

Council Minutes - March 21, 2023
Regular Meeting Ely City Council – City Hall, Council Chambers

CALL TO ORDER

The regular meeting of the Ely City Council was called to order by Mayor Omerza at 5:30pm in the Council Chambers.

PRESENT: Council members A.Forsman, Debeltz, Callen, Campbell, Bisbee, and Mayor Omerza

ABSENT: Council member Kess

APPROVAL OF MINUTES:

Debeltz/Campbell moved to approve minutes from the March 7, 2023 Regular Council Meeting. Motion Carried 6-0-1 with Kess Absent.

ADDITIONS OR OMISSIONS TO AGENDA:

- A. Additions 6.B. Approve Council and Staff to attend the 32nd Annual Celebrate Ely Banquet put on by the Chamber of Commerce on April 13, 2023 at the Grand Ely Lodge
- B. Omit 9.E.i. Purchase Agreement for East Spaulding First Addition Lot 7, Block 1 to David Streif and Michelle Beltrand
- C. Additions 10.A Ely Chamber of Commerce Annual Meeting – Wednesday, April 5, 2023 at 5:30pm at Grand Ely Lodge.
- D. Additions 10.B. Athens – Feature Film to be filmed in Ely

A.Forsman/Callen moved to approve the Additions and Omissions A-D. Motion Carried 6-0-1 with Kess Absent.

MAYOR'S REPORT:

Proclamation for Disney's Frozen: A Broadway Musical –

Mayor Omerza indicated that Billie Rouse came to one of our first council meeting of the year, and talked to us about the Disney's Frozen: A Broadway Musical and how Ely was one of the 50 communities in the United States to have Frozen be performed in Ely High School. We have a couple students here and an American Sign Language Interpreter here for the Proclamation for Disney's Frozen: A Broadway Musical to proclaim that this be The Year of Frozen here in Ely.

Mayor Omerza indicated that there has been a film scouting crew in Ely, more details will be following. Some of us have been working with them to see if Ely is the right fit to film their film, more information to come on this.

Moment of Silence was had for John Braun a City of Ely Employee who worked for the City for 20 years, he is greatly missed.

CONSENT AGENDA:

- A. Motion to waive readings in entirety of all ordinances and resolutions on tonight's agenda.
- B. Approve Council and Staff to attend the 32nd Annual Celebrate Ely Banquet put on by the Chamber of Commerce on April 13, 2023 at the Grand Ely Lodge

Debeltz/Bisbee moved to approve the consent agenda items A and B. Motion Carried 6-0-1 with Kess Absent.

REQUESTS TO APPEAR: None

COMMITTEE REPORTS:

Standing/Special

Library Board: Minutes included in the Council Packet

Park & Recreation Board

Bisbee/Callen moved to approve the recommendation from Park and Recreation Board to form a three member panel to perform a feasibility analysis for a Multi-use Recreation and Event Facility.

Debeltz asked what it would contain.

Bisbee indicated that as of now we are just looking to do research on the costs for construction costs, operating costs and the feasibility of the project to allow for a year round green space for activities, shows, concerts, etc.

Omerza asked if the members would be from park and recreation board.

Bisbee indicated that the members would be from the Park and Recreation and will be reporting back to Park and Recreation Board in June.

Motion Carried 6-0-1 with Kess Absent.

Projects Committee

Callen/Debeltz moved to approve the recommendation from Projects Committee to proceed with the sale of East Spaulding, Lot Block 2, Lot 15 for \$12,000 since the lot is not buildable and will be used for green space, ordinance lists the lot for \$15,000.

A.Forsman asked to have a realtor look at the lot to confirm the price.

Langowski indicated that back in 2002 it was listed, but it was realized it was not a buildable due to powerlines and wet lands. Langowski indicated that we will have someone look at it to confirm the price.

Motion Carried 6-0-1 with Kess Absent.

Callen/A.Forsman moved to approve the recommendation from Projects Committee to award the East End Development Project to Low Impact Excavators pending the completion of the environmental review by St. Louis County.

Langowski indicated that we are receiving \$75,000 from CDBG from the county for the water main portion. The county is working on the environmental review process with the state on this, and it should be cleared rather quickly. We have also applied to the IRRR for portions of this for the business aspects of this project mainly for Zup's access and parking lot improvements and Spirit of the Wilderness and Voyageur North water and sewer developments in that area.

Motion Carried 6-0-1 with Kess Absent.

Callen/Campbell moved to approve the recommendation from Projects Committee to approve the request of \$4,513,000 to be submitted for (CDS) Congressionally Directed Spending for the Ely Water Supply Improvements Project.

Langowski indicated that we submitted requests through our Congressman Pete Stauber and Senators Tina Smith and Amy Klobuchar and on Friday submitted for the Congressional Appropriation Committee, an additional application for Rural Development Funding. We also submitted this project to the State of Minnesota Department of Health for the Public Facilities Authority to get it on their intended use plan for as early as this fall. A lot of applications have been submitted and hopefully those appropriations continue to be funded, obviously this is a very important project and it would benefit everyone in Ely.

Motion Carried 6-0-1 with Kess Absent.

Airport Commission

Bisbee/Debeltz moved to approve the recommendation from the Airport Commission to approve TKDA to update the Storm Water Pollution Prevention Plan.

Langowski indicated that he confirmed with the Airport Engineer that this will be around \$3000.

Motion Carried 6-0-1 with Kess Absent.

Bisbee/Campbell moved to approve the Airport Memorandum of Agreement (MOA) between the United States of America Department of Transportation Federal Aviation Administration and the City of Ely for a 5 year lease on the Radio Equipment at the Airport.

Langowski indicated that this is for FAA equipment on our property.

Motion Carried 6-0-1 with Kess Absent.

Planning & Zoning Commission

Campbell/Callen moved to approve the recommendation from Planning and Zoning to task PZ Admin and Building Official to confirm the number of Short Term Rental units operating within the city and certify that all Short Term Rentals are properly licensed.

Langowski indicated that this is already being done by our Building Official and they are working with the Ely Tourism Bureau also.

Motion Carried 6-0-1 with Kess Absent.

Housing & Redevelopment Authority

Campbell indicated that she would like to commend Director Joe Hiller and his staff, the Ely HRA has earned the designation of High Performer from Standard Performer from the last inspection in 2019. As a high performer our PHA gets perks out of this, we will not see another inspection in 3 years and we could see the increase to our Capital Improvement Subsidy. The score is great, but we have a lot of work to do to improve the housing we have.

Langowski shared information on the Housing Project; he has been working with Campbell and Hiller on a housing project for behind Sibley and Grahek Apartments. We have spoken with Minnesota Housing and Finance, as far as what funds will become available, those funds will not be available until about a year from now. They recommended that we look at our Housing Study and have it updated, we last updated it in 2019 and obviously a lot of things have changed since 2019. They are well aware of the high cost of construction right now, a lot of projects that are being done successfully right now are apartment style building with a little different amenities than we would typically have in our current apartments.

DEPARTMENTAL REPORTS:

Clerk-Treasurer

Langowski indicated that the Outdoor Ice Skating Rink at the Rec Center is closed for the Season, but we had probably one of the longest seasons in a long time. Langowski thanked the Rink Attendants for keeping the ice in great shape this year.

Fire Chief

Fire Department Minutes from January and February

Chief Marshall stated that Safety Officer Zgonc, Captain Callen, and Fire Fighter Josh Ojala, attended the Fire Officer Training School in Duluth. All three of those members took a 12 hour National Fire Academy Course entitled decision making for initial company operations.

Chief Marshall discussed the recent calls for the fire department.

Chief Marshall indicated that they had interviews for the 2nd Assistant Chief position and the recommendation is for Ryan Callen.

Debeltz/A.Forsman moved to accept the recommendation for Ryan Callen to be the next 2nd Assistant Chief for the Ely Fire Department.

A.Forsman stated that he is proud of Captain Callen and would like to see him progress.

Motion Carried 6-0-1-1 with Kess Absent and Callen Abstaining.

Chief Marshall indicated that they will post for the Captain position, which is an existing position and will bring the recommendation forward to the council.

Library Director

Library Director Heinrich discussed the current programming at the Library which can be found on the Library website.

Police Chief

City Attorney

~~OMITTED Purchase Agreement for East Spaulding First Addition Lot 7, Block 1 to David Streif and Michelle Beltrand~~

Debeltz/A.Forsman moved to approve the Mortgage Satisfaction for Timmothy Leeson and Jessica Leeson Document No. 01320084 recorded on October 17, 2017 for their Storefront Rehab Loan. Motion Carried 6-0-1 with Kess Absent.

Ordinance 367 An Ordinance of the City of Ely, Minnesota, Adding to the Ely City Code, Chapter 6, Section 6.40, Entitled Edible Cannabinoid Product Dealers.

CBD Ad Hoc Meeting Minutes

Article on Cannabinoids in Ely

Attorney Klun indicated that the council tasked an Ad Hoc group to review these proposed ordinances. We reviewed three separate ordinances: A) Off Sale Exclusive – Sales could only be in a store that only sells CBD/THC Products, B) Off Sale Only – Sales could be from a business in town and then take the product and consume off site, and C) Off and On Sale – sales could be off sale and on sale at restaurants, where you could consume on site. The committee determined that Off Sale Exclusive was too restrictive especially in light of current sales throughout the community. The committee supports the Off Sale Only Ordinance in light of where the products are currently being sold in gas stations and grocery stores. The On and Off Sale Ordinance brought a lot of discussion in the committee. The committee is aware of existing restaurants requesting to sell on sale CBD beverages; the committee is supportive of this request so long as the establishment meets the requirements of a “restaurant,” similar to Sunday liquor sale laws.

Attorney Klun indicated that the committee has proposed the On and Off Sale Ordinance for the Council’s Review.

Bisbee asked in regards to the On Sale is it beverage exclusive or are they allowed to sell gummies or other edibles in the bar/restaurant. Attorney Klun indicated that they could sell gummies as long as they are considered a restaurant. The thought was more towards beverages.

Bisbee asked for the on sale usage to potentially define it as beverage consumption only.

Campbell asked that once the new laws come out regarding marijuana we can update the ordinance. Attorney Klun indicated that yes we can and will; the only thing we are looking at right now is the Cannabinoid products.

Omerza indicated that was one of the challenges as we were looking at this, we are looking at a short portion of this, and we don't know what is going to come out of the legislature in the near future. We are just looking at the cannabinoids right now.

Bisbee indicated that on sale license requirements are listed in Subd. 2 in the ordinance, but no off sale requirements were listed. Attorney Klun indicated that we can look at that more.

Callen/Debeltz moved to approve the 1st reading of Ordinance of the City of Ely, Minnesota, Adding to the Ely City Code, Chapter 6, Section 6.40, Entitled Edible Cannabinoid Product Dealers.

A.Forsman indicated that it is important to pass this ordinance; we need to get this out there as it is exemplified through the Timberjay article that it is already being sold in locations in Ely.

A.Forsman reiterated his concern that he doesn't feel that on sale is not appropriate. He will vote for this, but will also move to have the on sale removed from this ordinance. A.Forsman indicated he will vote for the 1st reading as it stands, but will not vote in favor of the 2nd reading as it stand unless on sale is taken out.

Debeltz asked if the cannabinoid products can be sold in liquor stores. Attorney Klun indicated that they cannot, liquor stores have strict things they can sell that is listed in the MN State Statutes.

Langowski stated that every existing vendor in the community that is selling it right now, after this ordinance is approved they all have to come and get a license. When they do get the license they will have to meet the requirements and then the police department will be able to inspect the business just like they do for underage liquor sales and tobacco licensing.

Roll Called: Council Members A.Forsman – Yes, Kess- Absent, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried 6-0-1.

A.Forsman moved to remove on sale from ordinance 367 – No support for the motion, the motion failed.

Callen/Debeltz moved to schedule a public hearing for April 4th at 5pm regarding Ordinance 367. Motion Carried 6-0-1 with Kess Absent.

Attorney Klun discussed the fees for the license that the committee recommended. Off sale \$100 per year, On Sale \$1000 per year, except if combined with an existing on sale liquor license, the cost would be an additional \$300 per year for on sale Cannabinoid license.

Bisbee/Debeltz moved to support the fees recommended by the committee as follows: Off sale \$100 per year, On Sale \$1000 per year, except if combined with an existing on sale liquor license, the cost would be an additional \$300 per year for on sale Cannabinoid license. Motion Carried 6-0-1 with Kess Absent.

City Engineer

COMMUNICATIONS: Matter of Information

Ely Chamber of Commerce Annual Meeting – Wednesday, April 5, 2023 at 5:30pm at Grand Ely Lodge.

Athens – Feature Film to be filmed in Ely

CLAIMS FOR PAYMENT:

- A. City and EUC claims for March 21, 2023 for \$997,007.04
- B. Pay Estimate #11 for the WWTF Improvements Project for \$272,738.35 to Rice Lake Construction Group
- C. Invoice #85930 to AE2S for the WWTF Improvements Project for \$29,488.58
- D. Invoice #443333 to SEH for the Prospector EAW Project for \$2,524.50
- E. Invoice #442967 to SEH for the Prospector ATV Phase 2 for \$650.00

Debeltz/Callen moved to approve the Claims for Payment items A-E. Motion Carried 6-0-1 with Kess Absent.

OLD BUSINESS:

Committee Seat Applications

Callen/Debeltz moved to approve Mauro Caruso to the Police Commission with Term expiring 1/31/2026. Motion Carried 6-0-1 with Kess Absent.

NEW BUSINESS:

A.Forsman/Callen moved to approve the Request to Appear and Open Forum Policy Forms. Motion Carried 6-0-1 with Kess Absent.

Callen/Bisbee moved to approve Change orders No. 6 and 7 for the Ely WWTF Improvements Project. Motion Carried 6-0-1 with Kess Absent.

Consider the Purchase Agreement for East Spaulding Lot Block 2, Lot 15 for \$12,000 to Sheryl and John Swenson – Discussed under projects committee.

Debeltz/Campbell move to direct Attorney Klun to update City Code Sec 20.2.33 Sale of Land Located in the East Spaulding Block 2, Lot 15 purchase price from \$15,000 to \$12,000. Motion Carried 6-0-1 with Kess Absent.

Callen/Bisbee moved to approve Amendment No 1 to the Agreement for Professional Services between City of Ely and Short Elliott Hendrickson, Inc which was effective October 5, 2021. Motion Carried 6-0-1 with Kess Absent.

Bisbee/Campbell moved to approve Resolution 2023-007 Resolution Authorizing to Execute Minnesota Department of Transportation Grant Agreement for Airport Improvement Excluding Land Acquisition for the AWOS Phase 1 Site Selection Environmental. Roll Called: Council Members A.Forsman – Yes, Kess- Absent, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried 6-0-1.

OPEN FORUM:

Frederica Musgrave at 30 W Shagawa Rd

Musgrave encouraged more citizenship participation in the committee meetings. Musgrave indicated she would like the City to look over the mission statements on the commissions and post the information on the website. What is the purpose of the committees and is the City looking for someone with specific attributes for the specific committee. Musgrave asked what the process is to apply and are the applicants screened.

Todd Crego gave the rebroadcasting days and times.

Ely City Council – Monday, Friday, and Saturday

Ely Utilities Commission – Sunday and Wednesday

Ely Economic Development Association – Tuesday and Thursday

Channel 11 – 8am and 5:30pm – Unless an otherwise scheduled live meeting

Channel 98 – 9am and 7pm – Unless an otherwise scheduled live meeting

ADJOURN:

Mayor Omerza adjourned the meeting without objection at 6:41pm.

Casey Velcheff

Deputy Clerk