

**Regular Meeting Ely City Council – City Hall, Council Chambers
October 1, 2024 – Minutes**

CALL TO ORDER

Mayor Omerza called the meeting to order at 5:30pm.

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

Absent: None

APPROVAL OF MINUTES:

Debeltz/Campbell moved to approve the minutes from the September 17, 2024 Regular Council Meeting. Motion Carried Unanimously

ADDITIONS OR OMISSIONS TO AGENDA:

- A. Additions 6.B Approve rescheduling the November 5th Regular Council Meeting to November 12th at 5:30pm since the General Election is on November 5th
- B. Additions 7.A. Catherine Helm-Clark – Information regarding land stability ordinance
- C. Additions 9.A Development Agreement between Pillar Company LLC and City of Ely for the renovation of the Ely Community Center.
- D. Additions 11.E Pay Estimate #4 for the Ely Regional Trailhead Building for \$277,718.45 to Max Gray Construction.
- E. Additions 13.A. Resolution 2024-036 Resolution Making Levy Assessment Against Taxable Properties for Delinquent Water, Sewer and Electric Accounts (Additions- Updated Exhibit A)

Debeltz/Callen moved to approve the Additions A-E. Motion Carried Unanimously.

MAYOR'S REPORT:

Mayor Omerza thanked Council member Campbell for going to the ribbon cutting for the North County Trail at Hidden Valley this last weekend. Campbell stated that there was a great turnout and it is great that Ely is considered a North County Trail Town. Hikers can stay at our local hotels, uses our restaurants and grocery store.

Mayor Omerza indicated that we lost a long-time school board member, Ray Marsnik, this last weekend. We appreciate all that Ray has done for the school, city, and our community. He will be missed. Mayor Omerza held a moment of silence for Ray.

CONSENT AGENDA:

- A. Motion to waive readings in entirety of all ordinances and resolutions on tonight's agenda.
- B. Approve rescheduling the November 5th Regular Council Meeting to November 12th at 5:30pm since the General Election is on November 5th.

Campbell/Callen moved to approve the Consent Agenda Items A and B. Motion Carried Unanimously

REQUESTS TO APPEAR:

Catherine Helm-Clark – Information regarding land stability ordinance

Helm-Clark indicated at the Sept. 3rd city council meeting, the council heard the recommendation from the planning and zoning commission to drop the land stability certification requirement at the 75-foot or greater set-back in the Shoreline Overlay District surrounding Miners Lake. Helm-Clark stated that she has done slope stability studies professionally, she believes she has a clue into the stability certification requirement, having made such determinations in the past under another state's regulatory framework. Because she has

experience in this subject, she researched Minnesota's regulatory framework for soil and slope stability rules after the Sept. 3rd city council meeting. She found that Ely's language in its ordinance § 11.41 reflects the language Chapter 6120, sections 3200 through 3800. The responsibility for enforcement and oversight of these shoreline regulations belongs to Minnesota Department of Natural Resources.

She is concerned that Ely may be setting itself up to get into trouble with DNR if Ely makes this change without consulting that agency first.

Her concerns arise in part because of the Silver Rapids zoning fight just on the other side of the county line. As you may recall, last month DNR requested that Lake County, follow its own shoreline ordinances which it negotiated with DNR in the 1990s, with DNR stating in writing that it may take Lake County, to court if it does not do so.

Noting the consequences of ignoring DNR's role in shoreline regulation, she reached out to DNR after reading the agenda for this city council meeting, asking specifically about the respective roles of that agency and local governments regarding shoreline regulations. DNR's email to me stated: "DNR Land Use Unit Supervisor Emily Javens provided this summary of how (DNR's relationship with local governments) works:

"Simply put, the DNR's role is to review and approve local ordinances. Authority is passed from the state level to the local level through this process. They can adopt a model ordinance we write or they may adopt more restrictive standards."

It may be that the city attorney or clerk or planning and zoning administrator has already reached out to DNR about making this change to Ely § 11.41. However, if DNR's role in shoreline regulation was accidentally overlooked, she would urge the city to reach out to DNR about this change to avoid receiving an unhappy letter from that agency like Lake Co. did just two weeks ago.

Langowski stated that we will have Planning and Zoning Administrator look into this.

COMMITTEE REPORTS:

Standing/Special

Park and Recreation Board

Bisbee/Debeltz moved to approve the recommendation from the Park and Rec Committee that any maps including recreational opportunities that are developed be passed through Park and Rec for examination. Motion Carried Unanimously

Bisbee/Campbell moved to approve the recommendation from the Park and Rec Committee to task ~~City Clerk~~ P&Z Admin to reach out to various organizations to gauge interest and establish availability dates for a joint organizational Study Session to discuss ways of upgrading the Rec Center's Hockey Rink into year-round facility use.

A.Forsman indicated that this concerns him, why would this be a city staff job to take this on? Bisbee stated that Park and Rec have received interest from Pickleball, Ely Blue Line and they want to ask other organizations if they are interested also.

Motion Carried 6-1 with A.Forsman voting No.

Bisbee/Debeltz moved to approve the recommendation for the Park and Rec Board to see if VCC Students would work with the City of Ely to clean up the area around Pillow Rock while the City is working in the location installing a bench.

Langowski indicated that this would be volunteer work from VCC.

Motion Carried Unanimously

Planning and Zoning Commission (P&Z)

Matter of Information: P&Z approved the following subdivision: approval of a Variation in the Subdivision Ordinance submitted by the First Presbyterian Church, location of 226 E Harvey St, Parcel #030-0010-02940; to subdivide this property into (2) parcels. The request is for a Variation from Subdivision Ordinance 12.05 Subd. 5(a) Each residential lot must be 6,000 sq ft. (proposal is 5,000 sq ft.), Subdivision Ordinance 12.05 Subd. 5(a) lot width minimum of 50 feet (proposal is for 40 feet in width), and a variation from ordinance 11.41, the side yard setback requirements in (R2) Zoning of 8 feet (proposal is for 6 and 7 feet).

Campbell/Kess moved to approve the recommendation from P & Z regarding the Cannabis Land Use Regulation and Ordinance update. Planning and Zoning agrees with the land use and zoning of subd. 2 of this proposal, the rest is brought forth by guidelines that were made by the state. Planning and zoning read through it and comments that there is a double standard with shops between each other compared to rules of bars, and under events the hours of 9 am to 5pm may be unrealistic. Planning and zoning would like to be invited to a study session/public hearing.

Kess indicated that we are under our own moratorium deadline to come up with an ordinance this seems to be a step in the right direction and we should continue these discussions.

A.Forsman stated that as an ordinance we would have a public hearing and they could speak at that time.

Mayor Omerza indicated that the Office of Cannabis has a lot to say about this and us as a municipality do not have a lot of options, we will be following their rules and laws. We are pretty much told what to do regarding this, we may have a few options, but not a lot of options.

Attorney Klun indicated that we would need to draft an ordinance. Klun stated she would like to see what the county is going to do, that will greatly affect how the city will operate this. We can put in some regulatory terms, but thinks there will be a best practice that comes out through this.

Attorney Klun indicated that this is currently is not in final ordinance form, so it would be best to schedule a meeting, then she will have a timeframe to have the draft ordinance completed.

Mayor Omerza indicated that the county is upon the same deadlines that we are, correct.

Attorney Klun stated that they are, and the number of permits they issue could affect us. There is a provision relative to a county, based on population. Attorney Klun indicated that she is interested to see what County Attorney Maki has to say about this.

Langowski indicated that we can have a study session in October to discuss this. We already have a study session planned to discuss the fee schedule.

Motion Carried Unanimously

Kess/Debeltz moved to schedule a Study Session on October 29th to discuss the Cannabis Land Use Regulation and Licensing Ordinance. Motion Carried Unanimously

Campbell/Bisbee moved to approve the recommendation from P&Z to approve the updated Dumpster Enclosure Ordinance and to have the City Attorney work on updating the ordinance.

Bisbee indicated that there is a grandfather clause in it how does that work.

A.Forsman indicated that with the small lot size of many businesses how do you do this? Lengthy discussion was had on what changes were made to this ordinance since nothing redlined on this draft ordinance. Discussion was had on bringing back to P&Z for more information.

Motion Failed 3-4 with A.Forsman/Kess/Callen/Omerza voting No.

Police Commission: Minutes included in the Council Packet

Ely Utilities Commission (EUC)

A.Forsman/Campbell moved to approve the recommendation from EUC to approve advertising for the Salvation Army HeatShare Program on the City of Ely Website.

A.Forsman told the public to look into this program and the others that are out there if you think you might have low funds this winter to pay your utility bills. The money for these programs can run out early. Contact EUC Billing to make a payment plan, and please apply now for these programs.

Langowski indicated that we sent out a Cold Weather Rule Brochure, if you need to make a payment plan, please sign up for these programs early. We do not want to have to shut anyone's utilities off in the winter, but you need to sign up for these programs, or else we can.

Motion Carried Unanimously

A.Forsman/Campbell moved to approve the recommendation from EUC to approve attendance to the MMUA Technical and Operations Conference and Trade Show in St Cloud, December 10-12, 2024. Motion Carried Unanimously

A.Forsman/Callen moved to approve the recommendation from EUC to approve \$400 Residential CIP Rebate for a heat pump to 919 E Chapman St. Motion Carried Unanimously

A.Forsman/Campbell moved to approve the recommendation from EUC to approve \$5190.31 Commercial CIP Rebate for lighting to KJ's True Value. Motion Carried Unanimously

DEPARTMENTAL REPORTS:

Clerk-Treasurer

A.Forsman/Callen moved to approve the Development Agreement between Pillar Company LLC and City of Ely for the renovation of the Ely Community Center.

Langowski indicated that the owner of the Old Community Center, Matt Stupnik, plans to convert it into a Boutique Hotel. We have made an application to the IRRR for the demolition of things inside to start the renovation process. This Development Agreement means that the \$200,000 grant that he would receive, in exchange for that he needs to complete the project by October 2, 2026. If the project fails or doesn't get completed this is how the IRRR would get the money back from him. With this money the project is scheduled to begin in December. This is similar to other projects we have done with KJ's Hardware Store, Zup's Grocery Store and others. Time

is of the essence since the IRRR is scoring the applications soon and this is a key portion to the scoring.

Motion Carried Unanimously.

Fire Chief:

Chief Marshall discussed the current fire and medical calls for the Fire Department. Marshall stated that the Public Safety Open house was last Wednesday and they had a good turnout for it. The fire department will be participating in the homecoming parade on Friday and they will be serving some food at the firehall for the Jake Forsman Car Show and Burnout Competition on Saturday.

Library Director

Information from ARSL Conference the Library Staff attended. Library Director Heinrich discussed the current programming for the Ely Library which can be found on the library website.

Police Chief

Officer Resignation

Chief Houde indicated that Officer Christian Debrey resigned on September 27th via text message 1 hour before his shift was scheduled to start. He indicated that law enforcement is not right for him. Chief Houde asked the council to accept the resignation and to start the hiring process.

Debeltz/Bisbee moved to accept the resignation of Officer Christian Debrey. Motion Carried Unanimously

Debeltz/A.Forsman moved to start the hiring process for a new police officer. Motion Carried Unanimously.

Debeltz asked if he got a canoe. Houde indicated that he did and he will have to pay back the \$3800 for is.

Chief Houde stated that there will be a Homecoming Parade at 1pm on Friday and also the G Force Rally will be escorted through town around 1:30pm from the Grand Ely Lodge.

City Attorney

Callen/Bisbee moved to approve the Note and Mortgage for the Commercial Renovation Loan for Dexter Inc DBA Canoe on Inn at 110 N 2nd Ave W for \$12,000 to reroof the building at 201 W Sheridan St. Motion Carried Unanimously

Debeltz/Campbell moved to approve the Note and Mortgage for the Residential Rehab Loan for Kelsey Ivancich for \$10,000 at 940 E Chapman St for a new propane furnace. Motion Carried Unanimously

Debeltz/Callen moved to approve the Note and Mortgage for the Residential Rehab Loan for Deann Carlson for \$10,000 at 1304 E Harvey St for new propane furnace and to update the sewer. Motion Carried Unanimously.

A.Forsman/Bisbee moved to approve the 1st reading of Ordinance 378 – An Ordinance of the City of Ely, Minnesota, Amending Chapter 11, Section 11.41 of the Ely City Code Regarding Zoning District Schedule.

Attorney Klun suggested that we move forward with the 1st reading of this ordinance and we can do some checking with the DNR before the 2nd reading.

Campbell asked if there is a map of this zoning change.

Attorney Klun indicated that this is a change to the Zoning District Schedule. We will post this in the paper and have a Public Hearing before the 2nd Reading.

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

City Engineer

COMMUNICATIONS: Matter of Information

Correspondence from St. Louis County regarding a Public Informational Meeting for the 2025 Harvey Street Project (Central Avenue to 9th Avenue) on October 28th at 6pm in the Council Chambers.

Langowski indicated that surveying has begun for this project, you may have noticed some stakes around on Harvey Street. This project will have some significant rock removal from Central Avenue to 3rd Avenue East. We are looking at realigning the storm sewer so it would no longer go down 3rd Avenue to Pattison and White, it would just go down Harvey Street to Central. Anyone that is interested should come to the meeting on October 28th, the county will have maps and will be able to answer any questions.

Correspondence from Ely Chamber of Commerce regarding the Harvest Moon Festival.

Correspondence from Habitat for Humanity, Habitat Highlights – September 2024

Correspondence from Ely Area Ambulance Service.

Langowski stated that he talked with Scott Kellerman about having Paul Kess being a designee on the Ely Area Ambulance Service Board, and Kellerman said he would bring it forward.

CLAIMS FOR PAYMENT:

A. City and EUC Claims for October 1, 2024 for \$1,146,565.62

B. Short Elliott Hendrickson (SEH) Invoice #473673 for the Prospector ATV Trails for \$11,000.00.

C. Pay Estimate #1 for the 2023 Taxilane Reconstruction Project for \$144,348.72 to Low Impact Excavators, Inc

D. League of Minnesota Cities partial 2024 Membership Dues Invoice for \$1,416.

E. Pay Estimate #4 for the Ely Regional Trailhead Building for \$277,718.45 to Max Gray Construction.

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

OLD BUSINESS:

Committee Seat

Bisbee/Debeltz moved to appoint Claudia McBride to the Tree Board for a mid-term seat with the term expiring 1/31/2026. Motion Carried Unanimously

NEW BUSINESS:

Campbell/Callen moved to approve Resolution 2024-036 Resolution Making Levy Assessment Against Taxable Properties for Delinquent Water, Sewer and Electric Accounts (Additions- Updated Exhibit A) Roll Called: A.Forsman-Yes, Kess, Yes, Debeltz-Yes, Callen, Yes, Campbell-Yes, Bisbee-Yes and Mayor Omerza-Yes. Motion Carried Unanimously.

Callen/Bisbee moved to approve Resolution 2024-037 Resolution Supporting the US EPA Brownsfield Assessment Grant Application to be submitted by the City of Virginia, and authorizing the City of Ely to enter into an MOU of agreement with the City of Virginia got a Community Wide assessment Project. Roll Called: A.Forsman-Yes, Kess, Yes, Debeltz-Yes, Callen, Yes, Campbell-Yes, Bisbee-Yes and Mayor Omerza-Yes. Motion Carried Unanimously.

OPEN FORUM:

Frederica Musgrave – 30 W Shagawa Rd

Musgrave indicated that she does not like to see the additions to the agenda posted an hour before the meeting. This does not give the citizens and the council enough time to review them.

ADJOURN:

Mayor Omerza adjourned the meeting at 6:42pm without objection.

Casey Velcheff
Deputy Clerk