

Council Minutes - September 15, 2020
Regular Meeting Ely City Council – City Hall, Council Chambers

1. CALL TO ORDER

The regular City Council Meeting on September 15, 2020 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/Callen moved to approve the minutes from the September 1, 2020 Regular Council Meeting. Motion Carried Unanimously.

4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition 7.A Supplemental information

B. Addition 8.A. Projects Committee

C. Addition 8.A. Lodging Tax Report

D. Addition 9.A.i. CARES Act Funding – Unused funds sent back to St Louis County.

Additions A-D were added without objection.

5. MAYOR’S REPORT

Mayor Novak indicated that this Friday, September 18th is the Ribbon Cutting for the Trailhead at 4pm; this is coinciding with the Prospector Loop ATV Ride.

6. CONSENT AGENDA:

A. Motion to waive readings in entirety of all ordinances and resolutions on tonight’s agenda

B. Approve a Special Council meeting at 5pm on September 29th to approve the proposed levy for 2021.

C. Resignation of Sue Savereide from the Library Board

D. Resignation of Michelle Moore from the Park and Recreation Board

Debeltz/Campbell moved to approve the Consent Agenda items A-D and also sending Sue Savereide and Michelle Moore a letter of Thanks for their service on the boards. Motion Carried Unanimously.

7. REQUESTS TO APPEAR

A. Steve Piragis requesting to apply to IRRR for the Commercial Redevelopment Grant Assistance – Speaker Elli Piragis

Elli Piragis indicated that she is here to answer any questions the council might have regarding the demo of Loony’s Emporium at 16 W Sheridan St; they are also requesting to apply to the IRRR for the Commercial Redevelopment Grant Assistance.

Mayor Novak indicated that this was discussed last night at the projects meeting.

Kess indicated that he appreciates the investment they are making into downtown.

Mayor Novak stated that it will be great to have a new building on Sheridan Street.

A.Forsman asked Elli Piragis how many current year round employees and new employees will the new building bring.

Piragis indicated that they currently have 28 year round employees and they anticipate having a new manager and purchasing person, and hopefully they will increase their outfitting and end up hiring more in outfitting also.

8. COMMITTEE REPORTS:

A. Standing/Special

Heritage Preservation Commission: Minutes included in the council packet.

Library Board:

Omerza indicated that the library board will be meeting on the 1st Wednesday of the Month at 5:30pm.

Housing & Redevelopment Authority: Minutes included in the council packet.

Community Economic Development Joint Powers Board:

Mayor Novak indicated that the board is discussing having the legislative meeting in December at the GEL but they might have it in 2 different sessions. They are having another meeting in October to discuss it more.

Projects Committee

Callen/Omerza moved to approve the recommendation from the Projects Committee to make application to the IRRR Commercial Redevelopment program for the demolition of the old Looney's building at 16 W Sheridan St.

A.Forsman indicated that it's clear that Mr. Piragis and Forsman disagree about how a sustainable economy is developed and maintained in our community, but he also thinks it's important to separate the business and the person. We also need to think about the jobs that this can bring into our community. A.Forsman indicated that he supports the project.

Mayor Novak indicated that he agrees with A.Forsman on this, but this will bring more economic development to Ely.

Callen indicated that a sign will be required indicating that "This project was made possible through taxes paid by Minnesota's Mining Industry."

Motion Carried Unanimously

Callen/Omerza moved to approve the recommendation from the Projects Committee to approve the project list be amended to reduce the Washington Street portion by one block.

Callen indicated that this project for 2021 was a 4 block project, but now it will be a 3 block project with will cut the cost by approximately \$150,000 which will help to bring the levy down.

Motion Carried Unanimously.

Callen/Debeltz moved to approve the recommendation from the Projects Committee to provide a letter of support for the Township's application for broadband funding assistance. Motion Carried Unanimously.

Callen/Kess moved to approve the recommendation from the Projects Committee to set the value of the 2.5 acre lot at \$40,000 for a business park lot.

Langowski indicated that the City has had a recent request for a business park lot. We have not established a price for these lots. In comparing previous sales of business park lots we came up with \$17,500 per acre. The proposed development would be approximately 2.5 acres. Any potential sale could also include a subsidy agreement concerning private investment, employment, etc.

Mayor Novak stated that this is similar to what we did for Twin Metals and Steger's.

Motion Carried unanimously.

Callen/A.Forsman moved to approve the recommendation from the Projects Committee to reject the two offers made by Anthony Bermel to purchase property near the Old City Garage.

Langowski stated that Anthony Bermel at 146 W Conan submitted a revised proposal to purchase property in the area of the old skate shack that was removed this summer. He proposed to build a commercial storage garage. The projects committee discussed the need to keep this property whole until a comprehensive plan can be developed for its future development.

Mayor Novak indicated that the projects committee agreed that we do not want to break up the property before we have a plan for it.

A.Forsman agreed that we do not want to split up the property yet, we have nearby infrastructure there and with the addition of 3rd Avenue West and Pattison Street. This is a large parcel of land, that has a lot of potential and we cannot break it up. He would like to help out Mr. Bermel with his issue, but we cannot split this property at this time.

Langowski indicated that we need to look at the current use of the property, we have the snowmobile club that has their maintenance garage and equipment there, and the school rents out a garage for one of their school busses. Planning and Zoning is currently looking at the comprehensive land use plan and this property will be something they continue to look at. This property is almost 2 blocks square and is probably one of the largest areas of possible redevelopment areas in the City for potential housing or commercial development.

Motion Carried Unanimously.

Callen/Campbell moved to approve the recommendation from the Projects Committee to pass a resolution requesting funding assistance from the State Park Road Fund for improvements to the Hidden Valley Road. Motion Carried Unanimously

Lodging Tax Report : Matter of Information

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer

- i. CARES Act – Update on Remaining Funds - Discuss potential uses for remaining funds. CARES Act Funding – Unused funds sent back to St Louis County.

Langowski indicated that if we do not use all of our funds they have to go to the County, but our intent is to use all of the funds. We need to use all the funds by November 15th.

Langowski indicated that we have approximately \$85,000 remaining in the CARES ACT funding. Langowski indicated that he was going to look at the programs other cities have put together to help our local businesses, we will also look at what St Louis County is

doing since they are putting together some programs for businesses also. If any businesses have any ideas, and are interested in receiving some of the CARES money, please call us, email us so we know what you need it for. We are looking at making it simple for the businesses, like how was your business affected; maybe tier the businesses by how many employees they have.

A.Forsman/Omerza moved to advertise for City of Ely businesses to bring requests for assistance to the EDA meeting on September 27^h or to forward other suggestions to the clerk's office for how we can help them cover expenses that they have occurred during the Covid response. Motion Carried Unanimously.

B. Fire Chief

C. Library Director

Library Director Heinrich indicated that the library received a memorial back in January and the Library Board has been working on ways to spend it. One thing was that was decided on at the last meeting was to get a permanent story stroll installed in town. We had temporary one on the Trezona Trail in late June and received a lot of positive comments on it. We would like to put a permanent Story Stroll along that same section. Park and Rec is in favor of it and Heinrich has talked to Langowski about the city possibly doing some in kind for the installation, and she has talked to the Mesabi Trail people. Heinrich indicated that she is looking for the councils support.

Omerza/Campbell moved to approve the permanent Story Stroll installation around the Trezona Trail. Motion Carried Unanimously.

D. Police Chief

i. Resignation letter from Zachariah Jackson

A.Forsman wished Zach well in the future.
Debeltz thanked Zach for his service.

Omerza/Debeltz moved to accept the resignation of Zachariah Jackson. Motion Carried Unanimously.

ii. Retirement letter from Dennis Koponen

Omerza/Callen moved to accept the retirement of Dennis Koponen and to send him a letter of thanks for his service. Motion Carried Unanimously.

iii. **Debeltz/Campbell moved to approve completing background investigations for 3 applicants that were interviewed for Police Officer with the anticipation of hiring 2 officers. Motion Carried Unanimously.**

Chief Houde thanked Zach for his time as an Ely Police Officer and wished him well in his future endeavors. Chief Houde indicated that September 24th is Sergeant Koponen's last day. Koponen has been in law enforcement for 28 years, 15 years with the City of Babbitt and 13 years with the City of Ely. Houde indicated that he learned a lot of Koponen and he will be missed and will be hard to replace.

E. City Attorney

Campbell/Debeltz moved to approve the Mortgage Satisfaction for Danette Carlson and Brian Klubben recorded on August 14, 2019 as Document No. 01360739. Motion Carried Unanimously.

F. City Engineer

10. COMMUNICATIONS:

11. CLAIMS FOR PAYMENT:

A. City and EUC claims for September 15, 2020 – \$382,289.46

B. Approve the 4th Quarter Payment of \$5125 for Ely Community Resources.

C. Pay Request #2 for the James Street Project – SAP 069-755-002 CP 0155-338059 for Invoice #222357 for \$515,275.02.

D. League of Minnesota Cities Membership Dues Invoice # 326316 for \$3,798 effective during 2020-2021.

E. Minnesota Mayors Association Membership Dues for \$30.00 effective during 2020-2021.

Callen/Kess moved to approve Claims for Payment items A-E. Motion Carried Unanimously

12. OLD BUSINESS:

A. Update for the Maintenance of Private Property for 106 E Harvey – Paul and Laurie Kess Building Official Whitney indicated that they have been moving forward with the roof and they should be done this next weekend. Kess is also getting a permit for some window replacements in the near future.

13. NEW BUSINESS:

A. Campbell/Omerza moved to approve Resolution 2020-032 Resolution Authorizing the City of Ely to Make Application to and Accept Funds from IRRR Commercial Redevelopment Grant Program for the Demolition of 16 W Sheridan St. Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.

14. OPEN FORUM

Mike Banovetz – 427 E Harvey St – Banovetz thanked the council for everything the city has done for the Prospectors Trail and the other trails. A lot of work is still being done on the trails. For the ribbon cutting on Friday they are arranging for car rides from McKinley Park so people can make it back for the ribbon cutting if they would like. We have large groups riding both Friday and Saturday for the Prospector Loop ATV Ride.

Banovetz indicated that regarding the demo of 16 W Sheridan St, he said he can agree with the project, but disapproves of the person getting mining tax dollars for the project.

15. ADJOURN

Mayor Novak adjourned the meeting at 6:26pm without objection.

Casey Velcheff

Deputy Clerk