

**Council Minutes – December 15, 2020**  
**Regular Meeting Ely City Council – City Hall, Council Chambers**

1. CALL TO ORDER

The regular City Council Meeting on December 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:

**Campbell/Debeltz moved to approve the minutes from the December 1, 2020 Public Hearing, the December 1, 2020 Regular Council Meeting and the December 8, 2020 Truth in Taxation Meeting. Motion Carried Unanimously.**

4. ADDITIONS OR OMISSIONS TO AGENDA:

A. Addition 8.A. Budget Committee

B. Addition 9.A. Maple Logs at Old Dump

C. Additions 12.B Short Term Rental Application and Long Term Rental Application

D. Addition 13.D. Resolution 2020-045 Resolution Approving the City of Ely Budget for the Fiscal Year 2021

E. Addition 13.E. Resolution 2020-046 Resolution Approving and Adopting Final Tax Levy Collectible in 2021

F. Addition 13.F. Resolution 2020-047 Resolution Authorizing City of Ely to Make Application to and Accept Funds from IRRRB FY21 Community Infrastructure Grant Program.

G. Addition 13.G Change Order No 2 for the West End Redevelopment District, Phase 1 Project.

H. Addition 13. H. Final Pay Estimate No. 10 for the West End Redevelopment District, Phase 1 project for \$61,326.63 to Utility Systems of America Inc.

**Additions A-H were added without objection.**

5. MAYOR'S REPORT

6. CONSENT AGENDA:

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

7. REQUESTS TO APPEAR: None

8. COMMITTEE REPORTS:

A. Standing/Special

Cemetery

**Debeltz/Campbell moved to approve the recommendation from Cemetery Committee to send a letter to the Lot Owners whose markers are placed incorrectly and all Monument Companies that no Monuments be installed until the corner pins are located and Foundations are aligned and corrected. Motion Carried Unanimously.**

Heritage Preservation Commission: Minutes are included in the Council Packet

Library Board: Minutes are included in the Council Packet

Telecommunications Advisory Committee

**Debeltz/Campbell moved to approve the recommendation from TAB to recommend the City Council to approve the purchase from Ely Custom Theaters to finalize the remote meeting system in the Council Chambers in an amount not to exceed \$3000 and to utilize TAB fund balance dedicated for equipment replacement. Motion Carried Unanimously.**

Employee Relations

**Omerza/Debeltz moved to approve the recommendation from Employee Relations to approve the amended MOU provided by AFSCME regarding changes in health insurance. Motion Carried Unanimously.**

Housing & Redevelopment Authority: Minutes are included in the Council Packet.

Budget Committee

**A.Forsman/Kess moved to approve the recommendation from the Budget Committee to approve the 2021 levy with an increase of 7% or \$123,800 from the 2020 budget.**

A.Forsman stated that staff has looked at the budgets and we run a tight ship with a small amount of employees. The only way we would be able to cut the budget would be to make a cut in Capital Projects and Infrastructure Projects. It would not be fair to reduce the budget for the citizens that way.

**Motion Carried Unanimously.**

**A.Forsman/Omerza moved to approve the recommendation from the Budget Committee to approve a \$100 Liquor License transfer fee. Motion Carried Unanimously.**

**A.Forsman/Omerza moved to approve the recommendation from the Budget Committee to approve a \$40 Tobacco License transfer fee. Motion Carried Unanimously.**

**A.Forsman/Kess moved to approve the recommendation from the Budget Committee to approve a \$75 Cemetery Plot transfer fee. Motion Carried Unanimously.**

**A.Forsman/Campbell moved to approve the recommendation from the Budget Committee to approve a \$1,000 base fee plus overtime Rates on weekends for Cemetery winter burials plus propane. Motion Carried Unanimously.**

**A.Forsman/Kess moved to approve the recommendation from the Budget Committee to approve setting a separate permit fee of \$40 for a propane tank inspection permit.**

Kess stated the reason for this is the installations are often by separate vendors.

**Motion Carried Unanimously.**

**A.Forsman/Debeltz moved to approve the recommendation from the Budget Committee to approve removing the fixture units reference from Commercial Plumbing Permits and to base all Commercial Plumbing Permits on valuation with a minimum of \$50.**

A.Forsman stated that the number of fixture units can be confusing. Example a toilet can be 10 fixture units, it makes more sense to do a valuation.

**Motion Carried Unanimously.**

**A.Forsman/Omerza moved to approve the recommendation from the Budget Committee to approve using the City portion of the Health Partners Covid Rebate of \$11,921.84 to be reserved for future employee HRA draws and an amount of \$961.34 to be allocated among employees based on the percentage of the premium paid each month.**

Langowski indicated that this came as a rebate on the December Health Insurance Premiums through Health Partners. The way the plans are set up there is a percentage paid by the city and a percentage paid by the employee. The rebate was split by everyone in the group by the percentage that they contribute.

**Motion Carried Unanimously.**

9. DEPARTMENTAL REPORTS:

A. Clerk-Treasurer

Update on Rec Center Skating Rink

Omerza indicated that the Rec Center Ice Rink is open following the Governors orders.

Langowski stated that the hours will be the same as the past and are posted on the City Website, Facebook Page and in the Window at the Rec Center. The Rec Center warming area will be closed, but the bathrooms will be open. We have three college students that will be the rink attendants.

Maple Logs at Old Dump

Langowski indicated that Bob Koschak would like to trade for the Maple Logs at the Old Dump (many came from James Street). Koschak will provide and install six-4 foot custom boat bumpers, suitable for any boat, including pontoons and eight – 8inch tie up cleats for the boat dock at Semers. The value of these bumpers and cleats is \$700.

**A.Forsman/Omerza moved to approve the trade of the Maple Logs at the Old Dump for the boat bumpers and cleats for the boat dock at Semers. Motion Carried Unanimously.**

B. Fire Chief

C. Library Director

Library Director Heinrich talked about Library announcements which can be found on the Library website.

D. Police Chief

Chief Houde updated the council on the hiring of the 2 new police officers. They both passed their psychological and medical exams and will be doing some training. One officer will start the beginning of January and the other will start two weeks later.

E. City Attorney

**Omerza/Debeltz moved to approve the Employment Agreement between the City of Ely, MN and Supervisors of Other Than Essential Employees January 1, 2021 – December 31, 2023. Motion Carried Unanimously.**

**Kess/Campbell moved to approve the Mortgage Satisfaction for Donald S. Beans and Joan M. Kjorsvig-Beans DBA BaskeTree for mortgage recorded on December 7, 2007 as Document No. 01069415. Motion Carried Unanimously.**

Memo on Anticipated Special Election and Temporary Mayor Appointment

Attorney Klun updated the council on the procedure for the anticipated special election and temporary Mayor Appointment. Before the recent election, the Mayor Elect had withdrawn from the race prior to the election but not timely enough to not have their name on the ballot. This candidate won in the general election. On November 18th, the Mayor Elect notified the Clerk's Office, in writing, that he would not be taking the position at the January 5th Council meeting. We are now working out the details for the special election and the actions required for the Council to declare the special election and the anticipated schedule for the special election. This current situation is unprecedented in the City of Ely as far as we are aware. We have discussed the situation with the St. Louis County Auditor's Office, Secretary of State, League of Minnesota Cities, and members of the Ely City Charter. Furthermore, we have reviewed the election guide, State Statutes, City Code and the City Charter concerning vacancies.

Issues and Findings:

1. Vacancy: Pursuant to City of Ely Charter Section 2.04, failure to take an oath of office is equivalent to "fails to qualify before taking office." The seat is vacant upon the failure to take an oath of office on Jan 5<sup>th</sup>.
2. Special Election: Pursuant to City of Ely Charter Section 2.04, vacancy is declared with more than 1 year until next election, therefore special election is to be held.
3. Primary Election: Pursuant to City of Ely Charter Section 2.04, the procedure at such election shall conform *as nearly as possible to that prescribed* for other city elections. Pursuant to City Code Sections 2.80 and 2.81, we would have a primary if more than 2 candidates run for the office of Mayor
4. Temporary appointment of Mayor:
  - a. City of Ely Charter Section 2.04 assumes a special election will be held *within 90 days of the vacancy*, this is not possible given new election laws regarding time allotments (Mn Stat. 205.13 & 16, etc).
  - b. Charter is silent on the notion of a temporary appointment of Mayor until a special election is held, Ely City Code section 2.05 discusses an "Acting Mayor" in the Mayor's absence and/or disability, but this does not apply to a vacancy.
  - c. All treasury payments and contracts must be signed by the Mayor pursuant to City Charter Section 6.04c.
  - d. It seems most prudent for the Council appoint an "interim Mayor", which is in line with the practice of statutory cities MN Stat. 412.02. A sitting Council member maybe appointed but he or she will then vacate her current Council seat, that seat would be eligible for a special election.

5. Timing of the Election: If more than 2 candidates file for the position of Mayor the April 13, 2021 Election will be a Special Primary, then the Special General Election will be on August 10, 2021; or If 2 or fewer candidates file for the position of Mayor the Special General Election will be on April 13, 2021.

Attorney Klun shared the Anticipated Draft Resolutions that would be presented at the January 5, 2021 council meeting.

Debeltz asked if a council member is appointed to interim Mayor they will lose their seat as a council member. Attorney Klun indicated that in the State Statutes it indicates that a person cannot have 2 seats on the council at one time. Debeltz asked since he will be running the 1<sup>st</sup> meeting in January will he have lost his seat? Attorney Klun indicated that he will not lose his seat since he is the Acting Mayor at that time.

Omerza asked how long we have to fill the interim mayor position. Attorney Klun indicated that state statutes indicate as soon as possible to fill the seat. The Council could appoint an interim Mayor at the 1<sup>st</sup> meeting in January.

A.Forsman stated that on the resolution appointing the interim Mayor there is a blank spot for the name of the interim Mayor. How will we nominate an interim Mayor?

Attorney Klun indicated that if the council has an individual they would like to nominate they can make a motion and we can pass the resolution. We would not need to take other candidates.

Kess stated if people are interested in being Interim Mayor they should let the council know. Attorney Klun indicated that the reason for having the draft resolutions on the agenda tonight is to inform the public.

#### F. City Engineer

#### 10. COMMUNICATIONS: Matter of Information

- A. Correspondence from the St. Louis County Fair

#### 11. CLAIMS FOR PAYMENT:

- A. City and EUC claims for December 15, 2020 – \$305,888.56
- B. Partial Pay Estimate #1 for 7<sup>th</sup> Avenue/VA Clinic Site Improvements Project for \$66,965.75 to Utility Systems of America, Inc.
- C. Invoice #397920 to SEH for the Prospector ATV Trail for \$27,120.00.

**Callen/Debeltz moved to approve the Claims for Payment items A-C. Motion Carried Unanimously.**

#### 12. OLD BUSINESS:

- A. 2020 Committee Seats – Telecommunications Advisory Board  
(1- Seat Open, Term Expires 1/31/2022) Scott Meland

**Kess/Campbell moved to approve Scott Meland appointment to the Telecommunications Advisory Board with a term that expires on January 31, 2022. Motion Carried Unanimously**

**B. Callen/Omerza moved to approve the Short Term Rental Application and Long Term Rental Application.**

Langowski stated that the council will approve the license fee in January. At the budget meeting last night there was discussion on what the license fee will be and it will be somewhere between \$100-\$200. The short term rentals will be required to follow Chapter 16 of the City Code, regarding long term rentals. Chapter 16 goes more into detail regarding the health and safety for rentals. We have revised the short term rental application to line up with what the long term rental license requirement are along with the short term rental license requirements. Short Term Rentals require an inspection by the Minnesota Department of Health and a rental inspection by the City of Ely Building Official. We understand that we may have some short term rentals that will also want to be long term rentals, there will be one permit fee, and the same inspections are required.

Omerza thanked Langowski for the clarity on the short term rentals and long term rentals and how it will work if people want to do both.

Kess asked if the contact information for the rental will be posted on the property.

Langowski indicated that the Clerk's Office, Building Official and Police Department will have a list of contacts if anyone would need to get in touch with the owner or property manager.

**Motion Carried Unanimously.**

**C. Omerza/Debeltz moved to approve the Memorandum of Understanding between City of Ely and AFSCME Local Union #1490 Base Unit, AFSCME Local Union #1490 Essential Unit, LELS Local #55, and Supervisor of Essential Employee regarding Health Insurance. Motion Carried Unanimously.**

**D. Campbell/A.Forsman moved to approve Resolution 2020-044 A Resolution Designating 2021 Polling Precinct Location for the City of Ely.**

Omerza indicated that she will be voting against this resolution. One of the main reasons is we spent tax payers money was to update City Hall to make it ADA compliant. A lot of voting took place here this year with Absentee and Early Voting.

Mayor Novak stated that a lot of money was spent to put and elevator in and to make City Hall ADA Compliant.

Callen stated that it would be a good year to have the election at City Hall.

Campbell stated that she prefers to have the election at the Senior Center.

A.Forsman stated that the Senior Center is easily accessible for everyone and parking is closer. Forsman stated that he is open to changes; with Absentee/Early voting people still have the option of voting at City Hall. Also if all the restrictions with Covid are still in place the Senior Center works well with the extra requirements.

**Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -No, Callen – No, Campbell-Yes, and Mayor Novak – Yes. Motion Carried 5-2 with Omerza and Callen voting No.**

**13. NEW BUSINESS:**

**A. Debeltz/Campbell moved to approve the League of Minnesota Cities Liability Coverage Waiver Form with checking does not waive. Motion Carried Unanimously.**

- B. Kess/Campbell moved to approve Amendment No 3. To the Agreement for Professional Services between the City of Ely (Client) and Short Elliott Hendrickson, Inc. (Consultant) with was effective October 15, 2019 for the Prospectors ATV Trail. Motion Carried Unanimously.**
- C. Kess/Omerza moved to approve the RAMS Official Ballot for Executive Board Election as presented. Motion Carried Unanimously.**
- D. A.Forsman/Kess moved to approve Resolution 2020-045 Resolution Approving the City of Ely Budget for the Fiscal Year 2021. Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.**
- E. Kess/A.Forsman moved to approve Resolution 2020-046 Resolution Approving and Adopting Final Tax Levy Collectible in 2021. Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.**
- F. Kess/Omerza moved to approve Resolution 2020-047 Resolution Authorizing City of Ely to Make Application to and Accept Funds from IRRRB FY21 Community Infrastructure Grant Program.**  
Langowski indicated that this is for the Prospectors Loop Trail. This is the section of the Taconite Trail that did not have an easement or right of way, this grant is to purchase this section of land.  
**Roll Called: Council Member A.Forsman- Yes, Kess – Yes, Debeltz-Yes, Omerza -Yes, Callen – Yes, Campbell-Yes, and Mayor Novak – Yes. Motion Carried Unanimously.**
- G. Omerza/Debeltz moved to approve Change Order No 2 for the West End Redevelopment District, Phase 1 Project. Motion Carried Unanimously.**
- H. Omerza/Campbell moved to approve the Final Pay Estimate No. 10 for the West End Redevelopment District, Phase 1 project for \$61,326.63 to Utility Systems of America Inc. Motion Carried Unanimously.**

14. OPEN FORUM

David Oliver – 246 E James St

Oliver spoke about his taxes going up 10% each year; he indicated that he pays around \$3000 a year for a 72 year old house. Year after year Oliver stated he is the only one that comes to speak about his taxes going up each year.

Kess stated that the budget committee worked hard to try to lower the levy.

Debeltz stated that the council does not take enjoyment in raising people's taxes, we would like to keep the taxes low, but we have to pay the workers and do improvements to the city.

Omerza encouraged Oliver to join city Boards, Committees and/or Commissions to understand the process, how we do, why we do, and what we do. Come to meetings, we take what we do very seriously.

Mayor Novak stated that this is his last official meeting, of this term as Mayor. It has been a privilege to serve this community for the last 10 years on the Council. Mayor Novak discussed some of the accomplishments over the last 10 years. Mayor Novak said his main rule was to debate the issue and not the person. Conversation solves the issues, being silent does not solve the issues. Mayor Novak discussed many of the projects that have been completed during his time on the council. We have accomplished a lot on this council and he hopes the success will continue.

15. ADJOURN

Mayor Novak adjourned the meeting at 6:45pm without objection.

Casey Velcheff  
Deputy Clerk