

**Regular Meeting Ely City Council – City Hall, Council Chambers
September 19, 2023 – Minutes**

CALL TO ORDER

Mayor Omerza called the meeting to order at 5:30pm in the City Hall Council Chambers.

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

ABSENT: None

APPROVAL OF MINUTES:

Campbell/Debeltz moved to approve minutes from the September 5, 2023 Regular Council Meeting and August 29, 2023 Study Session. Motion Carried Unanimously.

ADDITIONS OR OMISSIONS TO AGENDA:

- A. Addition 7.B Margaret Egan – Gardner Trust Grant Application and Award of Legacy Grant
- B. Additions 8.A. Heritage Preservation Commission Minutes September 5th
- C. Additions 8.A Budget Committee
- D. Additions 8.A. Park and Rec Board
- E. Additions 8.A. Lodging Tax Board
- F. Omit 9.E. Purchase Agreement for Lot 1, Block 1 in East Spaulding First Addition between Terry and Ellen Lowell and the City of Ely contingent on the buyers selling their property in Harrisville, Michigan.
- G. Addition 9.E. Subordination Agreement for the Storefront Loan Mortgage with The Ely Portage, LLC dated November 9, 2021 as Document No. 1429667.
- H. Addition 11.E. Invoice No: 89705 to AE2S for the Wastewater Treatment Project for \$33,483.61
- I. Addition 13.K Consider the Quote from Schindler Elevator for a USP Blackbox Battery Backup Install for \$2,381.00.

Callen/Bisbee moved to approve the additions and omissions A-I. Motion Carried Unanimously.

MAYOR'S REPORT:

Mayor Omerza met with the Commissioner of the Department of Revenue, Paul Marquart. They discussed the state statute indicating the City of Ely needs to have a Department of Revenue Building. Omerza indicated that they also discussed the need for LGA and other topics. Marquart will be at the Fall CGMC conference presenting.

CONSENT AGENDA:

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

REQUESTS TO APPEAR:

Wendy Lindsay - Ely Marathon Race Director– Dogs in Ely Marathon (that finishes in Whiteside Park)

Lindsay indicated that they have had requests for dogs to be allowed in the half marathon, and decided that since it is colder weather and the race is not as big as some other marathons, they would allow it. When the runners finish the race in Whiteside Park, they will be able to go to the runner's tent to get their stuff and then they would leave with the dog. The dogs will have a

special race bandana on, they will have to be up to date on their vaccines, and poop bags will be provided.

Debeltz/Campbell moved to Discuss having dogs in the park for the Marathon. Motion Carried Unanimously

A.Forsman indicated that loitering with the dogs in the park after was a concern, but this could be a positive with the race uniqueness.

Callen asked if other races allow dogs. Lindsay indicated that she does not know of any, but our race is unique as to the time of year with the cooler temperatures.

Langowski indicated that spectators would not be allowed to bring their dogs into the park.

Kess/Debeltz moved to support the Ely Marathon's request to allow dogs in the Half Marathon and in Whiteside Park to finish the race, spectator's dogs will not be allowed. Motion Carried Unanimously.

Margaret Egan – Chair of Heritage Preservation Commission - Gardner Trust Grant Application and Award of Legacy Grant

Egan indicated that the Heritage Preservation Commission would like to apply for a grant through the Gardner Trust for two major pieces of art in the High School that are about 100 years old, the grant would allow them to do an assessment for preservation. Egan indicated she would also appreciate a letter of support from the council if they approve of the grant.

Egan also stated that the city was awarded a \$10,000 Legacy grant to put together a oral histories project for the Ely Memorial High School Centennial Anniversary.

COMMITTEE REPORTS:

Standing/Special

Heritage Preservation Commission (HPC)

Campbell/A.Forsman moved to approve the recommendation from HPC that the HPC coordinate a grant application to the Gardner Humanities Trust for funding for a conservator to complete an assessment of the Workman paintings “Education” and “Industry” and to send a support letter from the council. Motion Carried Unanimously.

Campbell/Debeltz moved to approve the recommendation from HPC to have the co-chairs meet with City Attorney Klun for an understanding of the public realm as it relates to project work of the HPC. Motion carried unanimously.

Library Board – Minutes included in the Council Packet

Planning & Zoning Commission -Board of Adjustment Minutes included in the Council Packet
Matter of Information – Board of Adjustment approved a variance at 1906 Savoy Road requested by the land owner (to construct and 8-foot-tall, 100-feet long, fence along Savoy Rd to reduce noise, control dust from roadway and provide privacy)

Projects Committee – Minutes included in the Council Packet

Ambulance Joint Powers Board

A.Forsman/Callen moved to make the Joint Powers Ambulance Meeting on October 30, 2023 at 4pm at the Winton Community Center a Special Council Meeting so all Council Members can attend if they choose. Motion Carried Unanimously.

A.Forsman indicated that he Hospital is moving forward with the study on feasibility of the Ely Ambulance Service along with Tower and Babbitt Ambulance Services. Greenwood did a study

not to long ago, the hospital can learn from that study and what to do better. The Ely Area Ambulance Service is optimistic that the receivables will improve themselves. The last budget presented by the Ambulance Service for 2024 has the City of Ely on the hook for \$200,000. That is not something that is feasible, there are still some serious issues to overcome, and hopefully they can flip their budget and become closer to profitable.

Langowski indicated that we are working through the Rural Development documentation that is required for the Fire Apparatus Storage Building and the Ambulance Service Garage grant process. The preliminary plans have been drawn up. We will be scheduling a Public Hearing in November as part of the process. Expectation is to go up for bid around the first quarter of 2024.

Budget Committee

A.Forsman/Kess moved to approve the recommendation from Budget Committee to keep the donation budgeted amount of \$7500 for the Senior Center in 2024.

Kess indicated that Linda Maki, Treasurer of Senior Center, was at the Budget meeting and the discussion was the need to make a long-term plan for the Senior Center. Maki, Kess, Campbell, and Langowski will get together to discuss the needs.

Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the recommendation from Budget Committee to increase the 2024 Ambulance Joint Powers Budget to \$20.20 per capita or \$64,900 and the \$9,000 for building operations for a total of \$73,900.

A.Forsman stated that we have a commitment to the Ambulance and we are doing what we can, but this has a direct effect on our levy. We want to support the Ambulance.

Kess stated that all these extra asks for money from the city that keep coming forward will raise the levy.

Omerza indicated that this payment doesn't go out to the Ambulance Service until next Fall of 2024.

A.Forsman stated that we will be submitting our 2023 payment in the coming month, then the 2024 payment will be a October 2024 payment.

Motion Carried Unanimously.

A.Forsman/Kess moved to approve the recommendation from Budget Committee to keep the Maximum 2024 City of Ely Budgeted Levy at 2.99% or lower after adding the additional ambulance funding. Motion Carried Unanimously.

A.Forsman/Callen moved to approve the recommendation from Budget Committee to receipt the \$48,815.95 petrofund cleanup reimbursement from the Community Center to the Capital Projects fund when received.

Langowski indicated that this was from an old fuel tank that was underground that needed to be removed, and it was found to have some leaks. The site was cleaned up and this is the reimbursement from the Minnesota Pollution Control Agency. This is not new money, but money that is coming back from invoices that we have already paid.

Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the recommendation from Budget Committee to approve the purchase of the Sander from Mid-State Truck Service for \$20,401.75.

Langowski discussed how much equipment has gone up in prices. In 2018 we purchased a new dump truck for approximately \$170,000. Today a similar dump truck with adding a wing at the

cost of \$25,000 the total price for the dump truck would be \$300,000. When talking to the sales person they said that next year the prices will be going up another 10%.

Motion Carried Unanimously.

A.Forsman/Bisbee moved to approve the recommendation from Budget Committee to purchase the ArcGIS software from Prowest Associates for \$7,954.63 using the one-time Public Safety money. Motion Carried Unanimously.

A.Forsman/Callen moved to approve the 2024 Proposed Budget. Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve Resolution 2023-022 Resolution Approving and Adopting Proposed Tax Levy Collectible in 2024.

A.Forsman indicated that this is a 2.99% levy increase and that is the maximum that the levy could be for 2024, we can lower it before December. Forsman indicated that we are very fortunate that we received an increase in the LGA. Inflation in higher than 3%. Thanks to our Senators and Representatives for increasing the LGA.

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

Park and Rec Board

Bisbee/A.Forsman moved to approve the recommendation from Park and Rec to approve a wood fire oven at Semers beach near the open-air pavilion built by the Ely Folk School and available to the public.

A.Forsman asked who is funding the materials for this project. Bisbee indicated that the Folk School will be funding the project.

Langowski stated the thought is to put this in the open air pavilion at Semers on the opposite end of where the BBQ is. This would be locked and rented out with the pavilion.

Motion Carried Unanimously.

Bisbee/Debeltz moved to approve the recommendation from Park and Rec to install dog friendly signs in on leashed dog areas, and waste disposal stations. Motion Carried Unanimously.

Bisbee/Debeltz moved to approve the recommendation from Park and Rec to approve a mural on the side of the building at Semers as a community project and for some supplies of paint and brushes for a “cool” mural. Motion Carried Unanimously.

Langowski stated that other Park and Rec projects include adding a parking lot to the east end of Miners Lake. We are also working on controlling the access by Pioneer Road and Grant McMahan and Shagawa River by adding grading, removing rocks and possibly having a blind for nature watching.

Lodging Tax Board – support for Local Organizations

Kess discussed the historical context between the two organizations the lodging tax board which is the recipient of receiving around a \$250,000 per year. Then that money gets passed through to the tourism bureau, which has some requirements per state statutes on how they can use the money. The money used to go to the Chamber of Commerce as a tourism promotion organization, they then in turn sent some of that money out to local organizations, and

supported their own events. These local organizations like the Baseball Association and others that bring people to town, that used to be supported by the Chamber now are not supported. Kess suggested the Council make a recommendation to the Tourism Bureau so when they are putting together their budget for next year, that we encourage the bureau to build into their budget support for local organizations. The Tourism Bureau has close to a \$300,000 budget each year, maybe \$50,000 could be distributed to local organizations to increase their promotions to bring people to Ely. He is not sure how the Tourism Bureau thinks about this, but from a historical perspective and from a prospective that local organizations do a lot to bring tourists to Ely, and more money would allow them to bring more tourists. Kess suggested for the council to go back to the Tourism Bureau to suggest to build in these types of supports for the local organizations into their future budgets.

Bisbee asked what kind of confidence do we have in these various organizations marketing teams to match that of the tourism bureau, which is pretty hefty in their marketing capabilities. Kess stated that if you look at organizations like the Chamber of Commerce they have been involved in tourism for a long time, they have not had the resources that the tourism bureau does to hire the expertise, and they have done an incredible job on their own in the past. There are ways to control it, maybe the bureau would put some controls over the money or require some reporting. The lodging tax board could do some of that oversight. Right now, all the money is going to one thing.

Bisbee asked that the tourism bureau would then assist these other organizations and act as a co-sponsor to their efforts?

Mayor Omerza indicated that there are some local organizations who bring people to Ely every week and a few dollars would help these local organizations and the money would go a long way to these smaller organizations.

Kess indicated that he thinks this could spark some creativity, he was talking with Campbell about the Historical Walking Tour and the development of the brochures, history tours are a big tourism drawer, maybe funding those brochures would be a way the tourism bureau could help.

Langowski indicated that we have taken bids on the Trailhead building, through the development of this project the tourism bureau is interested in being a partner with us in that building, as well as the Forest Service. With partnering with other local organizations this can give an opportunity for these other organizations to collaborate with the Tourism Bureau.

Kess/A.Forsman moved to suggest to the Tourism Bureau to build in line items in their future budgets to use lodging tax dollars for local organizations for marketing and promotion to bring people to Ely per MN Statute 469.190. Motion Carried Unanimously.

DEPARTMENTAL REPORTS:

Clerk-Treasurer

Fire Chief

Chief Marshall discussed the recent calls for the fire department. Marshall indicated that they put the large flag over Sheridan Street for September 11th Remembrance Day.

On September 13th they had a structure fire at 45 E Boundary St, this type of fire is one that can get firefighters killed with the hoarding that was in the house. Marshall stated he would like to tip his hat to Building Official Doug Whitney for trying to protect us from homes like this.

Chief Marshall stated that the Public Safety Open house is on September 27th from 4-7pm in front of the fire hall.

Library Director

Library Director Heinrich discussed the current programming at the library which can be found on the library website. Heinrich reminded the public and council that the Library will be closed September 20-22 so the Library workers can attend a conference.

Police Chief

Debeltz/Callen moved to approve Dan Mooers completing 1 year of service and is now off of probation. Motion Carried Unanimously.

Kess/Bisbee moved to approve hiring 2 part-time police officers, Troy Bissonette and Scott Kochendorfer pending background check, psychological evaluation and medical. Motion Carried Unanimously.

Bisbee/Debeltz moved to Post for a Police Administrative Assistant Backup Position. Motion Carried Unanimously.

City Attorney

Campbell/Kess moved to approve the 1st Reading Ordinance 373, 2nd Series An Ordinance of the City of Ely, Minnesota, Deleting From the Ely City Code, Chapter 6, Section 6.32, Entitled Kennels. Roll Called: Council Members A.Forsman – Yes, Kess- Yes, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried Unanimously.

1st Reading Ordinance 372, 2nd Series An Ordinance of the City of Ely, Minnesota, Amending the Ely City Code, Chapter 10.

Attorney Klun went through the changes to the ordinance from the information that was gathered at the study session. Klun indicated that this is a 1st reading so this would be notifying the public via the Ely Echo and website, and then it would be on the next agenda for a 2nd /final reading.

A.Forsman indicated that he is struggling licensing anything other than dogs and he would like more public opinion before we would pass this.

A.Forsman/Kess moved to approve the Kess/Campbell moved to approve the 1st Reading Ordinance 372, 2nd Series An Ordinance of the City of Ely, Minnesota, Amending the Ely City Code, Chapter 10 and to have a public hearing.

Bisbee indicated that during the study session we took some public comment, and he feels that we do not need to have a public hearing on this matter.

Chief Houde indicated that the current ordinance does require cats to be licensed, the collaring is only for when the animals are outside. The main reason to have cat's licenses is to make sure they have their rabies vaccine.

Debeltz stated that it is good idea to have the cats licensed and collared when they are outside so people can get their animals back.

Kess stated that he is not aware of any cat problems in the community doesn't see any issues with cats wondering around.

Chief Houde stated that they do get calls often of cats running freely in neighborhoods.

A.Forsman indicated that animals should not be running freely throughout our city, people should be held accountable, he doesn't feel that the animal needs to have a license to for the owners to be accountable.

Mayor Omerza indicated that by having animals licensed it give the police a reason to do something about the at large animals.

Attorney Klun stated that we can take input from the council before the next meeting. In Subdivision 13 Running at large prohibited, it discusses just dogs, we can change this to house pets to not run at large. If the discussion is to reduce the licensing to not include cats, we can discuss that. 15 minutes

Kess indicated that he supported the motion and would

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

Attorney Klun indicated that on the next agenda we can just have these ordinances on for discussion and to take and input on changed. Then at the next meeting after that we can have the second reading with any changes that might be wanted to be made.

Debeltz/Callen moved to approve the 1st Reading Ordinance 374, 2nd Series An Ordinance of the City of Ely, Minnesota, Adding to the Ely City Code, Chapter 5, Section 5.01, Alcoholic Beverages Licensing and Regulation. Roll Called: Council Members A.Forsman – Yes, Kess- Yes, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried Unanimously.

~~Omitted Purchase Agreement for Lot 1, Block 1 in East Spaulding First Addition between Terry and Ellen Lowell and the City of Ely contingent on the buyers selling their property in Harrisville, Michigan.~~

Campbell/Callen moved to approve the Subordination Agreement for the Storefront Loan Mortgage with The Ely Portage, LLC dated November 9, 2021 as Document No. 1429667. Motion Carried Unanimously.

City Engineer

COMMUNICATIONS: Matter of Information

Ely Bloomenson Community Hospital The Pulse Member Update September 2023

CLAIMS FOR PAYMENT:

- A. City and EUC Claims for September 19th, 2023 for \$234,991.89.
- B. Pay Estimate #1 for the Ninth Avenue East Project to Low Impact Excavators for \$234,269.37.
- C. Pay Estimate #2 for the East End Development Project to Low Impact Excavators for \$158,258.81.
- D. Ely Community Resource fourth quarter payment of \$5,125.
- E. Invoice No: 89705 to AE2S for the Wastewater Treatment Project for \$33,483.61

Callen/Bisbee moved to approve the claims for payment items A-E. Motion Carried Unanimously.

OLD BUSINESS:

Callen/Campbell moved to approve Lawrence Reedy a Resident of Ely for the Police Commission with a midterm expiring 1/31/2024. Motion Carried Unanimously.

NEW BUSINESS:

Debeltz/Callen moved to approve the in kind services for the Northern Lights 5K Color Glow Run Race on Friday, September 22, 2023 and the Ely Marathon on Saturday, September 23, 2023. Motion Carried Unanimously

Consider allowing dogs in Whiteside Park during the Ely Marathon on Saturday, September 23, 2023 – Voted on under Request to Appear

Debeltz/Callen moved to approve Resolution 2023-019 Resolution Authorizing Application for Ely Blue Line Club to Apply for Raffle Permit. Roll Called: Council Members A.Forsman – Yes, Kess- Yes, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried Unanimously.

A.Forsman/Campbell moved to approve Resolution 2023-020 Resolution Authorizing to Execute Minnesota Department of Transportation Grant Agreement for Airport Improvement Excluding Land Acquisition. Roll Called: Council Members A.Forsman – Yes, Kess- Yes, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried Unanimously.

A.Forsman/Debeltz moved to approve the Bids for the Trailhead Site Rebid project were received on September 14, 2023 the low bidder was Mesabi Bituminous at \$549,413.00, pending approval from granting agency. Motion Carried Unanimously

Callen/Campbell moved to approve the Residential Rehab Loan for Michael Dusich Jr and Alyce Dusich at 129 S 16th Ave E for up to \$10,000 for a new furnace pending proper paperwork, fees and to direct Attorney Klun to work with the applicant and proceed with loan application. Motion Carried Unanimously

Debeltz/Campbell moved to approve the Commercial Rehab Loan for Surrey Trail, LLC – Abby Dare – at 15 E Sheridan St for \$17,500 for a new heating system pending proper paperwork, fees and to direct Attorney Klun to work with the applicant and proceed with loan application. Motion Carried Unanimously.

Callen/Bisbee moved to approve Resolution 2023-021 Resolution Authorizing City of Ely to Make Application to and Accept Funds From FY23 Development Infrastructure Grant Program. Roll Called: Council Members A.Forsman – Yes, Kess- Yes, Debeltz – Yes, Callen – Yes, Campbell – Yes, Bisbee – Yes, and Mayor Omerza – Yes. Motion Carried Unanimously.

Campbell/Debeltz moved to approve the Ely Student Council at Ely Memorial High School would like to request permission for a homecoming parade for Friday, September 29th from 1-2pm. Motion Carried Unanimously.

Campbell/Debeltz moved to Approve Mayor Heidi Omerza and Clerk Harold Langowski as signers on the City of Ely's bank accounts at Highland Bank and Frandsen Bank and Trust. Motion Carried Unanimously

Bisbee/Debeltz moved to approve the Quote from Schindler Elevator for a USP Blackbox Battery Backup Install for \$2,381.00. Motion Carried Unanimously.

OPEN FORUM: None

ADJOURN:

Mayor Omerza adjourned the council meeting at 7:00pm without objection.

Casey Velcheff
Deputy Clerk