improvement Plan Bonds, Series 2014A – Interest Rate Reduction
 - D. Addition 9.D. Public Nuisance/Abatement 109 W Conan St
 - E. Addition 9.E. Mortgage Satisfaction for Kimberley Eldevik recorded on October 21, 2019 as Document No. 01365815 pending proof of payoff when house closes.
 - F. Addition 13.D Storefront Rehab Loan for Pastika Building, LLC for work at 131 E Chapman St, for a new roof and insulation for \$17,500 pending proper paperwork and fees, and to direct Attorney Klun to work with the applicant and to proceed with the loan processing.
- Additions A-F were added without objection.**

5. MAYOR'S REPORT

Mask mandate discussion

Mayor Novak indicated that we have a mask mandate from the governor, which suffices for our needs in Ely right now; we do not need to take any extraordinary action. Whenever issues arise our law enforcement will be taking calls in the issues. Mayor Novak indicated that we will not be riding around trying to find people without masks and ticketing them. Our businesses are required to enforce the mask mandate and if they have an altercation law enforcement will engage for a civil disobedience. We ask people to be courteous to each other and to the businesses.

6. CONSENT AGENDA:

Callen/Omerza moved to waive readings in entirety of all ordinances and resolutions on tonight's agenda. Motion Carried Unanimously.

7. REQUESTS TO APPEAR

- A. Tom Kelly – Walker, Giroux & Hahne – Audit Presentation

Tom Kelly, CPA with Walker, Giroux & Hahne presented a review of the 2019 Audit. The only deficiency noted was the Segregation of Duties which occurs due to the limited number of personnel within the City's administration office, the segregation of accounting functions necessary to ensure adequate internal accounting control is not possible. It was recommended that officials and management should constantly be aware of this condition, attempt to segregate duties as much as possible and provide oversight to partially compensate for this deficiency.

Management Points included: During the audit it was noted that one Fire Department grant was not on file at the Assistant Treasurer's office. We recommend that all departments provide respective

grant documents, such as the grant award, reimbursement requests, extensions, and other relevant grant reports to the Assistant Treasurer's office. The City had approximately 20 grants and projects in process during the year; timely access to all grant documents expedites the accounting and auditing process.

8. COMMITTEE REPORTS:

A. Standing/Special

Planning and Zoning Commission – Minutes included in the council packet

Ely Utilities Commission- Minutes included in the council packet

Library Board- Minutes included in the council packet

Ely Area Ambulance Joint Powers Board

Mayor Novak indicated that the Ely Area Ambulance Service has projected a negative budget for 2020 of \$177,000. The Ely Area Ambulance Service Board had increased wages for staff, but then Covid-19 hit and due to many people not seeking medical attention in a timely manner transports had declined. Call volumes are slowly rising so the negative projected budget is going to fluctuate as revenues start to increase again. Mayor Novak explained that the Ely Area Ambulance Joint Powers Board met and decided to have the contribution from each entity raised to \$20.20 per person for 2021. Discussion was had at the meeting if the Ely Area Ambulance Service needs more money for this year. It was discussed to ask each entity to contribute an additional \$5.05 on top of the current \$5.05 for 2020 for a total of \$10.10 per capita for 2020.

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer

i. The following items of business were recommended for approval at the regular EUC meeting of Wednesday, July 29, 2020.

1. Approved the AE2S engineering Service Contract for the WWTP Mercury Project.
2. Approved the Fiber Optic Lease Agreement and construction agreement with CTC and providing 50% of the drops.
3. Approved the purchase of twelve 3 Phase meters from Eaton for \$4,553.28.
4. Approved the purchase of 14 light fixtures from WESCO for \$3,210.00.
5. Authorized Braun to do the soil borings for the WWTP Project not to exceed \$10,000.00.
6. Approved the June EUC Bills List for \$337,594.87.

Debeltz/Campbell moved to approve the EUC Consent agenda items 1-6. Motion Carried Unanimously.

ii. CARES Act Eligible expenses/reporting/requests-

Langowski indicated that as part of the CARES Act the City of Ely's allocation was \$256,910. We have been tracking our expenses concerning the emergency since March 1, 2020. We have attached a form that we are considering the departments use in providing justification for the expense. As of July 31, 2020 we have tracked \$43,451.14 in expenses. This included \$12,669.72 for three electrostatic disinfectant sprayer machines and supplies to be used in the City facilities, vehicles, and tenant occupied City and EDA buildings. Other expenses not yet finalized include: additional staff overtime for sanitizing of parks, additional trash disposal for to-go use of the parks, additional supplies for restrooms in parks due to business closures, additional staff time for segregation of work area.

Other equipment and supplies needed to follow the recommendations include:

City Council/Clerks Office – Remote Meetings – Electronic Devices: including laptops and council chamber technology improvements/ remote meetings and tables to provide separation for training for approximately \$40,000. Police Department to provide separate work areas for staff: A 2 person L shaped desk, a one person desk and an additional computer for approximately \$6000. Additional Weekend staff and supplies for parks and trash, staff time as of July 31, 2020 and supplies were \$4650.

Since the declaration of the emergency, the fire department has been utilizing a fire truck to respond to first responder medical calls. This has been utilized to ensure that volunteer's vehicles and families would not be exposed to COVID-19 if their personal vehicles were used and contaminated. Fortunately, our volunteer first responders have not had any known exposure to a positive case so far. If a positive case was to expose the volunteers, the fire truck would need to be taken out of service until it could be quarantined and cleaned. The fire and police department have proposed purchasing a quad door pick-up to be utilized as the first responder rig. This would ensure the fire truck would not be compromised due to a medical call and would allow for equipment, supplies and staffing for emergency calls. We will be using state bid equipment for this purchase and anticipate the cost to be less than \$50,000 outfitted for use. With these proposed expenses so far we will still have approximately \$110,000 left from the CARES Act money.

Other uses to be considered with the funding include: Assistance to impacted businesses in the form of a grant, Liquor License Rebates, Community Center Lost Project, Additional Supplies necessary and ongoing staffing costs for response. As this ongoing situation evolves, we will update the council on the use of and proposed use of these funds.

Omerza/Callen moved to approve the amounts presented today regarding the CARES Act expenditures. Motion Carried Unanimously.

iii. Possible refunding of the 2014A Capital Improvement Plan Bonds, Series 2014A – Interest Rate Reduction

The current refunding of the \$2,745,000 General Obligation Capital Improvement Plan Bonds, Series 2014A for the renovation of City Hall and the construction of the new library. The 2014A bonds become callable on February 1, 2021. A current refunding could be sold as early as this coming October and dated in November. The Series 2014A Bonds have a remaining average interest rate of 3.26%. Based on interest rates available in the current bond market, new AA-rated General Obligation Bonds could be issued at an approximate 0.79%. This interest rate reduction would result in a total net debt service savings of \$186,634 which is a \$177,065 present value savings (8.88%) over the remaining term of the bonds.

Kess/A.Forsman moved to refund the 2014A Capital Improvement Plan Bonds, Series 2014A with an interest rate reduction. Motion Carried Unanimously.

B. Fire Chief

C. Library Director

Heinrich indicated that this is the last week of the summer reading packets. More information on events and curbside pickup can be found on the Library website.

D. Police Chief

i. Public Nuisance/Abatement 109 W Conan St

Chief Houde indicated that they have tried to work with the home owner to get the garbage picked up in the yard, but the garbage keeps accumulating. Chief Houde indicated that several letters have been sent to the property owner, and today they served them with notice of abatement.

Omerza/Callen moved to move forward with the abatement with the expenses being paid by the property owner and/or assess the property taxes. Motion Carried Unanimously.

Chief Houde indicated that his leadership training has been moved to a later date because of Covid.

E. City Attorney

i. Sanitation Contract

Attorney Klun indicated that upon further review the word “exclusive” was left in the Sanitation Contract in the second paragraph and should be removed.

A.Forsman indicated that it was clear from the beginning that the committee wanted to allow for several potential contractors.

A.Forsman/Kess moved to remove the word “exclusive” from the Sanitation contract in the second paragraph. Motion Carried 6-1 with Omerza voting No.

ii. **Omerza/Campbell moved to approve the Mortgage Satisfaction for Kimberley Eldevik recorded on October 21, 2019 as Document No. 01365815 pending proof of payoff when house closes. Motion Carried Unanimously.**

F. City Engineer

10. COMMUNICATIONS: Matter of Information

A. Notice of St Louis County Planning Commission holding a virtual public hearing to review an application for a conditional use permit for Matt Roderick Construction, LLC for a mini-storage business as a Commercial, Retail and Service Establishment-Class II on August 13, 2020 at 9:15am.

B. Notice of St Louis County Planning Commission holding a virtual public hearing to review an application for a conditional use permit for Eric Gruba for a roll-off business as an Industrial Use-Class II on August 13, 2020 at 9:30am.

C. ARDC 2021 Tax Levy, Public Hearing for the levy is scheduled for Tuesday, August 18, 2020 at 2pm.

11. CLAIMS FOR PAYMENT:

A. Debeltz/Campbell moved to approve the City and EUC claims for August 4, 2020 for \$566,484.59. Motion Carried Unanimously.

12. OLD BUSINESS: None

13. NEW BUSINESS:

- A. Callen/Omerza moved to approve Resolution 2020-027 Resolution Authorizing City of Ely to Make Application to and Accept Funds from FY21 Community Infrastructure Grant Program. Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza - Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.**

- B. Debeltz/Callen moved to approve the 2020-2021 Liquor Licenses pending receipt of proper fees, insurance, and paperwork. Motion Carried Unanimously.**

- C. Approve Election Judges for 2020
Campbell/A.Forsman moved to approve Resolution 2020-028 Resolution Appointing Additional Emergency Back-Up Election Judges for the 2020 Primary Election. Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.**

- D. Callen/Campbell moved to approve the Storefront Rehab Loan for Pastika Building, LLC for work at 131 E Chapman St, for a new roof and insulation for \$17,500 pending proper paperwork and fees, and to direct Attorney Klun to work with the applicant and to proceed with the loan processing. Motion Carried Unanimously.**

14. OPEN FORUM: None

15. ADJOURN

Mayor Novak adjourned the meeting at 7:11pm without objection.

Casey Velcheff
Deputy Clerk