

CITY COUNCIL PROCEEDINGS  
JANUARY 5, 2009

The Bagley City Council held their annual meeting on January 5, 2009 at 8 a.m. in the City Council Chambers.

Present were Mayor Elect John Sutherland, Council Members Mark Edevold, David G. Anderson, City Clerk Treasurer Colleen R. Lindgren, and Council Member Elect Sidney Michel.

Also present were Crystal Schmitz and Tiffany Fettig.

Clerk Lindgren gave the Oath of Office for Mayor to John Sutherland and the Oath of Office for Council Member to Sidney Michel.

Mayor Sutherland opened the meeting at 8:05 a.m.

Motion was made by Edevold to pass Resolution #1-09 A RESOLUTION DECLARING A COUNCIL VACANCY. Seconded by Michel, passed unanimously.

Motion was made by Edevold to appoint Wendy LaRoque to the City Council to fill the empty seat. Seconded by Anderson, passed unanimously.

Motion was made by Anderson to pass Resolution #2-09 OFFICIAL NEWSPAPER. Seconded by Edevold, passed unanimously.

Motion was made by Edevold to pass Resolution #3-09 OFFICIAL DEPOSITORY, with the correction of changing First Federal to RiverWood Bank. Seconded by Anderson, passed unanimously.

Motion was made by Edevold to appoint Attorney Ed Rasmussen as City Attorney for 2009. Seconded by Anderson, passed unanimously.

Motion was made by Edevold and seconded by Michel to appoint the following to the Library Board: Terry Knutson, Shirley "B" Beltz, Anna Larson, Debbie O'Shea, and Melanie Nelson.

Motion was made by Michel and seconded by Edevold to appoint the following to the Zoning Board: Howard Moore, David G. Anderson, Richard Olson, Richard Davis and Kraig Fontaine. For: Michel, Edevold, and Sutherland. Anderson abstained. Motion carried.

Motion was made by Anderson to appoint Wendy LaRoque to the Park Board, taking over Karen TeHennepe,s position. Seconded by Edevold, passed unanimously.

Mayor Sutherland appointed Mark Edevold as Vice-Mayor for 2009.

Mayor Sutherland appointed Council Members to the following boards: Park & Recreation-Sidney Michel; Liquor Store-Wendy LaRoque; Roads & Bridges-Mark Edevold; Buildings & Transportation-David G. Anderson; Public Safety will be Mayor Sutherland.

Motion was made by Anderson to appoint Clerk Lindgren as City Cemetery Sexton. Seconded by Edevold, passed unanimously.

A letter was received from the Public Utilities Commissioners stated that Noel Anderson has asked not to be appointed to the Board for another term. At this time they are recommending to the Council to appoint Andy Simmons to the Board. Edevold made the motion to do so. Seconded by Anderson, passed unanimously.

Motion was made by Edevold to sign an agreement with the Clearwater County Attorneys office to do the legal services for the City on Misdemeanors. Cost to the City would be \$600.00 per month. Seconded by Anderson, passed unanimously.

Motion was made by Edevold to approve the 2009 Pawn License for Bagley Motor Sports. Seconded by Michel, passed unanimously.

The League of MN Cities Leadership Conference will be held in Nisswa on January 9<sup>th</sup> & 10<sup>th</sup>. Sutherland, Anderson, Edevold and Michel will be attending. Clerk was instructed to ask LaRoque if she would be able to attend.

Tiffany Fettig, HRDC, was present to bring a request from Nevaeh & Associates, for additional Revolving Loan Funds. Present loan amount is \$55,000, and they are asking for an additional \$31,000. They have had to do more remodeling than anticipated. They have converted 21 rooms with an additional 6 apartments. They needed to replace siding, fix the roof, and do more kitchen renovations. They do have more cash flow coming in than anticipated earlier. She is recommending the loan request contingent on a review, by her, of their cash flow. Michel asked how full they were. Fettig stated that they have only 3 to 5 openings. Edevold stated his first thought is to deny the loan. He is not comfortable to lower the Cities standing on the mortgage or the subordination. Michel stated he would like more information on the project before he makes a decision. After discussion, Edevold made the motion to approve the request for an additional \$31,000 added to the existing balance of \$51,900, for a new loan amount of \$82,900, and to maintain the existing interest rate and amortization schedule, with modification to the payment amounts, contingent on HRDC's cash flow review. Seconded by Michel, passed unanimously.

Crystal Schmitz was present on behalf of the Beautification Board. She has heard many concerns on the flowers and flower baskets. People are willing to buy baskets to help out and she would like to give the people a chance to help out with the purchase of the flowers. Being the budget is being cut, she would like to put a letter in the paper giving people this chance. The pots put on the streets usually come to around \$450.00. There will be fertilizer needed along with black dirt for the pots. In the downtown area, one block south, east and west, and two blocks north it would take 22 baskets. She is willing to work to get donations and due to the school reunion she would like to have the same amount of baskets. The Farmers Independent is willing to run the ad for free, for 3 weeks. A letter of appreciation for memorial funds on the pots would be written and published in the Farmers Independent. Ad could also be put on cable TV. Mayor Sutherland stated that he has talked with people who would be willing to kick in some funds. Edevold stated that keeping the flowers in next years budget may be pretty slim and getting donations would help a lot. One thing needed is that the pots on the sidewalks need to be watered more than they get watered. Clerk was instructed to tell the street crew worker, that he needs to water the pots on the street. Motion was made by Anderson to approve Schmitz's letter and the running of the letter for four weeks, with the City paying for the 4<sup>th</sup> week. Seconded by Edevold, passed unanimously.

Edevold asked questions on the 08 and 09 budget. What are the LGA cuts? Clerk reported that the 08 LGA was cut by \$36,000 plus and there are some reserve funds that could be tapped. As for 2009, it is unknown if or what will be cut.

Being there was no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by Edevold, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
JANUARY 13, 2009

The Bagley City Council met in regular session on January 13, 2009 at 7 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Sidney Michel, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren.

Clerk Lindgren gave the Oath Of Office to newly appointed Council Member Wendy LaRoque.

Mayor asked for a motion to approve the minutes of the last meeting. Michel asked for a clarification on the wage increases. Motion to approve the minutes of December 9<sup>th</sup>, 2008 was made by Edevold. Seconded by Anderson, passed unanimously.

Motion was made by Anderson to pass Resolution #4-09 APPOINTMENT OF A HOUSING COMMISSIONER. Seconded by Michel, passed unanimously.

Motion was made by Edevold to have the Clerk advertise for Gas Bids. Seconded by Michel, passed unanimously.

Department Reports: Liquor Store, Manager Ken Moen. Sales were very good in 2008, an 8 ½% increase. Wine was up 9%, liquor 12%, and beer 6 ½ %. There was about \$1,800 saved on freight charges due to going to a different system of shipping.

Police Department: Chief Darin Halverson. Chief asked for permission to send Sergeant Larry Peterson to a five day training to become a Firearms Instructor. Cost is \$650.00 and it would be held in Clearwater County. Motion was made by Edevold to approve this training. Seconded by Anderson, passed unanimously.

Public Utilities: Frank Beaver. The electric system is running to capacity. Cable TV will be going through the digital transition soon. Council members asked a message be put on the cable TV about residents getting digital TV plus that a lineup of channels be put on.

Clerk Lindgren asked permission to attend the Minnesota Cities Finance Officers Conference which is to be held in St. Cloud on March 17-20. Cost is \$285.60 for room; registration is \$200.00 (which includes most meals) and mileage. Motion was made by Anderson to approve sending Lindgren to the conference. Seconded by Edevold, passed unanimously.

Chris Arnold gave an update on the City web page. Arnold handed out a stat page and explained to the Council what it showed. Council Members were asked if they would like to have their email addresses put on the web so people can contact them with concerns. Council members agreed this would be a good idea.

Discussion was held on a "Deer Ordinance" Committee. Edevold feels that a public meeting should be held and a survey should be done. Committee members should be Mayor Sutherland, Shelly Gorham from DNR, Chief Halverson, Frank Beaver and some local residents. Suggestion is to make the City into four segments and have one resident from each segment. Motion was made by Michel to put a survey in the paper and ask the question if someone would be willing to sit on a committee. Seconded by Anderson, passed unanimously.

David Drown has the information ready for a TIF meeting with the Council. Mayor set a special meeting for January 20<sup>th</sup> at 5 p.m. The Pay Equity Report will also be discussed at this time.

Motion was made by Anderson to transfer \$6,000 of the Economic Development funds into the BIDC account. Seconded by LaRoque, passed unanimously.

Discussion was held on the transfer of Liquor store funds into the liquor store savings account. Funds not used but designated towards capital outlay are in the amount of \$13,522.05.

Mayor asked about leaving these funds in the checking until the City budget for 2008 has been finalized. Edevold would like to see this transfer tabled until the next Council meeting.

Motion was made by Edevold to approve payment of the outstanding bills including one to Faye Jacobs for \$10.87. Seconded by Michel, passed unanimously.

Discussion was held on tow bills submitted by the Public Utilities on the TV videoing of the Industrial Park Project. Contractors Spruce Valley was unable to do this at a cost of \$990.75. Motion was made by Edevold to pay the Utilities for the camera rental and postage to send it back to the company, in the amount of \$1,622.64, and to bring the question of paying the manpower before the Public Utilities Board. Seconded by Michel, passed unanimously.

Committee Reports: Parks & Recreation – Clerk will contact former Park Attendants about working in the City Park this summer. Cheryl Grover, County Fair Board, will also be contacted on renting camping spots at the Fair Grounds for the School Reunion.

Clerk was instructed to contact Nick Scherurs, DOT, on the 2009 road construction project, asking if they would be able to hold off doing any work in the City during the All School reunion.

Motion was made by Edevold to approve the minutes of the January 5<sup>th</sup> City Council meeting. Seconded by Michel, passed unanimously.

Clerk informed the Council that the article Crystal Schmitz put in the paper on getting donations for flower baskets has generated interest. So far donations have been received for 3 planters and 10 baskets.

Edevold feels the Council must address the 2009 Budget, thinking that the LGA will be cut around \$40,000. He would like to see someone from the Senior Center come in and express their needs and also the Hockey Association. Michel suggested that the Council have a work night on the 2009 Budget cuts before the summer comes.

Being there was no further business to come before the Council, Edevold made the motion to adjourn. Seconded by Michel, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
JANUARY 20, 2009

The Bagley City Council met in special session on January 20, 2009 at 5 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Mark Edevold, David G. Anderson, and Clerk Colleen R. Lindgren. Member Sid Michel was absent.

Also present were Al Rasmussen, Steve Olson, David Drown, Cheryl Grover, and Allen Paulson.

David Drown explained the use of Tax Increment Financing and why it is used. He explained that the current project the Council has looked at is to promote lot sales in residential areas. TIF would bring in new tax dollars that would go back to the City to promote the project. Drown also handed out a TIF Projections work sheet.

Dilemma is that there is very few single family homes being built. Developers want a way to build homes. A vacant lot pays no property tax. Could the City cancel the Assessments? Yes and replace it with Tax Increment. Are there risks for the City? Yes, if there is no home built. Assessments during the current year are not cancelable. LaRoque asked if there was a time limit on TIF. Drown stated that it can go up to 25 years, but it is not advisable to do this long on family homes. There could be restrictions on the lots put on by the Council. A letter from the City to the Bankers could be sent, when the home is finished and the assessments are cancelled.

C. Grover asked where the tax increment checks goes. Drown stated that it goes to the City. S. Olson asked if all the contractors would be getting the same amount or percentage? Drown said the city would need to provide a standard amount to each.

Councilman Michel entered the meeting at 5:30 p.m.

LaRoque had questions on the sale of lots and property taxes. Drown said that the best deal is that homes get built and the taxes get paid. Edevold stated that if no homes are built, the City still does not profit. Drown stated that the higher the subsidy, the easier to sell the lots. Would the City be willing to live without taxes for 10 or 15 years? TIF would not affect the homes already built in the designated areas. Drown said that the City is not in this to make people money, but it is for expansion of the City. Would people rather see vacant lots or new homes built?

Michel asked if TIF is in the outside community or only the City? He thought TIF was for businesses. Drown said that single-family TIF districts are rare, but they have the benefits of job development and elderly housing.

Duane Lewis entered the meeting at 5:47 p.m.

Steve Olson would like to see curb/gutter and tar put in his addition and he would accept special assessments to get it done.

Drown stated that the City could set the payback at \$15,000 and owners would use this to buy off the special assessments. TIF promotes new growth in the City. Edevold wondered about recapturing the special assessments. Drown stated that if the city does TIF, there are no new property taxes. City needs to retain some of the funds to cover the costs that the City already paid in. The Council needs to look at what the city has invested in the projects. Each sub-division will be treated different.

LaRoque asked if they all have to be the same or do three different projects. Drown stated they should all be the same but make adjustments to each of them. Michel said that the downside of the project is if the City were to do these three, there will be someone else coming in and wanting TIF.

LaRoque feels the Council needs to sit down and look closer at the City budget. The Council has an obligation to the City residents. She feels it would send the wrong message to people if they did not do the budget first. Michel said he wants to advance the community but they have to watch what is happening. He is in favor of helping business but housing does not bring in as

much. He thinks that the businesses are going to be upset. Drown stated that if he owned a business he would support it. This could be a three-year deal that if nothing is done in three years, it reverts back. He does not think the Council cannot not do anything.

Drown informed the Council they could amend their present TIF District or create a new one. He would need to first write the document and then hold a formal Public Hearing.

LaRoque would still like to see a budget session first. Edevold stated that there is a money question, due to there is a cost to Drown's services. City would need to pay for these or the Contractors could. Drown stated that it is a benefit to the contractors. If the project goes through, the contractors could pay and if it does not go through the City must pay. This would need to be worked out.

Drown stated that at the next regular Council meeting a Resolution could be passed to set the Public Hearing, if the Council is ready to go ahead. Edevold stated he would be OK to talk about it then, but is not ready now to make a decision. Drown could bring numbers to the next meeting. Michel agreed that he wants to see numbers and what will be going on before a decision is made. Edevold asked the contractors if the Council makes a decision to move forward, are they willing to give up dollars to pay Drown's fees if the project moves forward. D. Lewis stated that it was the Council that came to them; they did not come to the Council for this. He feels he is not hiring Drown, the City is. Drown asked Lewis if the City holds the Public Hearing and TIF goes through, would Lewis be willing to pay? Lewis stated if it could be put on the assessments.

Michel stated that the Council definitely needs to see the numbers put together. He feels it would not be fair to Olson and Lewis to quit now. He is not in real favor of it until the numbers are seen. Michel also asked what would happen if Kubiaks came in now and wanted a break on his taxes. Drown stated that it is not legal to go back on a built project, it is for bare land only. Edevold stated that there are housing being built that are not getting TIF.

Drown will get figures and a Resolution to the Council before their next meeting.

Clerk Lindgren brought before the Council the Pay Equity Report that had been prepared and explained it to the Council. Motion was made by Edevold to approve the report and send to the State for compliance. Seconded by Anderson, passed unanimously.

Being there was no further discussion, motion to adjourn was made by Anderson. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
FEBRUARY 10, 2009

The Bagley City Council met in regular session on February 10, 2009 at 7 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, David G. Anderson, Sidney Michel, Mark Edevold, and City Clerk Colleen Lindgren.

Also present were Sergeant Larry Peterson, Crystal Schmitz, Val Evje, LuWayne Loiland, Amanda Brustad, Jeanine Brand, Al Rasmussen, Shannon Grey, Joie Larson, Dan Gooden, Frank Beaver, Rick Viktora, Doug Lindgren, Sylvia Larson, Ruth LaFontaine, Eugene Cole, Joe Buvor, and Leonard Jakeman.

Motion was made by Edevold to approve the January 13, 2009 Council minutes. Seconded by Michel, passed unanimously. Motion was made by Edevold to approve the January 20, 2009 Council minutes. Seconded by Michel, passed unanimously.

Mayor Sutherland called upon Crystal Schmitz, for a report on the flower basket and planters donations. Donations so far cover 14 planters and 48 baskets. The original bid covers 55 baskets, and Schmitz feels the City budget should cover the watering and fertilizer. The Legion Auxiliary will be donating funds to cover the flower planter at the Highway intersections. Motion was made by Anderson to accept the bid for 55 flower baskets, put in by Francis Floral, at a cost of \$55.00 per basket. Seconded by LaRoque, passed unanimously.

Motion was made by Anderson to approve Resolution #5-09 ACCEPTANCE OF DONATION. Seconded by LaRoque, passed unanimously.

Mayor Sutherland called upon LuWayne Loiland. Loiland asked for clarification on the wages, which were set in December 2008. Mayor Sutherland stated that the minutes from December were listened to and he, Sutherland, had made the motion to for the pay increase at \$1.10. Motion was to cover 94 cents of insurance increase, but the motion did not specifically say that it was going on the insurance cap. It was made by Sutherland and seconded by Edevold. Loiland stated that he had clarified it for the first 94 cents to go against the insurance and the other 16 cents to go and the checks for wages, not a dollar ten on the check for wages. Clerk stated that the first motion made, by Edevold, was to give a \$1.25 an hour raise. She had asked if that was to go on the cap of the insurance and Edevold had stated no. Mayor had asked for a second twice, and it did not pass. Then Councilman Sutherland made the motion and there was no specific wording putting in on the cap of the insurance. Loiland stated there were specific questions he asked about the way the raise was to go and stated that Sutherlands intent was to put it on the insurance cap and on the paycheck. Mayor Sutherland stated it may have been the intent but that is not how the motion was made and the Board must go by how the motion was made and seconded. Loiland feels the Council should go back and rethink what they are going to do instead of giving a \$1.10 on the checks. Michel agreed that it needs to be looked into. Loiland feels that the City taxpayers may not appreciate it. Edevold stated that he was the seconder of the motion and that he was seconding the \$1.10 pay increase. He also said it may make some sense to look into taking some off the wages and increasing the cap. There are more things to look into such as the taxes and workmen's comp prices. Loiland said the intent was to cover the increase in the insurance and put 16 cents on wages. Edevold disagreed. Mayor Sutherland said that the matter will be readdressed. Edevold stated that he also feels that it should be looked into further. Clerk has figured out what the difference would be between putting the 94 cents on the insurance cap or not. Between Lindgren, Teige, Coyer and Jacobs, the City would save \$489.36 for a year on PERA and FICA.

Motion was made by Edevold to approve Resolution #10-09 CLEARWATER COUNTY AGRICULTURE SOCIETY GAMBLING PERMIT. Seconded by Michel, passed unanimously.

Al Rasmussen, County Economic Developer, was present to speak with the Council about the possibility of leasing the S&K Bar & Grill for a City off sale. If the City is interested, Rasmussen would look into the costs further. Anderson stated he did not feel there was anything wrong with looking into it. Edevold said that he was not comfortable with a leasing option; this is not saying he is against it. LaRoque said that the matter needs a lot of looking into the costs for everything. Rasmussen stated that he would pursue the matter and bring back a proposal to the Council.

Councilman Edevold gave a report on a meeting he had with DOT on an Enhancement Grant project, which an application was put in for. Edevold had explained to DOT the cuts the City was looking at and what they were expected to do with the project. To do this project the City would need to obligate approximately \$75,000 for their share. Edevold has asked if this was the point that there was no turning back and they said yes. He told them that the City did not feel comfortable putting that much out there when there were other cuts to be made. The Board told Edevold that it was a good project and they asked that the City apply again next year. There may be Stimulus Dollars for such a project. LaRoque asked if the Council could get with the school and work on this project for 2010. Clerk was asked to notify the County on the decision.

Motion was made by Anderson to pass Resolution #6-09 ACCEPTANCE OF DONATION. Seconded by LaRoque, passed unanimously.

Motion was made by Anderson to appoint Tom Beltz to the Housing Commission – Resolution #7-09. Seconded by Michel, passed unanimously.

Clerk opened the bids for gas to the pumps.

Bagley Coop Ass'n – unleaded: .05 cents per gallon above cost  
Diesel N. 2: .05 cents per gallon above cost.

Motion was made by Edevold to approve the bid of Bagley Coop Ass'n. Seconded by Michel, passed unanimously.

Department Reports. Fire Department-Chief Rick Viktora. Viktora reported on the Fire Departments 2008 activities.

Roads & Bridges. Clerk Lindgren asked for permission to send Street Superintendent Arvin Teige to a schooling in Fargo and February 27<sup>th</sup> and one in St. Paul on March 30<sup>th</sup>. These schools are for training in Mosquito Control and Weed Spraying. Teige needs the training in order to keep up his license on these to areas. Expenses will be mileage, meals, and a room in St. Paul. Motion to approve these trainings was made by Edevold. Seconded by Michel, passed unanimously.

Park Board-Jeanine Brand. Brand explained the park improvements that have been done so far, and what the board would like to see done next. The Park Board met with Larry Bellefy concerning the softball complex and with Julie Nelson on having a movie night in the park. A spring kickoff is being planned to help celebrate the new features in the park. Board would like to keep all the funds in the 2009 Budget to do more work in the park and ball fields. They want to get more water in the camping areas, signs, and a number of things at the ball fields including the start of a concession stand with bathrooms. A. Brustad spoke on the snack building and D. Lindgren stated that the LaPorte High School, where he works will build the building at no cost for labor. Michel asked questions on the cost of agrilime and freight charges to haul it. He wants to know these costs before they are ordered. The Park Board urged the Council to consider not cutting the park budget.

Public Utilities-Frank Beaver. Utilities workers have been busy steaming out culverts to keep down the flooding. Two minor water breaks have been fixed. Some TV stations are broadcasting digital now and the date to have all channels switched has been extended to June 12.

City Hall-Clerk Colleen Lindgren. There will be a Beer & Wine Tasting Event held on March 19<sup>th</sup> at the American Legion Auditorium. This event is sponsored by the C&C and the American Legion. Tickets will be on sale soon. This event is held to help pay for the July 4<sup>th</sup> Fireworks.

A letter has been received from the Clearwater County Historical Society asking for nominations for the 2009 Clearwater County "First Lady".

An application has been received from the Bagley High School All-School Reunion asking for permission to hold a parade on City streets on July 5<sup>th</sup> from 1:30 p.m. to 3:00 p.m. Discussion was held on the location of the parade. As per the map the Reunion group would like to go on State Highway 2 for one block. Police Sergeant Peterson said that this is not recommended by DOT and it would take a lot more manpower to patrol the parade. On the front of the application it states that the parade will turn one block before Hwy 2. Motion was made by Edevold to approve the permit



provided the map is corrected to show that the parade will turn on First Street NE instead of on State Hwy. 2. Seconded by LaRoque, passed unanimously.

A contract was received from the Department of Transportation, concerning work to be done in the City during June & July 2009. City cost is \$3,684.00 for parking lane and striping construction along Highway 92. Motion was made by Anderson to approve Resolution #8-09 A RESOLUTION FOR A PROPOSED COOPERATIVE CONSTRUCTION AGREEMENT BETWEEN Mn/DOT AND THE CITY OF BAGLEY. Seconded by Michel, passed unanimously.

Council received a letter from David Drown, discussing the potential use of tax increment financing to help promote sales of lots in several new subdivisions in the community. Edevold questioned whether or not the Council wants to pursue the project. And if so, then Public Hearing dates will be set. Edevold spoke against the setting up of TIF Districts. TIF is to help potential homeowners by forgiving property taxes. One question that may be asked of the Council is "Why didn't I get help", which is a valid concern. This is not a plan yet, and would be different if the City were to have 25 new homes coming in. Michel stated that he is not necessarily for it and it would be a three year deal. Now the Feds are enhancing the program with payments. Edevold stated that there is one developer would not qualify at this time due to unpaid property taxes. Michel stated that Olson would like to see his streets blacktopped. L. Loiland stated that there are benefits to the program and it is not costing the City of Bagley anything if the developers pay the price for Drown. Mayor Sutherland stated that the money the City has put in for assessments would get paid back first, if lots are sold. Edevold asked on the flip side, how many houses would get built anyway without TIF. Edevold stated that he would be more supportive if Kastner, Lewis and Olson all came to the Council and showed their plan on what they want to do. LaRoque stated she feels Lewis and Olson are very interested, but does not know on Kastner. Michel would like to see stronger numbers. LaRoque and Edevold would like to meet at an open meeting with residents present. After much discussion the Council asked the Clerk to check with David Drown on when he could attend an Open Meeting so the public can hear more on project and to make sure to invite Olson, Kastner and Lewis. Resolution #9-09 CALLING FOR A PUBLIC HEARING was tabled at this time. Meeting will be advertised in the Farmers Independent.

2008 Budget was discussed. Clerk stated that the LGA was cut by \$37,000 but there were enough funds left over to cover these and she does not feel that anything further needs to be done. Clerk was questioned on the funds paid out on the Lewis Project. Lindgren explained that these came out of the City Hall budget, along with \$6,000 paid to David Drown for the 2008 TIF project and the repairs done on the Library roof.

Clerk made her recommendations to Council on the transfer of 2008 budget funds. Economic Development funds to City Hall-\$11,589.52; Airport funds to City Hall-\$22,633.96; Cemetery funds to City Hall-\$2,463.94; Cemetery funds to Zoning-\$159.77; Cemetery Funds to Police Dept-\$511.80; Park Funds to Fire Dept-\$1,707.07. Between all the Departments, \$5,489.59 of which \$750.00 should be kept for the cement under the new beach picnic tables. The remainder of \$4,739.59 could be kept in the general fund or put into the recreation complex funds, as these are left over funds from the Park Budget. Motion was made by Edevold to approve the Clerks transfer of budget funds along with the \$750.00 for the picnic table cement, but not to include the designation to the \$4,739.59. Seconded by Anderson, passed unanimously.

Clerk read off the proposed designation of 2008 funds;

Historical Structure Upkeep - \$1,500.00  
VFW donation – vets stone repair-\$1,500.00  
Ball field complex funds-\$4,641.21  
Fire Dept. truck account-\$38,585.52  
Cemetery Improvement funds-\$25,156.72  
Roads & Bridges truck account-\$15,056.43  
Revolving Loan Fund #1-\$108,308.83  
Revolving Loan Fund #2-\$153,854.79  
Revolving Loan Fund #3-\$45,910.24  
Beautification-foot bridge-\$1,100.00  
Water truck fund-\$4,000.00  
D.A.R.E.-\$384.58  
Park & Recreation upgrade funds-\$15,435.02  
Park picnic tables cement - \$750.00

Economic Development funds-\$25,675.77  
Police Dept. Handicap Entrance-\$8,000.00  
Demolition of old City Garage-\$2,000.00  
Recodification of City Ordinances-\$9,130.00  
Police Dept. car funds-\$10,308.33  
2010 Street Project-\$26,235.14  
Airport Projects-\$4,888.57  
Remainder into General Fund-\$977,282.93

Motion was made by Edevold to put the \$4,739.59 into the general fund. Seconded by Michel, passed unanimously.

Motion was made by LaRoque to approve the designation of funds as listed. Seconded by Edevold, passed unanimously.

Discussion was begun on the 2009 Budget. Board Members from the Bagley Hockey Association were present to speak on behalf of the association, explaining the way they raise funds and what is needed. They also informed the Council the ways that the Bagley School helps in support. D. Lindgren asked the group if they have spoken to other cities for financial support. The group stated that they had not. Their 2008 Budget is over by about \$8,000, on a budget of about \$68,000. The group expressed that they really do need the funds from the City Council to keep everything going, and that they may not survive without the funds. Councilman Michel stated that a decision does not need to be made tonight. Councilman Edevold stated that in all fairness the board members need to know, but the Council also needs to find \$45,000 to set aside as a projected LGA cut. Final decision will be made in July on the LGA. The City puts in \$3,000 towards the hockey utilities and the Public Utilities puts in \$3,000. LaRoque asked if the Council could pay \$3,000 now on the utilities and hold off with the other \$3,000 until July.

Motion was made by Edevold to extend the meeting time by fifteen minutes. Seconded by Michel, passed unanimously.

Motion was made by LaRoque to pay \$3,000 towards the Hockey Utilities and the remaining \$3,000 to be considered in June or July when it is known how much LGA will be cut. Seconded by Anderson, passed unanimously.

Leonard Jakeman, representing the Bagley Senior Center, was present to speak with the Council on the funds, which the City pays towards their utility bills. Their budget was hurt when they helped out fixing the kitchen. Jakeman and Ruth LaFontaine explained that they are able to keep open due to donations. For every meal served, they get only 14 cents. Their budget is \$1,200 per month.

Motion was made by LaRoque to extend the meeting time by 15 minutes. Seconded by Michel, passed unanimously.

Motion was made by Anderson to pay \$3,000 towards the Bagley Senior Center utility bills and the remaining \$3,000 to be considered in June or July when it is known how much LGA will be cut. Seconded by Michel, passed unanimously.

A Budget Work Night will be on February 26<sup>th</sup> at 6:30 p.m. Department Heads will be asked to be at the meeting. This will be a Council work night only, for the Council to propose cuts for the 2009 Budget.

Motion was made by Edevold to approve the transfer of \$13,522.05 Liquor Store 2008 funds to the Liquor Store savings account. Seconded by Michel, passed unanimously.

Mayor Sutherland set the Fire Contract Township meeting for February 25<sup>th</sup> at 6:30 p.m.

Councilman Michel asked that his billing for mileage reimbursement be excluded from the payment of bills. Motion was made by LaRoque to pay the outstanding bills, excluding the mileage reimbursement check to Sidney Michel. Seconded by Michel, passed unanimously.

Committee Reports: Parks & Recreation. Michel reported that Wayne and Rhonda Netland will again take the job of Park Attendants for 2009. Also an ad was approved to be put in the Grand Forks Herald at a cost of \$65.00.

Being there was no further business to come before the Council, motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
FEBRUARY 26, 2009

The Bagley City Council met on February 26, 2009 at 6:30 p.m. in the City Council Chambers, for a work night on the 2009 City budget.

Present were Mayor John Sutherland, Council Members Mark Edevold, David G. Anderson, Wendy LaRoque, Sidney Michel and Clerk Treasurer Colleen R. Lindgren.

Also present were Police Chief Darrin Halverson, Fire Chief Rick Viktora, and LuWayne Loiland.

Clerk went over areas in the City Hall Budget for potential cuts. One cut already proposed was \$3,000 from the Senior Citizens Utility bills. Clerk suggested that \$250.00 be cut from the wellhead protection, \$500 from the historical structure upkeep, and the website of \$500. Michel's suggested cutting \$1,000 from the beautification. Discussion was held on the time put into watering the flowers. No permanent cuts will be made at this time, due to not knowing what the actual LGA cut will be. Proposed LGA cut by the state is \$47,308.

Chief Rick Viktora went over the Fire Dept. budget. Clerk stated that any cuts done in the Fire Dept. would reflect back to the Townships because they are charged for the expenses of the fire department. Viktora stated that his budget is about the same as previous years except for the add ons of the pagers and the generator. The department could do without the generator for a while, but a siren is also included with the generator. The siren is from the early 70's and he cannot get parts for it anymore. A "DC" generator/siren costs around \$11,000. A generator is also needed to get the doors open because at one point the doors did not go up when there was no electricity. Council will see if anything is heard from the Townships before they make a decision on the fire department.

Chief Viktora stated that he is putting in a FEMA Grant application for 15 spare masks and 10 SCBA packs. Cost for the grant writer is \$575, which can be paid for out of the Firemen's Relief equipment fund. If the grant were gotten, then this cost would come out of the grant funds. LaRoque said that the Police Dept. and the Fire Dept. should have a generator. Michel suggested holding off until July for the pagers and maybe not getting a generator. Viktora said that by 2013 all radios have to be narrow band and there is a push to go digital.

Police Department: Chief Halverson. If gas prices stay down, the gas budget could be lowered by \$2,000. If more is needed, \$5,000 could be taken from the Capital Outlay. Halverson asked that the Council keep in mind that in three years a squad car will be needed and this \$5,000 is part of the payment for the car. Edevold stated that it might need be that the City must hold off on a car, but it still may be needed also. \$5,000 will be on the list to hold back.

Chief Halverson brought before the Council paper work on a grant program from the Department of Justice. The grant pays 100% of the Officers wages for three years, and the City must retain the Officer for one more year to cover the grants rules. Halverson feels that if the City were to go to four officers, the part-time help could be cut out and it would also take away some of the overtime and callout time for the other officers. There is enough equipment at the Police Department for the officer. City could designate the funds put in the budget for a part-timer and the overtime pay, to cover wages and benefits for the fourth year. Halverson was asked to bring more on this grant to the March 10<sup>th</sup> Council meeting. Officers could share cars besides using the old squad as a shuttle car. If the Council approves the application, and the State approves the application, an Officer could be hired by the fall of 2009. \$5,000 will also be held out on the part-timers and overtime/callout pay.

Mayor Sutherland questioned the dispatcher services. He said the Bagley Police Department is the only entity in the County that pays for dispatcher services. He will check into this further. Halverson said that the Officers are doing more and more of their own typing and reporting.

Councilman Edevold informed the Council that there would be an increase in utility rates, beginning April 1<sup>st</sup>.

Roads & Bridges. Clerk gave a report from the Street Department. Superintendent Teige stated that \$9,000 could be taken out of the mover budget, but he wants to keep \$1,000 for trimmers. \$1,000 could be taken out of the water truck fund and \$1,000 could be taken out of the snow removal budget. Edevold thought that \$2,000 should also be taken off of the gas budget.

Park and Recreation. Edevold stated that the Park Board would like to keep \$9,000 in the budget to cover signs at \$2,000, \$5,000 for recreation complex, and \$2,000 for water lines. Utility bills will be combined to include Park/Hockey/Rec. Complex, with a total of \$9,200.00.

Cemetery. Street Superintendent Teige feels that \$500.00 could be taken off of the development of the back lots.

Zoning Commission. Anderson is on the Zoning Board and he stated that he could do without the raise in pay for meetings. Edevold would like to see it left there for now, being wages are not paid until the end of the year.

Economic Development. Michel talked about the money put into infrastructure from the Lifeguard wages. That could be lowered by \$5,000.00.

The dollar amount of \$4,739.59, which was kept from the 2008 budget, can be used also. With all these changes, the budget will equal out if the LGA is cut as proposed. Cuts will not go into effect until the LGA cut is determined.

Anderson stated that he had been contacted by the two Liquor Store Clerks about wages. They had thought they were getting the same raise as the Manager. This is incorrect, as wages were set in December 2008.

LaRoque brought up the matter of the Municipal Liquor Store budget and building. After going through the building, repairs are needed, mostly the roof. Michel agreed that the roof needs fixing. Edevold feels that the building is not worth fixing. Michel stated there might not be any money to go anywhere else. Mayor Sutherland stated that he would be meeting with Economic Developer Al Rasmussen on the S&K Bar. LaRoque stated that something needs to be done, whether the City fixes the building or buys a building. Michel would like to see estimates for the roof, bottom plate, and an addition. LaRoque would like to see the till system upgraded. If the store is upgraded, there will be a need to have more people on duty, so that the Manager can be trained in on the machines.

Michel brought up the area of employee wages and the 2009 budget. Clerk Lindgren handed out a sheet on the differences of giving the raise or raising the cap and explained it to the Council. Michel stated it is not a large savings but it would be some. After doing some checking, Michel stated that he did not know if the Council could take back the raises legally. Edevold stated that one of his concerns is the PERA retirement for some of the employees because it reflects their retirement. He does not feel that the wages should be messed with for a \$1,300 savings. He also stated that the Council might need to look at wage freezes for 2010.

Michel asked if it would be permissible for he and the City Clerk to look into health insurance plans to see if it would be more economical for the employees and the City. He would like to check with some of the local people first and then branch out. Council members approved for Michel to work with the Clerk.

Due to Township Elections being held within the City, the March 10<sup>th</sup> Council meeting will be held at 8 p.m. instead of 7 p.m.

Motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
MARCH 9, 2009

The Bagley City Council met in special session on March 9, 2009 at 5:30 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Sidney Michel, Mark Edevold, David G. Anderson, Wendy LaRoque, and Clerk Treasurer Colleen Lindgren.

Also present were David Drown, Cheryl Grover, Tim Flathers, LuWayne Loiland, Steve Olson, Dan Wilde, and Duane Lewis.

David Drown gave an over view of Tax Increment Financing. State law allows Cities to do TIF, to promote development that they would like to see in their community. The County breaks up the taxes between the units of government. If a home is built in the TIF District, the County Assessor does the taxes on the property/home and a statement is sent to the homeowner. The homeowner then pays the taxes and the County Auditors Office breaks down the increase and sends this money back to the City. The City then uses these taxes to help the developers by paying taxes back to the developer, if it is found that this is encouraging development within the City. City would be working on a Housing District and TIF is done to help promote housing. People who benefit from the TIF must be in the low to moderate-income levels. There are lots of vacant lots in the City and without something to make them more attractive, they may sit there for quite a while. Tax Increment could be used to buy down the lot cost. If the City subsidizes the development of a home, the property taxes will take 6 to 7 years to pay off the subsidy.

If the Council wants to do this, they must be consistent with all involved. If the suggested \$10,000 is the assistant deal, then the developer builds for an income eligible family, they then earn the right to the \$10,000 subsidy. If where the City paid towards services in the area where the home is being built, then the City keeps some of the funds to cover some of its cash investment. As lots are sold in the sub-division the City is going to keep the first \$3,000 to put towards the services put in. 2<sup>nd</sup>, if there are special assessments then some of the funds will be kept for the special assessments. And third, the City would use part of the funds to pay back to the developer. If there are no City service costs or special assessments, then the City can look directly at the developer. Objective is to find a price for lots to get the lots sold and build homes on them.

S. Olson asked if the developers have a choice on what they want to do. Drown said that the Council runs the District and they write up the rules.

Drown talked about homes being rentals. If you build a home to rent out at least ½ of the people renting must meet the income level rates. The developers will not receive the subsidy unless the home is sold. As for duplex's, there would be two subsidies, but only given if the families qualify in the income levels.

Michel stated that the taxes on the empty would stay the same. How long does the City give the developers to fill the lots with homes? Drown's suggestion to the Council was three years. After 3 years if nothing happens, it's phases out. If there is some success, the City revisits the plan. The agreement with the developers could be renewed after three years. No plan changes can be done after five years.

Edevold stated that assessments would continue as is, if nothing is done on the lots.

Drown will be selling the lots at a reduced price. We will help the developers be successful by selling your lots. City is better off with houses built on the lots. D. Lewis asked if the City would be able to do this also on their lots. He feels it would be hard for them, the developers, to sell their lots if the City drops the price on their lots. Drown said it might not be unreasonable for the City to say for the next three years, the developers go first. But, if TIF works the City reserves the right to work with their lots also.

Steve Olson asked who would be paying Drown's bill? The developers at the meeting, and then new developers coming in don't have to pay? Drown stated that if the City does a Tax Increment District, that just includes the parcels in the participating developers, the developers present would be in the area to pay his bill. He could look at the number of lots and do the billing as to charge for

each lot. Drown stated that if the developers don't think this deal is beneficial enough for them to put up a couple thousand dollars up front, then that gives the Council a message that the developers are not going to work hard at getting homes built. If there were lots that the taxes are not current on they would not qualify. Part of the deal would be that the taxes must be current and kept current in order to participate.

Michel asked about the Habitat For Humanity home, which is being proposed. They would like to be included in the plan. Michel asked if one contractor who is not paying his taxes, can any of his lots be included if he pays up the taxes? Drown stated that is up to the Council to decide. Drown stated that he would council the City Council not to subsidize on lots that are not being paid for. LuWayne Loiland asked that if the taxes are two years delinquent and the third year he pays them up, is he then allowed to participate in the plan? Drown's suggestion would be that the Council is looking at forming agreements with developers who have unsold residential lots. Requirement to participate would be: 1) contribute to the City's cost to set up the district; 2) if there are any outstanding taxes they must be brought up to current status. If someone does not want to pay up their taxes, the City will work with other developers and not someone who is not current. A home already built cannot be captured.

Duane Lewis has 14 lots, Steve Olson 8 lots, and Dan Wilde 4 lots. These three would pay the bill for Drown's work.

Drown stated that if a unit is put up by a developer within three years and it does not sell within that time, he feels it would be reasonable for the City to say that they would subsidize it if it was sold in year four.

Edevold asked if the \$10,000 over two years was enough to help the developers. The Council will still get people calling on what the Council has done and why did they not get TIF. He stated that the Council is potentially giving up tax dollars for seven years. If the Council is assured that 10 houses are built, then the City gains. Drown stated that it is a judgment call. Michel stated that the people would be looking at that the Council is giving a tax break. But this is not a tax break. Michel stated that the only bad thing is that both are set up to be Senior Living. D. Lewis said that he has not set up his Association yet, for only Senior Living. He could set up a family home in his addition. Olson stated that he does not have any age put on his homes either. The developers would benefit over a time limit of 10 years.

LaRoque stated that if the City were to go into as being a partner on the TIF, then the City has the right to sell the City lots also. S. Olson agreed. The City has 6 decent lots in the Kastner Division. LaRoque said that if the City has someone that wants a lot, then we should have the right to use TIF. Lewis would like to some assurance on the City not giving away their lots. Edevold stated that the lots have not been put up for sale at this time. He also said that if the developers are not willing to pay the price for the TIF plan, then the City should be able to sell lots.

Olson and Wilde said that the fairest way to pay Drown's bill would be to divide his fee up by the number of lots in the proposed District and each pay their share. Drown said that if the City decided to go ahead with the TIF plan then the developers need to write letters to the City that they want to participate. Clerk was instructed to draft a letter to Cliff Kastner with stipulations in it that he must go by in order to participate.

Clerk will bring a resolution before the Council at their regular Council meeting, to set up a Public Hearing Date for the project.

Drown asked the Developers to put in their letter why they would like to see the Council set up a TIF District and that they are willing to participate.

Tim Flathers, HRDC, said that Kastner is willing to donate a lot to Habitat for Humanity but if Habitat has to pay the taxes and special assessments, he does not think they can afford it.

Drown told Flathers that if Kastner wants to donate the lot, then he needs to get something written down on paper to give to the Council.

Being there was no further discussion to be heard on the TIF Project, motion to adjourn was made by Edevold. Seconded by Michel, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer



CITY COUNCIL PROCEEDINGS  
MARCH 13, 2009

The Bagley City Council met in regular session on March 13, 2009 at 7 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Sidney Michel, Wendy LaRoque, David G. Anderson, Mark Edevold, and Clerk Treasurer Colleen Lindgren.

Also present: Police Chief Darin Halverson, Ruther LaFontaine, Dianne Nowacki, Sylvia Larson, Tim Flathers, LuWayne Loiland, Ken Moen, Amanda Brustad, and Duane Lewis.

After reviewing the February 10<sup>th</sup> minutes, Edevold made the correction to paragraph 7 row 8 is to read "by Edevold, was to give a \$1.25 an hour raise" instead of the \$1.00 as written. With this correction, Edevold made the motion to approve the minutes of February 10, 2009. Seconded by LaRoque, passed unanimously. Motion was made by Anderson to approve the minutes of February 26<sup>th</sup> and March 9<sup>th</sup>. Seconded by Michel, passed unanimously.

Tim Flathers, Headwaters Regional Development Commission, gave an introduction on the HRDC. They work with a Five County Region, which includes Clearwater County. Flathers asked that the Council put some thought into what they would like do in the City over the next few years. The HRDC is a Public Foundation and they do mostly contract activity. Most of their requests are for housing projects and business projects. They work in partnership with banks. If someone has a project with real interest and they find financing, HRDC has funds to help with the planning up to \$10,000. Flathers asked that the Council call the HRDC Office if they have any plans and he will help out.

LuWayne Loiland was present to follow-up with the Council on a proposed wage discrepancy. He still feels that the wages were set so that 16 cents was to go on the paychecks and 94 cents was to go towards the insurance cap. He does not think that the motion was made to put \$1.10 per hour on the paychecks. He wants clarification and feels it was done wrong. Mayor Sutherland stated that his motion was 94 cents to cover the increase of the insurance but it was not specifically said that it was to go on the top of the cap and 16 cents was over that. Loiland insisted that Sutherland did say it was to go on the insurance and Edevold strongly disagreed. Michel stated that he does remember the cap of the insurance being talked about. Loiland asked for the meeting tape to be listened to at the meeting. Councilman Edevold stated that it would not be heard at this meeting and feels that the matter has already been addressed. Loiland stated that the December 9<sup>th</sup> meeting was his last meeting so why was he not asked, as Mayor at that time, about the grey area or discrepancy on the wages. Edevold does not think there was a discrepancy and he was the one to second the motion. Loiland still argued that it was the "intent" of Sutherland's motion to put the increase on the cap. Mayor Sutherland stated that the motion was not made specifically to put the amount on the insurance cap. A. Brustad asked Mayor Sutherland what his intent was on his motion. Mayor stated that his intent was the 94 cents was to help with the insurance cost increase and 16 cents over that for a total of \$1.10 per hour. Michel feels that the Council should get a legal opinion. Loiland would like to see the motion changed and he does not feel it was the intent to put the whole amount on the wages.

Dianne Nowacki stated that the City is spending a lot more due to the fact there are also the extra costs of FICA and all the related costs of the wage increase, all feels that it will save the City a lot of dollars by putting it on the insurance. Clerk stated that she had figured that out for the Council and there would be a difference of around \$1,500 for the whole year if the changes were made. Loiland stated that the \$1,500 was not correct. He said he thinks it is a lot more than that.

Michel stated that when Clerk Lindgren goes to a conference the following week, he has asked her to bring back a written opinion, if possible, from the League of MN Cities on what the Council can do. Loiland stated that he is very uncomfortable with the motion written in the minutes and all the specifications that were spoken about were not in the minutes. Clerk Lindgren stated that she had asked when Edevold made his motion if the change was to go on the insurance cap and she was told no.

Motion was made by Michel to set up a committee to listen to the tape, ½ hour before the next regular City Council meeting on April 14<sup>th</sup>. The Committee will be made up of Council Member Wendy LaRoque, Mayor John Sutherland, and Police Chief Darin Halverson. Motion was seconded by Anderson, passed unanimously.

Motion was made by Edevold to approve the Bowl Inn Beer License for April 1, 2009 to March 31, 2010. Seconded by Michel, passed unanimously.

Motion was made by Anderson to pass Resolution #11-09 ACCEPTANCE OF DONATIONS. Seconded by Michel, passed unanimously.

Clerk asked permission to send Department Heads to a Safety & Loss Control Workshop, which will be held in Mahanomen on April 7<sup>th</sup>. Cost is \$20.00 per person. Motion was made by Edevold to send five people, including Council Members, to the workshop. Seconded by Michel, passed unanimously.

Department Reports: Liquor Store, Manager Ken Moen. Moen went over the profit and loss report. January through April is usually the hard months. Expenses are higher this year.

Zoning – Member David G. Anderson. Someone is proposing to purchase the old “Darst Potato Building”. Plans are to tear down most of it and fix up the main part. This should be done this summer if the purchase goes through.

Fire Department. Dan Hecht, Firemen’s Relief Treasurer, will be attending a meeting in Bemidji on April 8<sup>th</sup> and asked that he be reimbursed for mileage. Motion to do so was made by Edevold. Seconded by Anderson, passed unanimously.

Police Department – Chief Darin Halverson. Halverson asked permission to send Officers Paul Podhradsky and Ryan Riley to a Driving School in St. Cloud. They are required to go through this schooling every three years. They will need to stay overnight one night due to the fact the school starts early in the morning. Clerk stated that if the Officers get Post Board Credits for attending, the City does get reimbursed for them attending. Motion was made by Edevold to approve the training with expenses paid for room. Seconded by Michel, passed unanimously.

Chief Halverson asked permission to send in the information for a COPS Grant program. The application process opens on March 16<sup>th</sup> for four weeks. Motion was made by LaRoque, to allow Halverson to apply for the COPS Grant. Seconded by Anderson, passed unanimously. D. Nowacki questioned what the City puts into the grant. Halverson explained that the grant is for all cost of one officer for three years, and the City guarantees payment for the fourth year.

Park Board – Amanda Brustad reported on their last meeting. LaPorte School District will be building the snack shack as a class project. D. Lindgren will be getting a materials list and local businesses will be asked for quotes. Councilman Edevold said that the Board has looked at spending \$2,500 and using the reserved funds for this. Brustad stated that the shack will be built so that groups could start raising funds for a more permanent building.

Public Utilities. Clerk informed the Council there was a report in their packet from Frank Beaver. Councilman Edevold reported that the digital transition is now going on. Five additional channels have been authorized but equipment is needed yet. Two more channels will be coming off the satellite.

City Hall – Clerk Colleen Lindgren. Financial reports were looked at. A Thank you card from the Bagley Youth Hockey was read.

Motion was made by Anderson to pass Resolution #9-09 CALLING FOR A PUBLIC HEARING ON THE CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 2-2 AND THE ADOPTION OF TAX INCREMENT FINANCE PLAN RELATING THERETO. Seconded by LaRoque. Mayor called for discussion. Michel stated that there have been a few people asking about the short term on this project, as far as the rest of the community paying the taxes as costs go up. He had tried to explain the project to them as well as he could. Mayor Sutherland stated that if nothing gets built there, the money coming in would be the same as is.

On money that comes in from the TIF District, 10% stays with the City to pay administrative costs. Edevold stated that the City would get some of their funds back only if a home is built. By forming a TIF District, it does not mean the City gets their funds back automatically. People are still going to be asking why they did not get a break. Duane Lewis stated he had also spoken to people on the Project. His question is if the City is going to be working with Kastner on his lots and what the City is contributing. Will Kastners lots go back to the City if the taxes are not paid or who? Edevold stated that a lot of the information will be hammered out at the Public Hearing and any property that has past due taxes goes to the County and not the City. Tim Flathers stated that he is still working with Kastner on getting a lot for Habitat For Humanity. Mayor asked for a vote on the motion. Anderson and LaRoque voted for the motion. Edevold and Michel voted against. Mayor Sutherland voted for the motion. Motion carried to pass Resolution #9-09.

Motion was made by Michel to pay the outstanding bills. Seconded by Edevold, passed unanimously.

Committee Reports: Liquor Store – LaRoque. Liquor Store closed at 4 p.m. on March 10<sup>th</sup> due to the storm.

Park & Recreation – Michel. An ad has been put into the Grand Forks Herald on Park camping.

Being there was no further business to come before the Council motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

Mayor Sutherland opened the meeting once again due to setting a date for the TIF Public Hearing.

Motion was made by Anderson to set the date of May 12<sup>th</sup> at 6 p.m. Seconded by Michel, passed unanimously.

Motion to adjourn the meeting was made by Edevold. Seconded by Michel, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
APRIL 14, 2009

The Bagley City Council met in regular session on April 14, 2009 at 7 p.m. in the City Council Chambers.

Present: Mayor John Sutherland, Council Members Sidney Michel, Wendy LaRoque, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren.

Also present were Police Chief Darin Halverson, Diane Nowacki, Sylvia Larson, Ruby Bergquist, LuWayne Loiland, Steve Beltz, Laurie Worshek, and Frank Beaver.

Motion was made by Michel to approve the minutes of March 13, 2009 as written. Seconded by Edevold, passed unanimously.

A letter has been received from Wee-Care's Bagley Early Learning Center concerning the Special Assessments put on their property. Motion was made by Edevold to table the Wee Care issue until the next regular City Council meeting. Seconded by Michel, passed unanimously.

Department Reports: Police Chief Halverson. Grant papers have been submitted for the "COPS" grant. City should hear in six to eight weeks if the grant is awarded to the City.

Park Board: Steve Beltz. The Board has set April 25<sup>th</sup> from 1 p.m. to 4 p.m. as clean up day in the park. They are asking for volunteers from the Council and the community to help. Work to be done will be brushing, cleaning shelters, picking up garbage, and raking. A Val spar Grant, of 50 gallons of paint, has been received to redo the shelters and the Lions Club has stated they would be interested in painting the shelters.

LaRoque asked if the City would be having a citywide cleanup. Beltz stated that the City used to have such a time but it was cut out due to costs. This may be something to look into again due to the fact that elderly people are unable to get their stuff hauled out. Maybe volunteers could go around with trailers and pick up from people who are unable to haul their things. It all comes down to Community Pride.

Roads & Bridges: Clerk reported that Street Superintendent Teige is off work for medical reasons and will be returning to work on April 22<sup>nd</sup>.

Public Utilities: Frank Beaver. There has been a freezing problem on Willbergs Ave in the same spot as last year. Feels this is something the Council should address. Gas prices have been locked into for one year. Digital TV is still being worked on.

City Hall: Clerk Colleen Lindgren. Minutes of the Library Board are in the packets. No questions were asked on the monthly reports. A letter was received from the Minnesota Department of Health concerning the drinking water report. This is a report that the Public Utilities must do. A bill in the amount of \$1,500.00 was also received from Public Utilities concerning a portion of payment towards the New Computer Server for the front offices. Motion was made by Edevold to table the bill, pending City budget review. Seconded by Michel, passed unanimously.

Mayor Sutherland reported that the committee had listened to the Dec. Council Meeting tape, concerning the 2009 wage questions, earlier in the evening. Clerk Lindgren passed out a letter from City Attorney Ed Rasmussen with his opinion of the motion to set City wages. Letter was read to the public. His opinion is that the motion was as stated in the minutes of the Dec. 9<sup>th</sup> Council meeting. Mayor Sutherland stated that in listening to the tape, the committee agreed that the motion made also agreed with the minutes as written. It was very clearly stated. LuWayne Loiland thanked the Council for listening to the tape and apologized on his behalf to the Council. Mayor Sutherland stated that motions need to be made clearly and Michel stated that motions should probably be read back to the Council.

Board Reports: Roads & Bridges. LaRoque stated that the road by her home needs repair. Street Superintendent will be asked to take a look at it.

Parks & Recreation. Motion was made by LaRoque to rehire Wayne & Rhonda Netland for Park Attendants and Joan Gray and Muriel Ranisate as Park Cleaners. Seconded by Michel, passed unanimously.

Liquor Store: LaRoque would like to set up a meeting to discuss changes needed for the Liquor Store building. This would be a workshop for members and the Liquor store manager. Members will do a 6:30 p.m. walk through first and then meet back at City Hall for a committee meeting. Clerk will contact the Manager to find a date that he is available and get back to the Council.

A letter was received inviting the Council to attend a free pipeline safety emergency response program. Program is on Mary 6<sup>th</sup> at the Hampton Inn in Bemidji. Mark Edevold and David G. Anderson will attend. Clerk will make reservations.

The Ambulance Service is looking for a letter of support to change their type of ambulance service to Part Time Advanced Life Support. Motion was made by Edevold to write a letter of support from the City Council. Seconded by Anderson, passed unanimously.

A billing from Freeberg & Grund Consulting Engineers was received for services to do "As Builts" for the Industrial Park. Edevold stated that the Public Utilities Commission had looked over the billing also and decided that the "As Builts" would benefit the Utilities more than to the City so they will be paying the bill.

Payment of outstanding bills: Clerk stated that the Park Board did get two quotes for the lumber to construct a "Snack Shack" for the ball fields. Low quote was from Hillside Lumber for \$467.95. Clerk asked that this billing be added to the list of bills to be paid. Motion was made by Anderson to add the Hillside Lumber billing to the list and pay the bills as listed. Seconded by LaRoque, passed unanimously.

Motion was made by Edevold to pass Resolution #12-09 ACCEPTANCE OF DONATION. Seconded by LaRoque, passed unanimously.

Motion was made by Anderson to approve Resolution #13-09 NORTHERN MUNICIPAL POWER AGENCY ADVISOR, appointed Mark Edevold as advisor. Seconded by Michel. For: Anderson, LaRoque, Michel, and Sutherland. Edevold abstained. Motion carried.

Motion was made by LaRoque to approve Resolution #14-09 NORTHERN MUNICIPAL POWER AGENCY DIRECTOR, appointing Frank Beaver as Director. Seconded by Edevold, passed unanimously.

Mayor Sutherland signed a Proclamation proclaiming April 19-25, 2009 as NATIONAL VOLUNTEER WEEK in the City of Bagley.

LaRoque asked about setting one day as a City Wide Clean up for people who are unable to do it themselves. Nothing was set at this time.

Motion was made by Edevold to set May as Clean Up Month for trees and branches, where the City crews will pick up these up if put along the curb. Seconded by Anderson, passed unanimously.

Being there was no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
MAY 12, 2009

The Bagley City Council met in regular session on May 12, 2009 at 7 p.m. in the City Council Chambers. Present were Mayor John Sutherland, Council Members Sidney Michel, Wendy LaRoque, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren.

Also present were David Drown, Arnie Teige, Duane Lewis, LuWayne Loiland, Al Rasmussen, Nick Schueurs, Jeremy Dravo, Keith Larson, Darin Halverson, Larry Bellefy, Ken Moen, and Amanda Brustad.

Motion was made by Michel to approve the minutes of April 14, 2009 as written. Seconded by Edevold, passed unanimously.

Keith Larson was present to speak on behalf of the Wee-Care Child Center. Larson handed out a packet of letters and pictures. Mayor Sutherland asked if Larson or someone else had been involved when the special assessments were set? Three people were on the Committee to listen as to how the assessments were done and as to how the assessments were figured out. Larson said he was willing to listen to any questions the Council may have or if they wish to set up a committee to discuss the issues, he would do that. It had been their understanding that the assessments would be put on in 2009 and not 2008. They did not receive any tax notifications until they were overdue. The County did admit that there were some people in the County that did not get their tax statements and the County is open to waiving any fees occurred. Larson stated that there was 12 feet of property in width and 3 feet on elevation given for the road. There was also an area allowed for storm sewer runoff. Loiland asked what Larson was asking from the city. Larson stated that in their letter they are asking for a trade of property for the assessments. Property is located directly west of the Wee-Care and valued at approximately \$10,000. Wee-Care paid \$18,000 for the land three years ago. One third of the property is now in the holding pond so it is smaller than when they purchased it.

Mayor Sutherland asked if any of the Council Members had questions for Larson. Edevold stated that he does not believe it is legal for the City to do a trade for offsetting the assessments. Wee-Care could just sell the property. The City may or may not want to get the property. The pond issue could be looked into further. Larson stated that the pond is bigger by approximately 10 feet of water plus the back slope. He said that they are coming to the Council on this because it is their taxes that Wee-Care is not paying. Lewis asked if the lot was a build able lot. Larson stated the lot is 150' X 170'. Edevold stated that the City is not in the position to pay for a lot and feels that it will need to be looked at and discussed. Clerk remarked that the Council does have a letter in their packet from a "concerned citizen". Michel stated that the letter writer should understand that the Child Care providers that have the business in their homes get homestead credit, whereas Wee-Care does not. LaRoque also spoke on this. Mayor Sutherland asked if the Council wanted to set up a committee to look at the pond area. Edevold stated that if the city reduced the value of the lot because of pond issues, they need to look at the pond issues. He feels that legally the Council can do something but financially he feels they can't. Larson stated that Wee-Care will never make up for 2008, so they will always be one year late on paying. He feels they were not told that the assessments would come due in 2008. There was still work being done in 2008 so they thought the assessments would come in 2009. Michel asked if the minutes could be looked at during that time. Clerk Lindgren stated that she had gone through the meeting minutes noting when Wee-Care members were present and what was done at the meetings. She also stated that assessment roll calls were sent out and the date when the Public Hearing was going to be held, but was no one from Wee-Care present at that public hearing. Mayor Sutherland stated that he and Councilman Edevold will meet with Wee-Care to look into the pond issue.

Larry Bellefy was present to ask for a Temporary On-Sale Liquor License. His plans are to put up a tent between his business and the Senior Citizen Center during the All School Reunion on July 1 through July 5<sup>th</sup>. The Senior Center will use it during the day, if they want, and he will use it later in the day and night. He will be having a beer trailer, the area will be fenced off and he will have it manned at each end to card people. He will also work with the Police Department. They will keep the area cleaned up and his insurance will cover it. Motion was made by Anderson to approve the Temporary On-Sale Liquor License for Larry Bellefy during July 1-5. Seconded by LaRoque, passed unanimously.

Nick Schreurs, DOT, was present to give the Council an update on the construction, which will be done in the City during June and/or July. There is a start date of June 8<sup>th</sup> and Knife River Materials has gotten the contract. The project is being done in three sections: 1) Circle to County 35 with detours. 2) The Railroad tracks on the south end of Bagley, north 3.2 miles. The road will be milled down 1½ inches, replacing around 500 feet of curb, 2 catch basins, revising the signal system, replace 1 inch of overlay. 3) 1.7 miles east of trail to 1 1/2 miles west of Gonvick, replacing road and guardrail. A preconstruction meeting will be held on May 20 at 10 am in the DOT office in Bemidji. The schedule is unsure at this time but they will be asked to stage it so Bagley is done one week before the school reunion. No driveway openings will be changed. Catch basins/castings will be changed by the DOT. Teige stated he has some major issues on some sanitary sewer in the City. These should be addressed now when the project is being done.

LaRoque asked about lighting along the road. Teige stated that the lights are to go back behind the sidewalk. This had been talked about before. Approximately 500 feet of curb will be replaced in the City, at different locations. Edevold asked if the road would be stripped down to just two lanes. People think that it is a four-lane road.

Department Reports: Liquor Store: Ken Moen, Manager. Moen asked permission to have the Liquor Store open on July 4<sup>th</sup>. Motion to allow the Liquor Store to be open on July 4<sup>th</sup> was made by Anderson. Seconded by Michel, passed unanimously. April was a good month for sales but he is still down one employee for a month yet. Dan Bar, Vice President of MMBA, came in to look at the store as Moen asked if there were any ideas for reorganizing the store. At this time he did not see any changes that needed to be done. If shelves were to be put up, there could be more shoplifting done. Logo sign will be touched up with paint.

Clerk opened two bids for painting of the outside of the Liquor Store. 1) Rasmsrud Painting & Drywall-siding \$2,700. Roof-\$1,900. Discount of \$300 for both siding and roof if done at the same time. 2) Peterson Painting – siding \$2,830 and roof \$3,760, for a total of \$6,590. Moen stated that the roof does leak in the back room some. Motion was made by LaRoque to accept the bid of \$4,600 from Ramsrud Painting, less the \$300 discount for accepting both the side and roof bids. Painting must be done by June 30<sup>th</sup>. Seconded by Edevold, passed unanimously.

Zoning-Clerk Lindgren. There will be a Northwest District Planning Workshop held in Bemidji on Friday May 22. Motion was made by Anderson to send Edevold to the workshop. Seconded by Michel, passed unanimously.

Park Board-Member Amanda Brustad. At the last meeting the Park Board rode The Bus around town to look at some of the areas in the City, that they may need to address. They went to the old park area in the southwest section of the City. Also the City Ball Fields on the south end of town. They talked about the agrilime and Brustad said she had gotten prices on the hauling of it. Fosston fields get theirs at Shakopee. Cost is \$16.90 at ton not delivered plus tax. Delivered it would cost \$48.35 a ton. Larry Bellefy had spoken to Knife River and they would haul it for \$50.00 a ton. Cost would be approximately \$1,200. This has not been talked about at a Park Board meeting. LaRoque feels that it should also be gone over with the Park Board. Teige stated that they should have a minimum of two loads and maybe three. Michel will speak with a couple truckers to see what they would charge to haul it. Edevold stated that he is inclined to say spend up to \$2,400 or less on the agrilime. LaRoque said that the Park Board and the Softball Association, needs to discuss what happens at the ball fields. Larry Bellefy has given a list of things to the Park Board on what he would like to see at the ball fields. Discussion was held on the snack shack and where the profits of the sales go. LaRoque would like to see someone come to the Park Board and tell them what is needed at the ball fields. Brustad has spoken to Larry Bellefy on this. Motion was made by Edevold to spend up to \$2,400 for agrilime on the ball fields. Seconded by LaRoque, passed unanimously. Michel will check into others that may haul the agrilime. Numbers should be given to the Clerk for records.

Brustad also told the Council that she worked with Teige on where the new picnic tables will go on the beach area. Park cleanup day was good. A Valspar Grant of 61 gallons of paint for the shelters and tables has been received. Leonard Stinar pruned trees and there is one elm tree located by the 4 Sisters that needs to be taken down.

Teige stated that he has checked into putting more water spigots in the park for campers. Teige had met with Brad Jenson, Dept. of Health, and he had said that everything that Teige wanted to do was fine but must be inspected, after it was done by a licensed plumber, due to being public water. Teige will get quotes to do the work and bring them back to the Council. Loiland asked if there would still be funds available to do the shelter over the ball field area, which funds have been set

aside for earlier in time. Mayor set a special joint meeting with the Park Board for May 19<sup>th</sup> at 6:30 p.m. to discuss agrilime, water in the park and ball field issues.

Teige stated that he would be doing away with concrete fire rings and putting in iron rings. These should last longer than the concrete rings.

Roads & Bridges-Teige. Expenses have been incurred on the Airport road to repair it with Class 5 and sand for sand bagging during the flooding. Teige is working with the County on a FEMA payment to cover the expenses for flooding. He is also working with the Rail Road on rerouting the water with a ditch and this should also be covered by FEMA. There are still some meetings that need to be held on this.

Teige asked that the following people be hired for summer workers: Allen Spring, Keith Lowry and Tyler Truman. Motion to do so was made by Edevold. Seconded by Anderson, passed unanimously.

Scott Hartman, Global Towers Representative, met with Teige and Public Utilities workers to see what he will need to do to the lot in the Industrial Park and what will be furnished. Teige had told him that the lot would need to be grubbed and kept mowed. Hartman stated that they will also be putting up a fence and an access road which they already have a drive over curb.

A. Rasmussen asked questions on the city signs and what is going to be done and what has been done. Teige told him what has been going on with Lester Beck doing the work.

Public Utilities. Councilman Edevold reported that Frank Beaver has resigned his position with the Bagley Public Utilities. The Commission is working on a 2009 Budget. New rates are being looked into. Half of the natural gas buy for next year has been locked into. Sewer cost items is being looked into. Applications are being accepted for the Utilities Manager position through Friday May 15<sup>th</sup>.

City Hall: Colleen Lindgren, City Clerk. A billing has been received from the DOT for the road construction, which will be going through the City this summer. City obligation is \$2,412.76. Motion was made by Edevold to approve the payment of \$2,412.76 for the summer 2009 road project. Seconded by Michel, passed unanimously.

Lindgren asked permission to attend a Census 2010 meeting being held in Crookston on May 20. Registration is free. Motion was made by Anderson to allow Lindgren to attend the Census 2010 meeting. Seconded by Michel, passed unanimously.

Mayor Sutherland asked about the Pedestrian Signs, which were put up and then taken down again. Teige reported that a permit was needed from DOT first. Permit is in the process of being gotten and as soon as the paper work is done the signs will go back up.

Clerk opened bids, which were received for the 1972 Ford truck. 1) Jim Herman - \$505.10. 2) Al Spring-\$1,001.01. 3) Orris Haugan - \$576.76. Motion was made by Anderson to accept the high bid of Al Spring in the amount of \$1,001.01. Seconded by Michel, passed unanimously.

Motion was made by Anderson to approve all 2009 Township Fire Contracts received as of this date. Seconded by LaRoque, passed unanimously.

Al Rasmussen was present to speak with the Council about a business called Prairie Agri Fuels, a Minnesota Limited Co., who has purchased the Lone Tree Co. located in Minerva Township. The company will be retro fitting the company for making fuel pellets and pet bedding. He has met with the Bagley Industrial Development Corporation and they recommended that it be approved to use three acres of the JOBZ from the industrial park. Rasmussen is working with HRDC to put an application in to use JOBZ on this project. He is now asking that the Council approve the moving of three of the JOBZ acres. Clerk informed the Council that it should be possible to take the acreage from the pond area and the lot next to the tower lot, which is in the very back of the Industrial Park. Motion was made by Anderson to approve moving three acres of the JOBZ from the Industrial Park to the old Lone Tree area. Seconded by LaRoque, passed unanimously.

Motion was made by LaRoque to approve Resolution #18-09 APPROVING THE CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 2-2, AND ADOPTION OF THE TAX



INCREMENT FINANCING PLAN RELATING THERETO. Seconded by Anderson. Voting for: LaRoque, Anderson, Michel, Sutherland. Voting against: Edevold. Motion carried

Al Rasmussen informed the Council that on June 11, Clearwater County would be hosting a Tax Increment Financing Workshop, put on by the State Auditors office.

Board Reports: Liquor Store. Councilman Anderson reported that he has gotten three different quotes from North Country Business products on a scanning system. Costs range from \$19,941.65 to \$26,927.82. Quotes list a two till scanning system, both hand held with no slide across. Also has an integrated credit card system but if the City does not want that you could drop \$4,000 to \$5,000. It would be like the system at the Kubiak store, and Anderson feels it is a good system. LaRoque stated that she has spoken to Moen and she agreed that it should be put off until fall. He is still down one employee and she would like to look at more quotes. Anderson agrees that more systems should be looked at.

Motion was made by Anderson to extend the meeting by 15 minutes. Seconded by Edevold, passed unanimously.

Anderson described the North County Service Contract if a system is purchased.

A special meeting will be held between the City Council and the Public Utilities Commission to go over the 2009 Audits. Meeting will be set for 6 p.m. on June 22<sup>nd</sup>.

Motion was made by LaRoque to approve payment of the outstanding bills. Seconded by Edevold, passed unanimously.

Motion was made by Edevold to pass the following resolutions: Resolution #15-09 Acceptance of Donations, Resolution #16-09 Acceptance of Donation, Resolution #17-09 Acceptance of Donations. Seconded by LaRoque, passed unanimously.

Motion was made by LaRoque to pass Resolution #19-09 NORTHERN MUNICIPAL POWER AGENCY DIRECTOR. Seconded by Michel, passed unanimously.

Motion was made by LaRoque to pass Resolution #20-09 NORTHERN MUNICIPAL POWER AGENCY ADVISOR. Seconded by Michel, passed unanimously.

Being there was no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by Edevold, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
MAY 19, 2009

The Bagley City Council met in special session on May 19, 2009 at 6:30 p.m. in the City Council Chambers. This was a joint meeting between the City Council and the Bagley Park Board.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Sidney Michel, Mark Edevold, David G. Anderson, Park Board Members Jackie Merschman, Amanda Brustad, Steve Beltz, Street Superintendent Arnie Teige, and City Clerk Colleen Lindgren.

Discussion was held on the 2008, 2009 budget and designated funds.

Teige informed the Boards that he had contacted two plumbers on putting more water spigots in the City Park. Teige can help with the work but he cannot hook the water up. Water will be put in from the Park Attendants site to the south. A quote was received from Neil's Plumbing & Heating at a price of \$1,825.00. This would put in 6 spigots with vacuum breakers and be installed to state code. It also must be inspected. Motion was made by Anderson to accept the quote of Neil's Plumbing & Heating to put the water in on the south end of the park at a cost of \$1,825.00. Seconded by Michel, passed unanimously.

Discussion was held on how much water is located in the north side of the park. Teige feels that it may cost up to \$1,500 for 4 to 5 spigots. Motion was made by Edevold to put in additional water on the north side of the park, not to exceed \$1,500. Seconded by Michel, passed unanimously. Funds to come out of the designated park upgrade funds.

Discussion was held on agrilime for the ball fields. Brustad gave the price of \$16.90 to pickup the agrilime and \$48.35 delivered. Michel said that he had not found someone yet to haul it for sure, but the price of \$22.00. It would be brought up in an end dump truck. Teige would rather go with the dumping of it in a place where he can get at it to spread it himself.

Merschman brought up the fact that she does not understand where the chain of command is. This has not gone before the Park Board yet. She feels that in the future the Park Board should bring to the Council what they would like to see done in the Park and Recreation area. There are steps that the Boards should go by. Edevold stated that the agrilime came up quickly and the ball season is going on now and it is needed now. LaRoque said that Merschman had a valid point and this should be done from now on. Mayor Sutherland and Michel agreed. Teige was designated to order the agrilime and have it dumped, getting the best deal possible. The \$2,400 for the agrilime will come out of the ball field complex designated funds.

The Snack Shack is done and ready to be hauled to the Bagley Softball fields. It is eight feet wide, has a 12-inch counter and lined on the inside, with fold up windows on both sides. The building has been shingled and has a steel door. These items were gotten from Westwood's. There will also be a bill coming from Jennifer's Hardware for hinges and such. Lindgren donated the tarpaper for the roof. Discussion was held on how to get the building hauled to Bagley. Teige was authorized to do whatever it takes to get the building to Bagley. Lindgren stated that the students did do a good job on the building. A letter of Thank you will be written to the LaPorte School teacher and students, Duane Bowman was the instructor. Discussion was held on a policy for the use of the snack shack. Park Board will be asked to work on this and also to check into the area of a food license. Discussion was held on shelters over the ball field spectator area. If plans are made on this, they need to be brought before the Park Board and Larry Bellefy will be invited to comment on it.

Teige informed the group that he would be doing the cement soon for the picnic tables on the beach area. He had a round band made by Evan Air, so that he has a form for the cement work. Merschman asked if the City is going to be fixing the boat ramp area. She said she is getting calls on it and people are saying it is not long enough. Teige does not know why people can't put their boats in. He said what happens is that people power load their boats and this kicks out the soil and rocks. Merschman stated that people with pontoons are complaining about not being able to load. Teige stated that the DNR has materials that they can supply and they will work with the City. If the City looks into doing excavation, that would be through another department and is more of a problem.

Being there was no further business to come before the boards, motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

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Mayor John Sutherland

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
JUNE 9, 2009

The Bagley City Council met in regular session on June 9, 2009 at 7 p.m. in the Bagley City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Sidney Michel, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren.

Also present were Al Rasmussen, Herb helm, Mark Bowman, Curt Meyer, Chief Darren Halverson, Jeanine Brand, Pastor Fry, and Dianne Nowacki.

Motion was made by Edevold to approve the minutes of May 19<sup>th</sup>. Seconded by LaRoque, passed unanimously.

Motion was made by Michel to approve the minutes of the Council Meeting and the Public Hearing of May 12<sup>th</sup>. Seconded by LaRoque, passed unanimously.

A letter was received from Malotte Backer concerning Art In The Park on July 11<sup>th</sup>. Art In The Park committee members asked if the City would approve the use of the park for the event and provide barricades. LaRoque stated that this is the 22<sup>nd</sup> Annual Art In The Park event. Public Utilities workers help put up the banners. Motion was made by Edevold to approve the use of the park along with barricading off the upper section of the park for Art In The Park on July 11<sup>th</sup>. Seconded by Michel, passed unanimously.

An application for a Temporary On-Sale Liquor License has been received from the Bagley American Legion. They will be sponsoring a Softball tournament on July 18<sup>th</sup> & 19<sup>th</sup>. Motion to approve the Temporary Liquor License for the Bagley American Legion on July 18<sup>th</sup> & 19<sup>th</sup>. Seconded by Michel, passed unanimously.

WSN Engineer Curt Meyer was present to speak with the Council on the pond, which was built in the Kastner Sub-Division during 2007, plus some other issues that Wee Care Children's Center has. Meyer explained the pond area and showed maps on such. An old drainage pipe on the Wee Care property had been covered when the project was done but now it is uncovered. The pipe was plugged in the area of the pond. It was functioning when the project was started. When work was done on the lot of Wee Care's, apparently it was uncovered. Edevold stated that it is the responsibility of Wee Care to get the pipe covered. The Wee Care Board has issues with the water that stands in the area. Meyer stated that the original plan for the pond was never changed. The slope made is to keep erosion from happening. Meyer stated that they could shoot the contours again, but he would be very surprised if they have been changed. After much discussion, Street Superintendent Teige will be asked to give a hand on grading the area where the water stands, to help with the control of the water. Wee Care will need to get the pipe repaired. Mark Bowman, representing Wee Care, asked if the City ever had the idea of fencing around the pond. Meyer stated that the majority of ponds are not fenced. Edevold stated that it would be a difficult and spendy area to fence due to the slopes around it.

Meyer spoke on the Verna Street area. It was talked about putting a "bee hive" over the grate but it was decided not to due to it could be hit easily by snowplows. A regular solid casting was put on instead. Meyer also recommended that Wee Care get the pipe cleaned out or covered.

Michel asked if it was a valid issue that the pond had gone on the Wee Care property. Edevold stated that the plans were the original ones and that everyone was aware of. There is a small part of their corner being used but that was in the original plan. In essence it is what it was. The city does not bear any further responsibility.

Department Reports: Zoning. Clerk reported there have been a lot of complaints on garbage/rubbish around the City, and Administrator Moore has been sending out letters to people to get their lots cleaned up. Mayor Sutherland spoke on whether the City should look at have a City Wide Clean Up. LaRoque would also like to see that happen. After discussion it was decided the City is unable to do the cleanup. A notice will be put on cable TV and in the newspaper letting residents know that the Zoning Board will be sending out notices to residents that are not in compliance with the City Ordinance. Clean up is for garbage/rub age, weeds, vehicles and maintenance.

Fire Department: A Mutual Aid contract has been received from the Bemidji Fire Department. Motion to approve was made by Anderson to approve the Mutual Aid Contract with the Bemidji Fire Department. Seconded by Michel, passed unanimously.

Police Department: Chief D. Halverson. The Police Department has two vehicles impounded and asked permission to put them up on sealed bid auction. Motion was made by LaRoque to allow the Police Chief to sell the 2 vehicles that were impounded, on sealed bids. Seconded by Anderson, passed unanimously.

Public Utilities: Mayor Sutherland reported that interviews were done for the Manager Position and Bruce Theilen has been picked for the job. He has accepted the offer and will begin on June 29.

Park Board: Brand. The Park Board has been working on the Councils direction to make up policies for the Snack Shack. They worked with Larry Bellefy on this and have decided to let Bellefy run the shack this summer and he will be the one to allow anyone else to use it. There is a Soft Ball Association in place and they do have their own checking account. The goal is to make money for a permanent facility. Bellefy has put in electricity, more shelves, another window and a lock.

A list of duties, which the Board would like to see done, has been given to the Street Department. Rafts will be here soon, volleyballs nets are in, and Leonard Stinar has been trimming trees & bushes. Brand would like to put pictures in the paper and on the web site.

Valspar Paint has not come in yet. Brand is working with the STS and Lions Club to get the scraping and painting done. She would like to get the top shelter done first. Mayor Sutherland asked about putting more tent sites in the park by the ball fields. Michel stated that if they go out too far in the fields, they would get wet. Michel stated that the agrilime has also been delivered to the ball fields, and the picnic table cement is being poured. More water lines have been put in also.

City Hall: Clerk Lindgren. After looking at the budget reports, Lindgren stated that the Dog Pound budget is over budget due to funds have not been received from the County for their share.

For the All-School Reunion, there will be a Caterer at the Hockey Building who is already licensed through the State of MN, for a liquor license. The City does not need to be involved with a Temporary License. Michel asked if the County was going to allow them to serve liquor on County property. Clerk did not know at this time.

On file in the Clerks Office will be the League's State of the Cities Report 2009.

Clerk stated that Chris Arnold brought to her a new City brochure, which he is working on. The sponsors on the brochure will pay for the Brochure and it will promote the City Park and the City as a whole.

Clerk was asked if it would be possible to park campers on the proposed library site on the south end of the City. Jeanine Brand stated that they will need to get in contact with the Library Board due to this is their property.

Motion was made by Anderson to approve the 2009 Fire Contract with Rice Township. Seconded by Michel, passed unanimously.

Clerk informed the Council that Tim Flarety of the Coalition of Greater MN Cities, would like to have a meeting with the Council on July 6, 7, or 8<sup>th</sup>. Members asked Lindgren to set a meeting with Mr. Flarety for July 7<sup>th</sup> or 8<sup>th</sup> at 5:30 p.m.

Clerk brought before the Council information on the Well Head Protection Plan. The Amendment has been finished and a Public Hearing is needed. A letter concerning the public hearing has been prepared. Motion was made by Anderson to set the Well Head Protection Public Hearing for 6:30 p.m. on August 11<sup>th</sup>, preceding the regular City Council Meeting. Seconded by LaRoque, passed unanimously. Also received was a billing in the amount of \$2,050.00 for the services of AC Analytical & Consulting to prepare the amendment. Clerk asked that this billing be approved and the funds come out of the designated funds of the Recodification Of City Ordinances. Motion was made by Anderson to approve the transfer of the designated funds to pay for the services of AC Analytical & Consulting to prepare the Amendment. Seconded by Edevold, passed unanimously.

Herb Helm was present to speak with the Council about an airport hanger land lease. His son has purchased the hanger bay belonging to Neal Illies, which is located on the City Airport. Helm explained that his son wants to move to Bagley. He manufactures airplanes and would like to put a

fuel tank at the City Airport, if allowed by the City Council. It would be open for other pilots to purchase fuel from. The system would cost \$60-\$80,000. It would be a double or triple wall tank. Michel asked if it would need a mound around it due to being close to the lagoons. Helm thought there was no need for a mound but it would need to be looked into. Michel would not be opposed to it. Helm stated that his son would be coming up soon to sit down and speak with the Council on the project. Clerk stated that he State Aeronautics might have to be contacted again, due to funding the City receives from them. Motion was made by LaRoque to approve a 40-year hanger bay land lease to Northern States Commercial in the amount of one hundred dollars per year. Seconded by Anderson, passed unanimously.

Board Reports. Public Safety-Mayor Sutherland reported on the upcoming construction of Highway 92 and he was assured that they would be done by July 4<sup>th</sup>.

Parks & Rec-Michel. There have been complaints received about an incident, which happened in the City Park last year, and the same people are being let back into the park over July 4<sup>th</sup>. Two letters have been received also. Michel would like to come up with more significant rules for the park. LaRoque asked why the Council can't deal with it now. Chief Halverson stated that he had spoken with the person who made the reservations and he made it very clear that the first complaint heard against them, they would be asked to leave the park. He will also meet with them when they come into the park. Michel asked about sending a letter to the party to tell them they need to be on their best behavior. Also, in N.D. bottle rockets are no longer allowed. When the campers come in they should get a set of rules for the park. Chief Halverson's recommendation is that if there are problems with this family in the City Park, this family should be banned from staying in the park. Michel, Chief Halverson, and Lindgren will get together to work on the rules for the park and have the Park Attendant hand them out to all campers.

Liquor Store-LaRoque. Colors have been picked for the outside of the liquor store. There was some concern about the vinyl on the front of the store. At this point it will be painted but prices to replace the vinyl will be looked into. Painting will be done around the sign and minor repairs will be done to it.

Motion was made by Anderson to approve payment of bills as listed. Seconded by LaRoque, passed unanimously.

Motion was made by Anderson to approve the passage of Resolution #21-09 AMERICAN LEGION POST #16 BINGO PRMIT. Seconded by Michel, passed unanimously.

Motion was made by Michel to approve the passage of Resolution #22-09 ACCEPTANCE OF DONATION. Seconded by LaRoque, passed unanimously.

Discussion was held on a Revolving Loan Application put in by Jon Labraaten. Mayor Sutherland and Clerk Lindgren have met with Tiffany Fettig concerning this application. Her recommendation is for the following: Amount of loan-\$18,750; 7year fully amortizing;0% interest for first two years, then 4.0% for the remaining five years; \$240/month; 2<sup>nd</sup> lien position on Real Estate and equipment. Personal guaranty; fess is 1% commitment fee and out of pocket closing costs and monitoring will be annual tax returns and personal financial statements. Motion was made by LaRoque to approve the Revolving Loan Fund of \$18,750 to Jon Labratten with the about stated terms. Seconded by Anderson, passed unanimously.

Discussion was held on a Conservation Improvement Program Agreement. Edevold explained the agreement to the Council. The utilities board has gone over the agreement and it is one that they must go by. The Commission has approved the agreement and has signed it. They are now asking that the Council also sign the agreement. Motion to sign the Conservation Improvement Program Agreement was made by Edevold. Seconded by Michel, passed unanimously.

Other business? LaRoque would like to bring up the City Wide Clean Up when working on the 2010 Budget.

Being there was no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by Michel, passed unanimously.

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John Sutherland, Mayor

ATTEST:

Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
BAGLEY PUBLIC UTILITIES

A joint meeting was held on June 22, 2009 at the Bagley City Council Chambers, between the Bagley City Council and the Bagley Public Utilities Commission.

Present at the meeting were Mayor John Sutherland, Council Members Sidney Michel, Wendy LaRoque, Mark Edevold, City Clerk Treasurer Colleen Lindgren, Public Utilities Members Doug Lindgren, Andy Simmons, and Office Manager Vickie Fletcher. Councilman David G. Anderson was absent.

Sandy Nelson, Auditor from Miller McDonald presented the 2008 Public Utilities Audit Report. Net Income for 2008 was \$69,048 and in 2007 it was \$85,094. Nelson presented the audit findings on the Public Utilities and the City. She did not identify any significant deficiencies. One noted segregation of duties was for one person to make out the checks and a second person mail out the checks.

The Statement of Audit was explained. Two noted item was that the Liquor Store checks need a disclaimer on the back of them, and this was taken care of during the year. Inventory lists are needed and are presently being worked on.

After reviewing the Public Utilities Audit, motion was made by D. Lindgren to accept the 2008 Audit as presented. Seconded by Simmons, passed unanimously.

Auditor Nelson next went over the 2008 City of Bagley Audit. City received a good opinion from the Auditors. As for the Municipal Liquor store the 2008 Net Income is \$26,263. For 2007 it was \$11,313. Nelson found no real concerns in the Audit.

After reviewing the City Audit, motion was made by Edevold to accept the 2008 City of Bagley Audit as presented. Seconded by Michel, passed unanimously.

Being there was no further business to come before the Council, motion to adjourn was made by Michel. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer



CITY COUNCIL PROCEEDINGS  
JULY 14, 2009

The Bagley City Council met in regular session on July 14, 2009 at 7 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Sidney Michel, Wendy LaRoque, Mark Edevold, David G. Anderson, and City Clerk Treasurer Colleen R. Lindgren.

Also present were Rita Bode, Janelle Melbo, Mary Ann Scherzer, and Melanie Nelson.

Motion was made by LaRoque to approve the June 9<sup>th</sup> minutes with the following correction: under the Police Dept. report – “Motion was made by LaRoque to allow the Police Chief to “sell” the 2 vehicles, etc.”. Motion was seconded by Edevold, to approve the minutes as corrected. Passed unanimously.

Motion was made by Edevold to approve the minutes of June 22 with the following correction: David G. Anderson was absent from the meeting. Seconded by Michel, passed unanimously.

LaRoque gave a report on Art In The Park. There were 31 Artists that participated and 2 non-profit food groups. The Art In The Park Committee has only allowed non-profit food vendors to participate.

Bagley Elementary Parent Committee members were present to speak with the Council about the North Elementary playground. They showed the Council a proposal for new equipment. Their biggest concern is that the playground was constructed in the late ‘40’s or early ‘50’s. They are asking for support from the City. Projected cost is \$50,000 for equipment, trim, border and cement is figured around \$15,000. They are seeking outside help first and they will be looking into alternative funding. They stated that the playground is used by the whole community. Edevold encouraged the Committee to meet with the Bagley Park Board at their next meeting.

Department Reports: Public Utilities. Mark Edevold reported that Bruce Thielen would not be working for the Public Utilities as Manager. The Hiring Committee has chosen to readvertise, and will be accepting applications until July 22<sup>nd</sup>. A deadline of August 1<sup>st</sup> to get this resolved has been set, if possible. Commission is getting caught up on setting new rates on sewer and cable TV. Water rates will stay the same.

Park Board: Clerk informed the Council that minutes of the last meeting are in their packets. Park Board members met and stained the top shelter in the City Park. They will be discussing the 2010 Budget at their next meeting. Many positive comments were heard about the City Park.

City Hall-Clerk Colleen Lindgren. A thank you card from the All School Reunion Committee was read. Monthly budget reports were looked over. \$3,858.00 was given to the Council from the proceeds of the Firemen’s Ball to put towards a generator for the Fire Department. Notification has been received that the City is in compliance with the Local Government Pay Equity Act. The City Attorney is working on an amendment to the Bagley Zoning Ordinance concerning garbage and getting rid of old cars within the City. Zoning Administrator Howard Moore is working with him on this and the Zoning Board will be meeting on it also.

Council discussed dates to hold Budget Meetings. Clerk stated that the proposed levy must be into the County Auditor by September 15<sup>th</sup>. Meetings will be held on July 29<sup>th</sup> at 6 p.m., August 13<sup>th</sup> at 6:30 p.m., August 27 at 6:30 p.m., and September 3<sup>rd</sup> at 6:30 p.m. Discussion will also need to be held on the 2009 due to the States unallotment of 2009 LGA funds. Department Heads will be asked to bring their wish lists to the first budget meeting.

A meeting will be set up with Bradley Peterson, Coalition of MN Cities, during the week of August 17-21 at 4 p.m. Clerk will confirm the meeting and get back to the Council.

Motion was made by Anderson to approve a Temporary Liquor License for the Bagley American Legion to set up a beer tent during a softball tournament on July 26<sup>th</sup>. Seconded by LaRoque, passed unanimously.

Board Reports: Public Safety, Mayor Sutherland. Street project was almost completed by the July 4<sup>th</sup> events, but Mayor was not impressed with the clean up after the project.

Parks & Recreation-Councilman Michel. The water was extended further in the City Park to include the lots next to the boat ramp. During the July 4<sup>th</sup> weekend, three port-a-potties were rented due to so many people in the park over the Reunion. All went very well in the park and the park attendant did hand out the Park rules to all that stayed there.

Liquor Store-Council Member LaRoque. The liquor store has been painted on the outside and it looks great. A good job was done by the painters. There may be an issue with the bottom of the siding due to being damaged. A quote to paint the light up Liquor sign came in at \$1,200. It will not be done at this time.

Issues have been heard on the stipulations put on Brandon's Simpson's permit. Simpson was to have the privacy fence and blacktopping done by October 2008. Complaints have been heard on why hasn't the Council pushed to get these done. Clerk stated that she had spoken to Simpson and he did not have the funds right now to do the work. Michel asked what options the Council has? Anderson stated that if Simpson does not have the funds to do it, there might not be any options. LaRoque asked about setting a date for him to get the work done. Mayor Sutherland said that he has already had almost two years. Michel realizes that there have been money issues and Edevold agreed that with the economy the way it has been, there might not be any extra funds for blacktopping. Edevold asked if there have been any problems seen or heard about dust, smell or health issues. No one has heard any at this time.

LaRoque said that she had spoken to one of the neighbors and the only smell has been when the carcasses have been taken out. It has been quiet but the neighbor was concerned about what the City had asked him to do on the fence and blacktopping. Michel asked if the City has any financial backing in the project. Clerk stated that Simpson does have Revolving Loan Funds but he has been making payments on time. Michel stated that the Council might need to speak with Simpson. Edevold asked about adding more dollars on the Loan to at least get the fence done. Clerk will speak with Tiffany Fettig from HRDC on the funding. There have not been any complaints on dust and LaRoque said a lot of the customer parking area is tarred already and it always looks clean in the area. Edevold feels that the fence is needed. Councilmen Michel and Anderson will contact Simpson and speak with him on the matter.

Motion was made by Anderson to approve payment of the outstanding bills. Seconded by LaRoque, passed unanimously.

Motion was made by Edevold to pass Resolution #23-09 ACCEPTANCE OF DONATION. Seconded by Michel, passed unanimously.

Motion was made by Michel to pass Resolution #24-09 SUPPORT OF 2010 CENSUS. Seconded by LaRoque, passed unanimously. Clerk informed the Council that the Census Bureau has a program where they will pay for materials for a Fair Booth at the County Fair. They also have a program where the Cities can apply for funds to order promotional items to give out at the fair for the Census. The only cost to the City would be time put in by the Clerk to order the items and some time manning the fair booth. The money does not come directly to the City but goes to a vendor for the items ordered.

Motion was made by Anderson to have the Mayor sign the Liability Coverage Waiver Form stating that The City DOES NOT WAIVE the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

Motion was made by Anderson to approve the Homecoming Parade Permit Application put in by Bagley High School Student Council Advisor Perry Nelson. Seconded by Michel, passed unanimously.

Being there was no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by Michel, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
JULY 29, 2009

The Bagley City Council met in special session on July 29, 2009 at 6 p.m. in the Council Chambers.

Present were Mayor John Sutherland, Council Members David G. Anderson, Sidney Michel, Mark Edevold, Wendy LaRoque, and City Clerk Treasurer Colleen R. Lindgren.

Also present were Arvin Teige, Police Chief Darrin Halverson, and Crystal Schmitz.

Clerk informed Council that the final unallotment of 2009 Local Government Aid is in the amount of \$27,434.00. Discussion was held on the proposed cuts the Council had done earlier in the year. After discussion, motion was made by Edevold to add back onto the 2009 Budget the following: Roads & Bridges - \$9,000 for a mower and Police Dept.-\$5,000 for a squad car and the following items will be cut from the 2009 Budget: Hockey Utilities-\$3,000; Senior Center Utilites-\$3,000; R&B water truck-\$1,000; R&B snow removal-\$1,000; City Hall-Well Head Protection-\$250; Historical Structure-\$500; WebSite-\$500; Parks & Recreation-Capital outlay \$4,558; Economic Development Infrastructure-\$5,000. Seconded by Anderson, passed unanimously.

Teige reported that the park golf cart needs pistons and a cylinder. This will cost around \$500 to \$600 to repair. This amount will come out of the 2009 Budget Park Repairs.

Crystal Schmitz was present on the Beautification Project. Schmitz stated that she was not going to be doing the whole project anymore. She would, however, be willing to do the flowers at the intersections, Liquor Store planter, the Ball Park, and the ones in front of the Cease lot. Someone will still need to water them. She does not get that involved in the hanging planter because Francis Floral takes care of that. She does not care to do all the pots that sit on the sidewalks. She has talked with Teige, that if the City is not going to have them next year, a new place to store them will be needed. Clerk informed the Council that Francis Floral has stated that about 30 new hangers would be needed next year for the hanging baskets and the cost of fertilizer has gone up also. Schmitz stated that she would hate to see it not done and there were many complements heard on the flowers. Council Member LaRoque volunteered to head the project in 2010. There might be some organizations that may help also. Schmitz was thanked for all the work she has done with the flower project. 2009 receipts and disbursements of the beautification budget were gone over. Edevold stated that the public has stepped up and helped with the project, so he does not feel it should be cut just because it is a quick easy one to do. LaRoque said that it would cut costs if the stone planted were not put out, she feels that the business's should help with these or the Chamber.

Police Department – Chief Halverson. Chief would like to put \$5,000 in the 2010 budget for the future purchase of a squad car. Mayor Sutherland stated that the dispatching fees will be looked into further, due to Bagley is the only City who pays into this. Legal Services/Family Advocacy must stay in due to it may be needed.

Roads & Bridges-Arvin Teige. Teige informed the Council that the dollars put in the 2009 Budget for a mower can be taken off of the 2010 Budget due to he will be purchasing a mower in 2009. In 2010 he would like to get a 1 or 1 ½ ton truck that carries 500 gallons of water. Money has been saved for this over the years. Teige explained the process of the State Bids and may be purchasing a new vehicle instead of a used one.

Teige informed the Council that the State said the City cannot use the hydrants to run off the additional water lines. Teige did have a Plumbing Inspector, Brad Jenson, go over the whole project with him. Now the Dept. of Labor does not approve of the project. If needed, water can be taken off the beach house for the water lines. Plumber Paul Niel will be working to get the problem straightened out. Edevold stated that the Park Board would like to see water put up to the shelters also.

Teige also informed the Council that the Department of Aeronautics has reprioritized the wish lists of Cities. They have now informed him that is may be possible to get the Departure Building and the Blacktopping of the entrance road done this year. Teige would like to put the

dollars towards crack filling of the landing strip. Large cracks have formed on the strip, some around 3 inches wide. This is something that an engineer would be needed for. State DOA Project Manager Mike Ferrie, said they would look at the transfer of the funds from the building and road to the crack filling. Teige was instructed to look further into the project and bring more information back to the Council at the next meeting.

Clerk Lindgren read a letter to the Council, thanking them for their help with the 2009 Utility bills for the Bagley Hockey Association. They would again appreciate any funds that the City could put towards their utility bills in 2010.

Park Board is going to make a recommendation to the Council to raise the daily rate of camping in the City Park. They would like to see the tenting go from \$11.00 to \$15.00 and the RV Parking from \$20.00 to \$25.00. Michel stated that if they are going to consider that, that maybe they should consider putting a lock on the dump station and charging to use it, and advertise it like that. Other local rates were discussed and this would put the City in the ballpark of other parks in the area.

Cemetery – there are not any changes to look at this time.

Dog Pound – no changes at this time. Not a whole lot of action has been going on and the County has paid in their share of the bill.

Airport – Clerk reported that the lower windows in the airport house have been rotting out. Teige got an estimate on the work to be done. The estimate is \$2,900 to get the work done by Jerry Gordon.

Clerk stated that one transfer that will be needed in 2010 is a transfer for Firemen's Relief. That amount at this time is \$4,610. This is the City share.

Michel asked about the City Hall and Public Utilities getting a credit card machine so when people call in to make reservations, they can pay by credit card. Edevold stated that the down side is the fees.

Discussion was held on the rent gotten for the Airport House. Michel would like to see the rent raised by \$50.00 per month. The renters also watch the airport so people do not go up there that don't belong there. Edevold does not mind the house rent being less than what the market is because they do watch the area. Clerk will inform the renters that this may happen on January 1, 2010.

Economic Development – Clerk stated that the BIDC would still like to see funds put into their account to cover the land taxes for 2010. Mayor said that the County would like to see the City pay into the wages of Economic Developer Al Rasmussen. Questions were asked on what is going on with the Tower Contractor. Clerk will call to see what is going to happen. At this time the \$15,000 for Infrastructure was left in the budget.

Teige gave a report on the streets and work to be done by the County in 2010. He would like to see 3<sup>rd</sup> Street NW worked on and 2<sup>nd</sup> Street NW by the old hockey rink area/with a storm water pond in the area. More parking is needed by the elementary school. He feels that curb and gutter should be put in on the blocks surrounding the area where the County will be working on. Michel feels that the Public Utilities should look at it also in case there is something with the water/sewer lines that need to be fixed. Teige will be checking with the County on when they are going to do this project, whether it is 2010 or 2011.

Fire Department – the \$12,000 for the Generator can be taken out for 2010.

City Hall – one of the bonds will be paid off in 2009 in the amount of \$31,215. The capital outlay of \$2,000 for computers can be taken off. Beautification budget was discussed. LaRoque feels that this program is contingent on how many funds you get donated. 2009 Street Improvement fund will be renamed to 2010 with funds set at \$10,000. Utilities will be left at \$3,000 for the Senior Center and \$3,000 for the Hockey Association.

Next budget meeting will be held on August 13<sup>th</sup> at 6:30 p.m.

Motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
AUGUST 13, 2009

The Bagley City Council met in special session on August 13, 2009 at 6:30 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren. Councilman Sidney Michel was absent.

Also present were Zoning Administrator Howard Moore, Fire Chief Rick Viktora, Pound Master Dany Ekre, Street Superintendent Arvin Teige, and Police Chief Darin Halverson.

Zoning Administrator Howard Moore was present to speak with the Council on a Zoning Amendment to Ordinance #137. This amendment concerns the area of cleanup on property located within the City limits. Motion was made by LaRoque to approve the Amendment to Ordinance No. 137 with the correction in Section (d) to delete the words "and may be punished", as they are stated two times in the sentence. Seconded by Edevold, passed unanimously.

Discussion was held on the Headwaters Meat building. Edevold stated that the Zoning Board did not put any conditions on the project. Moore would like to look at all the minutes of the Zoning Board and the City Council minutes. Moore still feels that Simpson needs to put up the fence and do the blacktopping/cement work but someone needs to speak with him again on this. Moore's issue is that Simpson was to do the work in one year and it has now been two years. Moore has been questioned by some of the people who were at the public hearing. Edevold stated that if anyone wants to call him on this, he would gladly speak with him or her. Councilmen Anderson and Michel will go out and speak with Simpson. Clerk was asked to speak with the League of MN Cities on this and ask what the Council should do.

Moore stated that he has issues on getting things done with the City Attorney and asked what the Council has planned for next year in the area of City Attorney. Matter will be brought up at the January 2010 Council meeting.

The Council now worked on the 2010 Budget.

Zoning: Howard Moore, Administrator. Moore stated that he is logging his time spent on zoning issues. He would like to see the fees for land use permits increased. Clerk was instructed to figure up how much is generated by zoning fees for 2008 and 2009. There were no changes made on the 2010 Zoning budget.

Fire Department: Rick Viktora, Chief. Word was received that the Fire Department was approved for a grant to purchase SBA equipment, but the City must put in 5% of the costs. Viktora stated that this amount would be around \$4,000. This was added to the 2010 budget.

Dog Pound: Dany Ekre, Pound Master. Ekre stated that he feels the Council should raise the daily rate for the pound. Presently the Ordinance says \$5 per day with \$1 per day for food with a 5-day holding period. He recommends that it be changed to \$10/day with \$1/day for food. He has been able to find homes for most of the animals that he has impounded, if the owners have not claimed them. He has spoken to the County also, about raising the rates. Clerk was instructed to get the number of animal days and divide it into the budget, and bring the numbers back to the next budget meeting.

Roads & Bridges: Arnie Teige. The 2011 Street Project should be kept in the budget and there are some things that may need to be added on. Teige was told that the County Engineer would be doing the Engineering on the project. They have been working together on a storm water pond to be located in the area of the old hockey rink and this needs to be engineered. Teige would like to see curb and gutter put in the area of Faith Lutheran Church to Sand Lake Ave. Edevold would like to get an idea on how much this will cost. Teige estimated up to \$100,000. The 2009 Street funds left over will be put into designated funds for the 2011 Street Project. There may be a need to look at the infrastructure of the streets. Edevold would like to see \$30,000 put in the Street Project fund.

LaRoque would like to see the City Wide Cleanup put back into the budget and asked what was budgeted in previous years. Clerk stated that \$4,000 had previously been put in the budget.

Anderson agreed that the City Wide Cleanup needs to be put back into the budget. She stated that there are a lot of people who are unable to haul their stuff out to the landfill. Teige said that it is a big cost for vehicles doing the project.

Teige informed the Council the ditch on the east side of town needs to be cleaned out next year. Cost for this will be approximately \$2,500.00. This amount will be put into the Roads & Bridges Outside Services.

Police Department: Chief Darin Halverson. Halverson asked Mayor Sutherland is there was anything more on the dispatcher services. Mayor had spoken to one of the County Commissioners and it was to be brought up to their meeting, but he has not heard back yet. There is no contract for these services, which anyone can find. Anderson does not see why Bagley is paying for the services, when the other cities in the County don't. Mayor said he will speak with Commissioner Hayes tomorrow. Anderson and Edevold stated they feel zero should be budgeted and this amount should be told to the County Commissioners. Chief Halverson feels that the gas and oil can be cut down by \$2,500. Repairs and maintenance was raised by \$500 due to cars getting older and may need more repairs.

Airport: Teige reported that he had met with Engineer Mike Kavarkko concerning the cracks in the runway. The Engineer was shocked at the size of the cracks. The Department of Aeronautics is looking into and requesting all of the quality control testing done on the project. Edevold would like to put \$5,000 in the repairs/maintenance of the airport for the repair of the cracks.

During the spring flooding there were funds spent on sand bagging in the City and the Airport road/ditches were damaged. Funds of \$1,700 were gotten through FEMA to cover the costs of the sand bagging, plus \$8,500 may be gotten to fix the airport road and ditches. Teige is waiting to hear back from FEMA and get paper work for this project.

Cemetery: Edevold questioned if the funds for the back lots need to be done. Teige said it is not crucial to get the roads done, but Clerk Lindgren stated that cemetery plots are being sold in the area where the roads are not finished. Teige said the roads are laid out but not developed completely. LaRoque asked if Teige could use the 2009 funds to develop the back lots and not put anything for the development of the roads into the 2010 budget. Teige feels he can work on that this fall.

Community Service program will be left as is.

Economic Development: amount given to the BIDC was upped by \$1,000 due to land tax increase. Infrastructure funds were discussed. These are funds for any emergencies that happened to come up in the City. There is \$10,000 in these funds for 2009. Anderson asked if the contracted services would be cut for 2010, due to they were not used during 2009. \$2,000 will be kept in the grants & surveys budget, which can be used if HRDC services are needed.

Parks & Recreation. Clerk stated that the Park Attendants on unsure if they will come back next year, and Councilman Michel has asked about raising their wages as an incentive to come back next year. Edevold stated that he has heard lots of good comments. LaRoque said that looking at the wages, they do look low to her. Clerk gave an explanation on the park employee's wages. Edevold would like to figure a wage on years served. Anderson would like to set a starting base and Council evaluates each year. Edevold would like to see a cap at 5 years maximum. Clerk will figure up a schedule of a \$50.00 raise per year, beginning at \$750 up to a cap of \$1000, and bring this to the next Council meeting. Netlands could be put at the 3-year wage being this is their second year with the City. Teige stated that he feels that Netlands have done a real good job at the park. The first year is always a learning experience for anyone. Clerk informed the Council that Shelly Sorensen does help Netlands out by taking over a day now and then. She is now cleaning the bathrooms for Joan Gray, due to Gray having some medical issues.

Edevold said that the Park Board would like to see the 2010 Budget stay the same as 2009. Some changes would need to be made inside the budget due to price increases in insurance and misc. An increase in wages for park attendants and cleaners may need to be looked into. LaRoque said that the Park Board still has some funds they could spend from the 2009 budget. Park Board will be meeting on August 25<sup>th</sup> and will be looking at the budget at that time.

City Hall Budget. LaRoque stated that \$5,000 will be left in for City Wide Clean Up Days. Discussion was held on the employee's health insurance. Clerk stated that she is going to a meeting



at the end of the month to find out what will be happening with the insurance. Quotes for different insurances will be looked at beginning in October. Clerk went over the City Hall Budget. Anderson asked if it wasn't talked about, giving the Hockey Association \$3,000 and nothing to the Senior Center. Clerk stated that she has heard that they need the money at the Senior Center. Edevold said that the Senior Center should come in and show them the books on why they need more funds and the Hockey Association should also do this for 2010. Clerk will ask both groups to come to the next budget meeting. Edevold feels that both groups should be zeroed out now being we have not had any formal requests. LaRoque feels it should be left at \$3,000. Anderson agreed, that if they were given zero now it would give them an incentive to come in and make a formal request.

Clerk spoke on the web page. She has been unable to get things done as she has requested. LaRoque asked if there was anyone else who could do the work, like someone in the front office? Clerk felt that the Bookkeeper is busy enough. Clerk said she had told Chris Arnold, who has been doing the web page, but she has not heard what he wants to do. LaRoque stated that it needs to be looked at more and we need more accountability or find someone else. Edevold agreed and suggested putting in \$1,000 in the budget. Clerk asked if \$500 should be put back into the Historical Structure upkeep. Edevold asked on behalf of the Historical Society, that \$500 be put in the Historical structure upkeep, to keep the numbers growing.

The Clerk gave a paper to the Council concerning some changes to employee benefits, which had been gone over with the department heads. If the Council will not looking at any wage increases for 2010, they would like to get some benefit changes. Most of the benefits are the same as the benefits given to the Union Employees. LaRoque questioned the 10-hour workday. Clerk explained this is something that she and the City Bookkeeper would like to work on. Teige has thought about asking for it also. The County and the State also do 10-hour days. Edevold feels that it is something to look at. Lengthy discussion was held on the 10-hour day. Discussion was also held on the Police Union contract. Edevold would like to know what the wishes are of the Council, to see negotiated for the Police Officers. Edevold and the Clerk stated that the Mayor should step down from negotiations due to his belonging through the same union while working for Clearwater County. LaRoque asked about percentage increases and employee evaluations.

Being there was no further business to come before the Council, motion was made by Edevold to adjourn. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
AUGUST 27, 2009

The Bagley City Council met in special session on August 27, 2009 at 6:30 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, David G. Anderson, Mark Edevold, Sidney Michel, and Clerk Treasurer Colleen R. Lindgren.

Also present were Ruth LaFontaine and Marilyn Melby.

RE: Discussion on the 2010 Proposed Budget.

Ruth LaFontaine and Marilyn Melby, on behalf of the Bagley Senior Center, were present to thank the City Council for the financial help they have given them. LaFontaine informed the Council where their operating funds come from. They have fundraisers, Township contributions and the hope to rent out the facility. Their goal is to keep seniors in their homes as long as possible so they are paying taxes and are productive persons in the community. Keeping them in their homes reduces County and State expenses. Operation of the Senior Center costs approximately \$1,025 per month during the winter and \$850 during the summer. Last year the total cost of utilities was \$8,387.62 (this is from August to August), from which the City/Public Utilities paid \$3,000. Mayor Sutherland asked if they had a total of what funds were brought in by the Center. LaFontaine said that the Township Boards gave \$1,925, breakfast fundraisers were \$3,325, and donations & memorials was \$2,200. Other fundraisers are also done. Marilyn Melby stated that the Center does function on volunteer help. The cooks, site manager and the food are paid by LLS. Drivers for meals on wheels are also volunteers. Michel asked if the Center has any fall back funds. LaFontaine said that if they get into trouble, they have a fundraiser. LaRoque asked if they are asking for a certain amount of funds. LaFontaine said that they are grateful for any amount, which they get. Edevold said that there is a new program out for energy efficiency. This is a program through the Public Utilities and may be something they want to check into. LaFontaine and Melby said they were appreciative of all that is done for the Center.

Clerk explained that she had made all the proposed changes on the proposed budget given to the Council. There were no changes done in the area of wages and benefits, due to nothing has been talked about in that area. The wage scale that the Council talked about for the Park attendant was included. If the Council were to approve the proposed levy as is, it would increase the levy by 4.63%. Clerk had met with the NW Service Coop on the Health insurance. They are saying that the City employee health insurance will be going up 4.8% for 2010, which is a good number.

LaRoque asked if Personal Evaluations have ever been done. Clerk stated that past Council Members have not done this. She would like to see this done in the City. Discussion was held on giving a percentage raise to the employees. LaRoque stated that the longer an employees stays with the City, the more their increase should be. Michel said that there are always problems when giving wage increases. He feels that doing evaluations is a joke. Michel would also like to give some kind of credit for training and testing. Discussion was held on what and how much sick leave is given. Clerk explained the Medical Savings Account and the VEBA Accounts that the employees have.

Edevold stated that in the end, the Council is going to need to discuss pay increases. The goal is to see what a levy increase, in dollars, needs to be figured. Clerk explained the difference between the proposed levy and the 2009 Levy amount. In dollars, it would be an increase of \$22,879 or 4.63%.

Clerk stated that she did add \$6,000 unto the City Hall Budget for carpet. A quote was gotten from Galli Furniture. Edevold feels this amount could be cut in half, because the Public Utilities could pay for ½ of the cost. This would cut \$3,000 from the budget. \$10,000 could also be cut from the Park Budget Capital Outlay. Michel would like to see the City help the Hockey and Anderson would like to see their proposed funds of \$3,000 be left in the budget. Michel feels that the Senior Center can do fundraisers, whereas the

Hockey Association has working parents that can't do as much fundraising. LaRoque would like to put dollars in for the Senior Center utilities. Edevold stated that he had no problem putting in \$1,500.

Discussion was held on the 2009 budget and what was put back in after the final LGA cut was known. There is still \$15,000, which can be carried over to 2010.

Mayor Sutherland said that on the Dispatcher Services for the Police Department, there are no answers as of yet. The budget for services will be left at zero at this time. He asked if the Council would like to go through anything else to see if there was more trimming to the budget that could be done.

Edevold stated that he had spoken to Street Superintendent Teige about the 2011 Street project. They would like to keep the \$30,000 in this budget because it may cost more than this when the project is done.

Edevold asked the Clerk what the 4.8% increase in the health insurance would do to the overall budget. Clerk stated that it would not do anything to the budget unless the Council changes the cap. This increase is an increase the employees would have to absorb. The employees with a single policy would be charged \$23.50 per month and family employees would be raised by \$62.50 per month. If the City were to cover these costs it would be \$2,065.00 for the year. The Health benefit cap would cover the single policies but the ones with family policies would have to pay the whole amount. Discussion was held on the costs of dental insurance. Union employees get the full amount of dental insurance covered by the City.

Edevold said that the consumer price index for July has gone down by 1.4%. He feels the Council must consider a zero increase. He would like to see the City pick up the health insurance increase so employees are not losing ground, in that regard. LaRoque asked if he was thinking both the health and the dental. Edevold would like to increase the City's contribution to the health benefits by \$25.00 per month. Present cap for the health benefits is \$880.00 per month. Michel questioned raising the benefit cap. Edevold said that the Council could lower or raise that cap at anytime if they wanted too. LaRoque feels that the \$25.00/month per person is too much. Mayor asked what that would break down to, per employee. Clerk figured it to be 4 cents per hour. Edevold feels that the City has good employees that do good work and would still like to see something done.

Clerk went over the insurance and what is covered and not covered. There will be an employee meeting the first part of October. Michel stated that there possibly could be a cheaper insurance out there that the City should look into.

Discussion was held on what is presently included in the Police Union Contract.

A list of requests for employee benefits was given to the Council. LaRoque stated that #4 is a given. #4 is a request to go to four – 10 hour days. She feels it should be left up to the manager. Much discussion was held on this, but was not given due to members feel it is too hard to do at this time. Edevold feels that #1 is good. #1 states: When an employee has reached their maximum sick leave accumulation of 120 days, they shall be credited with an additional one-half (1/2) day of vacation each month the employee maintains their maximum sick leave accumulation. Edevold said that if this is agreed upon, there should be an account built up to cover this. Also, you do not want people coming to work when they are sick. Anderson agreed that he does not have a problem with this. Michel does not really know about this because a big pay out might happen. LaRoque agreed to #1 but feels that the ½ day gained should be used in the year that it is received.

Request #2: Severance pay: severance pay shall be paid upon the retirement which shall mean separation from employment after not less than ten (10) years of service or upon forced retirement due to disability to the employee or his estate at the rate of one-half (1/2) of his accumulated sick leave, but not to exceed sixty (60) days. Edevold figured that it would cost about \$10,000 as a payout for this benefit. Clerk stated that this

amount could be put into designated funds each year. Edevold would like to go with #2. Anderson agreed and does not see it happening soon. It would also be uniform with the Union contract.

Request #3: City will provide dental insurance at no cost to the employee. Edevold feels that this one rolls in with the basic health benefits and is a mute point.

Request # 4: Go to four – ten hour days. This was dealt with earlier.

Request #5: Longevity Pay: After five (5) years of service, an additional \$20.00 per month will be added to the present salary, and an additional \$25.00 per month will be added after ten (10) years of service. Michel stated no to this being there is not being any pay increases. Edevold did not agree with #5. Michel is against the \$25.00 per month at this time.

One other request was for a floating holiday. This means that an employee could take their birthday off or another day. Nothing was decided on this.

Edevold asked if the Council wants to recognize the health increase of let the employees eat it. Michel said that if the Council wants to keep a zero percent increase, there would be no raises. Anderson would like to see a zero pay increase and put the \$25.00 towards the health cap, which would be cheaper. Michel asked that the \$25.00 be figured on the cap and bring this back to the Council at the next meeting.

LaRoque asked about the City Wide Cleanup and Zoning. Would they not be under the same department? Anderson said that zoning would be needed to do the City Wide Cleanup.

LaRoque also asked about the area of having two buses in the City. Michel explained that one is a County bus and one is called “The Bus” which also takes people to Bemidji. Anderson would like to see the dollar amount for “The Bus” put on the City Hall Budget in the amount of \$599.00. He has seen is increase over the last two years.

Being there was no further business to come before the Council, motion to adjourn was made by LaRoque. Seconded by Edevold, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
SEPTEMBER 3, 2009

The Bagley City Council met in special session on September 3, 2009 at 6:30 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, David G. Anderson, Mark Edevold, Sidney Michel, Wendy LaRoque, and Clerk Treasurer Colleen R. Lindgren.

Also present were Alice Gunderson, Ruth LaFontaine, Marilyn Melby, and Police Chief Darin Halverson.

Mayor Sutherland called upon members of the Bagley Senior Center, for discussion about the utility bills for the Center. Gunderson asked the Council to reconsider their decision about cutting their contribution to the Center for the utility bills. Mayor stated that they have not been cut completely out. Gunderson went on to say how they do fund raisers such as breakfast once a month, which they bring in about \$300. This is less than ½ of their utility bill. Their insurance is \$200/month and with an old building they have plumbing and electrical work done almost monthly. Just general upkeep is very expensive. Edevold suggested that the group do a short letter to the Public Utilities Commission asking for their support as well. They group could propose that the Public Utilities match the City share. The cost of the utilities for the Center is around \$700/month for this time of the year and in the winter it is over \$900 per month. The Mayor asked if the Senior Center has any cash reserves. Gunderson stated they do have a small amount for emergencies only. LaFontaine talked about all the work they do at raising funds. They paid for the kitchen being remodeled, which cost about \$32,000. They did have some grant funds, help from Grandma Bee's and lots of donations. Group does not want to see the Senior Center close.

Edevold asked if the County contributes anything? Melby said no. Mayor suggested they speak with the County Board also, because they do help all who want, in the City and County. Michel said that the Council definitely appreciates all that the Center does and they know that it is a difficult time, but the Council needs to foresee the future. Edevold stated that the LGA has been cut for a few years. Michel also stated that last year there was an increase in the levy but this year the Council is trying to keep it the same. After next year the LGA may change.

Mayor suggested that the Senior Center Board put a letter into the Public Utilities and get on the County Agenda. Marilyn Melby stated that she feels giving to the Center is the very best investment the City can make. Gunderson asked what the plan is for 2010. It is unknown for sure and Edevold stated that it would depend on how generous the Public Utilities would be for the year.

Joey Larson, Vice President of the Hockey Association, was present to ask for funds for the Hockey building utility meeting. The Association is doing a lot of fundraising. She feels the City needs something and somewhere for kids to go and do. They had written a grant to Minnesota Wild for \$10,000, and received it, for equipment only for 35 kids and 5 goalies. The residents in the area are 13% below state average of poverty. They are the only non-profit hockey association in the State of Minnesota. The Bagley group is growing more every year.

Edevold informed Larson that in September there would be a person that comes in to do energy conservation audits on buildings, which they may want to take part in. The Public Utilities does have some rebate dollars for upgrades, but you need to pay for what you do first, and then get paid back.

Discussion was held on what the Hockey Association charges for open skating and on what kind of fundraisers they do. There is no County support and only a small amount from the Community Ed for the squirts and open skating. Michel suggested a number of other areas where they should go looking for help. Larson did say that they do charge \$200 for use of the building if someone wants to reserve it. She will get a letter addressed to the Public Utilities Board. The Council will take into consideration her request to again help out the Association by paying towards their utility bills.

Clerk stated that she has put in all the changes on the 2010 Budget that the Council requested at the last meeting. She figured in the same tax levy as 2009. Proposed

expenses compared to the proposed revenue are higher by \$12, 646.36. There should be \$15,000 left in the 2009 Economic Development budget to carry over to 2010.

Mayor Sutherland has met with Sheriff Erickson on the Funds that the City pays to the County for Dispatcher services. Sheriff will be giving a letter to the City concerning the \$6,000, which the city pays. This is not just for dispatch services but also for records and all they do for the Officers. Edevold asked what they charge for Clearbrook. Mayor said that Clearbrook and Gonvick pay zero. Bagley is the only one that pays. Michel would like to see an itemized bill from the County for the services done. Chief Halverson feels it does not take that long to do their work. All records must be kept at the Court House because they are the central information point. Mayor asked if the Council would like a County Commissioner or Sheriff Erickson to come to the next City Council meeting. Chief Halverson said that he has no problem with paying something for the services. LaRoque would like to see how they divide up the amounts. Michel stated that if the County would cut the amount they ask for by another \$3,000, it would help. He would also like to see an itemized bill each month, for the work they have done. Edevold would like to see the Council still go ahead with zero in the budget. Mayor again asked if the Council would like someone to come to the next Council meeting. He will ask them to attend.

Michel feels the levy may have to be raised by ½ % and then the utilities for the Senior Center and the Hockey would be covered. Edevold disagreed. LaRoque stated that we can't do it without raising taxes and in all fairness the County should be charging the other cities. Edevold said that the Senior Center is a tough call because up to 2004 the City did not kick in on their bills. The City kicked in when they got hit hard in 2003, and in a very short time it has gotten much larger for the City.

Clerk explained that the revenue shown was the \$3,000 from the P.U. for the Hockey Association and \$1,500 for the Senior Center from P.U. Edevold said that the Council could ask the Public Utilities to pay in \$3,000 for the Senior Center.

Edevold proceeded to tell the Council that a letter has been received from NMPA, Minkota is having a 28 million dollar shortfall in their budget. Minnkota may need to increase utility prices and he feels that the Utilities cannot absorb this amount. There may have to be a 25% increase in the Bagley Public Utility charges.

Michel feels the amounts should be left as Senior Citizens at \$1,500 and the Hockey at \$1,500. He also stated that he has had five calls about an outdoor rink. Discussion was held on where a rink could be located if it were to be made.

Clerk explained the utility amounts figured in the budget. Edevold stated that if there are funds later in the year, maybe the amount could be bumped up. He will speak with the Public Utilities Board. Much discussion was held on the utility amounts given to the Senior Center and the Hockey Association. Amounts will be left at this time as shown.

Clerk stated that she would like to see a raise for City Bookkeeper Faye Jacobs. Her pay is under what she feels it should be. Edevold said that he could see that a fairness raise is needed. Chief Halverson stated that he would like to go on record that he has no problem with giving Jacobs a raise. Edevold said that the City Employees wages get published in the paper but the Utilities Employees do not and they have been easier for the utilities to bump up the pay. He feels the basic responsibility between the Utilities Office Worker and the City Bookkeeper is very similar. Michel asked if there would be a problem with the union if Jacobs were to be given a raise. Edevold feels confident that the Union employees will get the same as the City employees. He asked if it would be possible to put Jacobs in as Deputy Clerk, and increasing her duties to include doing some of the Council minutes. Lindgren explained some of the duties that Jacobs cannot do at this time. LaRoque asked if the Council could look more at this for 2011, being it is not in the upcoming budget and more information is needed on what the position is to do. Michel stated that it is unknown what is in store for 2011. Edevold said that the difference in the \$15,000 and the \$12,600 increase, could be put on Jacobs wages and

put her in as Deputy Clerk. Michel would like to see a pay scale done. LaRoque stated that the rates would never be the same even with pay scales.

Michel stated he would not be opposed to giving something to Jacobs, but for this year at least he does not want to hinder Union negotiations. Edevold stated that she would have a job title put on. LaRoque asked if the position would need to be advertised. She asked that it be left as is for now and think about it. Clerk explained that she did not feel it would have to be advertised because it would be a promotion for Jacobs. Edevold would like to see the \$2,353.64 put into the City Hall Budget under supplies and materials. Mayor Sutherland stated that if Lindgren were to retire, it would be good to have someone somewhat trained in to either help or take the Clerk position. Or if something comes up for Lindgren, Jacobs would be able to step in.

Motion to adjourn was made by LaRoque. Seconded by Edevold, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
SEPTEMBER 8, 2009

The Bagley City Council met in regular session on September 8, 2009 at 7 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Sidney Michel, Mark Edevold, David G. Anderson, and Clerk Treasurer Colleen R. Lindgren.

Also present: Utilities Manager Mike Jensen, Liquor Store Manager Ken Moen, Scott Grabill, Sheriff Mike Erickson, Fire Chief Rick Viktora, County Attorney Jeanine Brand, Police Chief Daren Halverson, and Bruce Cox.

Motion was made by Edevold to approve the Council minutes of August 11, 2009. Seconded by Michel, passed unanimously.

Mayor Sutherland called upon Sheriff Mike Erickson to speak with the Council on the Dispatching Services, which are provided to the Police Department, by Clearwater County. The City is charged \$500.00 per month for these services. Erickson read a list of all the services that are provided to the City for these funds. Police Dept. does their own NSF checks. Erickson feels this a very fair amount. When Sheriff Trandem was in office the City was charged \$1,000 per month. Erickson was asked why Clearbrook does not get charged for services. He said they only have one office at 40 hours per week. Bagley has 3 Officers and 3 terminals where the reports can be written right in the office and transfer to the Sheriffs Dept. and put on the system. Mayor asked if there is a written contract for these services. Erickson said he has not seen anything. Attorney Brand said that she thought there was one, but when the City contracted to be in the Court House, it was incorporated into that contract. Edevold said there has been a constant howl of people saying that they are double taxed, paying City taxes as well as County taxes. The City needs to look at everything due to LGA being cut. Erickson said that these are Sheriff Dept. services where as most PD have their own dispatches. They do dispatch Fire Dept. and Ambulance for no charge. LaRoque asked if Erickson can see where the Council is coming from when they don't see Clearbrook or Gonvick being charges for services, and the City of Bagley is right here and being charged. Erickson stated he knows there are rules that must be gone by, when you have a certain amount of population. Michel asked what other Counties are doing. Erickson stated that most Cities around contract with the Counties. It is an option for the City to contract with the County. Erickson cut the charge in half and he feels the \$500 is very fair to charge the City. The Council can speak with the County Commissioners on this amount, if they wish. LaRoque feels it isn't fair that other cities in the County don't fair. Edevold stated even if it were nominal, and Bagley wasn't sitting out there all by itself. Erickson stated it is because of the size of the City and the number of calls. Again he stated that the biggest part is the dispatch and it is up to the County Commissioners. Discussion was held on the 911 fees that are collected. Part of this comes back to the County and is used for repeater equipment, base station, and computers for the 911 systems. It cannot be put towards wages of Officers. Anderson would like to see Clearbrook and Gonvick at least charged \$100 per month. Edevold stated that it would be easier for the City if they were paying.

County Land Commissioner Bruce Cox was present to explain a request put in by the County, to put up a number of tax forfeited properties up for auction, which are located within the City. City has the right to approve or disapprove the selling of the properties. Discussion was held on three parcels, which are located south of the tracks. If the Council disapproves of selling any of the property, the statute gives them 6 months to purchase the property. Edevold feels that it would be in the best interest of the City to purchase the three properties located south of the tracks. These parcels are close to the City wells. Motion was made by Edevold to approve the list of properties to be sold accept the following 3 parcels in Groven's Addition: 23.304.0060, 23.304.0070, and 23.304.0040. Seconded by Anderson, passed unanimously. Cox stated that the Council has six months to purchase the property at Market Value. Cox said that there might be more properties in the area of the wells that come up for sale at some point in time.

Department Reports: Liquor Store-Ken Moen. August sales were down 15½%, which is no gain from last year. Moen asked for quotes to fix the back room of the store. He asked three different contractors, two showed up to look, and one put in a quote for the work. Don Friborg put in a quote for \$530.00 to retape, patch, seal & paint (labor & material). Moen asked for a little



leeway for some unforeseen things, behind the sheetrock. LaRoque asked about putting some contingency on the quote. Motion was made by Edevold to approve the quote of Don Friborg for the walls and ceiling repair, seal & paint for the Liquor Store in the amount of \$530.00 and to add an additional \$470 contingency to be made available for any unseen problems. Seconded by LaRoque, passed unanimously. Michel asked if Moen has checked into scanners more. Moen had looked into Total Register, but that was two years ago and the price was \$10,000 plus.

Fire Department-Fire Chief Rick Viktora. In January an application was put in for grant funds from the MN Dept. of Natural Resources to cover costs of 24 coats and 6 bladder pumps. Total cost is \$3,900. DNR has approved a grant in the amount of \$1,800, so the City would need to cover the remaining cost of \$2,100. Motion was made by LaRoque to accept the DNR grant in the amount of \$1,800 and to approve the City portion of \$2,100 for the total of \$3,900 for the fire dept. equipment. Seconded by Michel, passed unanimously.

Park Board-Jeanine Brand. The park board has been busy painting the upper shelter and picnic tables. Grant stated that the paint must be used by the end of the season. Board members were asked to bring their list of priorities to the last meeting and the main project they want to work on is the small park on Spruce Street, which they will be calling Spruce Park. They would like to put a 12X12 foot concrete slab on, cost of \$401, with a basketball stand and hoop, which Teige could build at the City shop, with an approximate cost of \$250. Board is asking the Council to authorize up to \$800 for this project. Mayor Sutherland offered to donate a heavy-duty backboard for the project. Motion was made by LaRoque to approve up to \$800 for the 12X12 slab/backboard and pole for the basketball court project in Spruce Park, with Teige to do the work. Seconded by Edevold, passed unanimously.

A small survey has been handed out to park patrons with good feedback coming in, such as good hosts, larger camper spots are needed, park is real clean, more fire rings are needed but not so close to campers. Park Board reviewed the Park Attendant wage scale that the Council has proposed and they do approve with it. Jackie Merschman will be meeting with a man from the Dept. of Natural Resources on the boat ramps. There is still some talk about the trails and moving the boat ramp to the other end of town, but nothing will be done on this at this time. They are still talking about what to do at the Recreation Complex area. Question is whether to work on building a permanent structure or dugouts. Rumor has been heard that the Bemidji teams will be coming over to Bagley next year to play softball. Edevold said that these teams pay a dollar amount to hire someone to oversee the softball project and use the fields. A fee schedule may be needed for the fields. Michel asked about plans for the dugouts, but the Board has not seen any formal plans.

Public Utilities Manager-Mike Jensen. This is Jensen's second week of work and is beginning to learn what is happening within the system. A report on the TV system was given.

City Hall-Clerk Colleen Lindgren. Monthly budget reports were gone over. City was reimbursed for sandbagging which was done in the City this spring, reimbursement for Police Officer training was received, and airport maintenance reimbursement was received. Clerk will be on vacation from September 18 through the 28<sup>th</sup>.

Board Reports: Public Safety-Mayor Sutherland. Mayor handed out a sheet on a proposed budget, given to him by Sheriff Erickson, for 2 ½ Officers if the City would want to look into contracting with the County. The County would pick up the wages for the other ½ Officers pay. Erickson explained that this dollar amount is only a draft, and he did not figure in any vehicles. Erickson said the County could take all three officers right now because he does have one opening at this time, if the City is interested in contracting he would hold off on hiring. He believes the City would have the full force of the County if they contracted. Mayor Sutherland said that he has spoken to the City Officers and they had stated that they would be interested in looking into it. Chief Halverson said that this matter comes up each year, and he would like to look at it to see if it would be cost effective or not. When Truth In Taxation comes, the residents would be able to see that it was checked out and they would be told whether or not the Council had decided to do it. Michel asked about the City of Fosston looking into having their own Police Department. Sheriff informed him that they are not going to do it at this time. LaRoque asked if contracting would lower services. Halverson said that there would not be a car roaming in the City from 8 to 4, but Erickson said that he would not have a car scheduled in the City but it would be covered. Anderson stated that no matter what color of uniform the Officers wear, the people want to see coverage. Edevold stated there is a difference between response and coverage being there.

Residents appreciate cars in the area. He told the Mayor that if he wants to set up a meeting to discuss this he can, but it has been going on for five years and each year it seems to get more destructive. Chief Halverson said that his Officers are asking, they want to know what is going to happen to their jobs. Edevold feels that Chief Halverson has come up with a very good system and has done an admiral job. Michel stated that the only complaints lately are the hours that officers are on, due to some park problems. Halverson explained that when there was a rash of break-ins, there was a City Officer on 24 hours. Michel would like to see a radar sign put at the end of town for speeders. Halverson will look into the cost and look at some changes in hours. Edevold stated that he will go on record right now that he will not support the combing of the services. He thinks the City Dept. needs 3 to 4 years of breathing room to get all the contention behind them. There are numbers missing from the quote of Sheriff Erickson and it would be cutting a ½ position. He said no disrespect to the Sheriff's Department but he feels it is a better image of the City to have a Police Department and for Economic Development. It would be hard to restart a program again. Sheriff Erickson stated that he felt he owed it to the City and taxpayers to say what he could do and how much he felt he could do it for. With a full force you can cover a lot and departments do work very well together. Eugene Cole asked what it would cost to get the Police Department back up and running if they were to be combined. Edevold stated a lot. The only compromise position that he can find possibly acceptable would be maintaining a department with a Chief and contracting for the Officer services. Michel stated that he has always been against hiring out to the Sheriff's Department. Erickson said that he can take it or leave it, it would just be more work for him if we contracted. He wanted it on record on what they could do and how much it would cost. Michel feels that the dollar figure that was given to the Council is still a little low. Erickson stated he did not put anything in for cars & equipment for the cars. Mayor asked if the Council Members would like to set up a meeting to go over all the figures. Erickson stated he would just like an answer on whether or not the Council is thinking about it, because he is hiring now, and if the Council says no then the offer is off. Edevold stated that he feels that four of the members have said that a meeting is not necessary so they could basically declare that they appreciate his time but they are not going to do it so he should not be holding up on the position. Council members were in a consensus to not have a separate meeting.

Michel asked Halverson to check on the speeding sign and bring back to the Council. LaRoque asked about submitting a letter to DOT, asking to lower the speed limit on the east end of the City. At the bridge it should start to be 45 mph. Anderson said that he had a concerned resident asked him why people are allowed to park on the sidewalk in front of Ortons. Teige will be asked to repaint the No Parking on the sidewalk in front of Ortons along with some yellow strips.

Parks & Recreation: Councilman Michel asked that the City reimburse Park Attendant Wayne Netland for the use of his 4-Wheeler while the park golf cart was broken down. Michel suggested paying Netland \$150.00. Motion was made by Anderson to reimburse Netland \$150.00 for the use of his 4-Wheeler. Seconded by Michel, passed unanimously.

Buildings/Transportation: Councilman Anderson said he has spoken to Brandon Simpson and he will get the 6X6 fence up this fall, but he was not sure about the cement/asphalt this fall. He has funds tied up in another matter right now. LaRoque thinks that the tar could be waited on. Edevold said that the Zoning Board did not put on the stipulations but the Council put them on. Mayor Sutherland agreed. LaRoque says she has no problem with at least the fences getting done, and waits on the tar. The Zoning Board will no longer be involved in the matter. Anderson stated that the surrounding buildings do not have tar and they kick up more dust than Simpson's does.

Mayor Sutherland informed the Council that the property Chad Ramsrud owns is 230 feet by 260 feet. He may be interested in a switch or sale of property, if the Council is still interested in building a new building for the Liquor Store. LaRoque would like the Council to keep putting money aside for a building.

League of Minnesota Cities Regional meeting will be held in McIntosh on September 24, from 1 to 7 p.m. Registration cost is \$40.00. Motion was made by Anderson to send up to three people to the MN Cities Regional meeting. Seconded by Edevold, passed unanimously.

A letter was received from the Greater Minnesota Environmental Trust asking the Council to join their membership. Cost is \$1,500 to join. Matter was tabled till the next meeting.

The 2010 Proposed Budget was discussed. Anderson asked what, if anything, should be done with the contract with County for Dispatcher Services. Does the Council want to cut somewhere to cover costs for this? Edevold does not feel that it needs to be found anywhere right now, unless the Council wants to add on \$6,000 and raise the levy. LaRoque asked Chief Halverson what he thinks about paying the County for Dispatcher Services. Halverson stated that he understands the City should pay something but he also feels other Cities in the County ought to pay too. Edevold stated that the City should see a billing for the dispatching each month. Motion was made by Anderson to approve the 2010 Proposed City of Bagley Budget in the amounts as shown for a total of \$1,188,457.00

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City Hall - \$447,630.26  
Fire Department - \$61,020.00  
Police Department - \$252,812.42  
Dog Pound - \$7,677.00  
Roads & Bridges - \$299,059.32  
Park & Recreation - \$46,202.00  
Cemetery - \$4,710.00  
Community Service - \$2,400.00  
Zoning commission - \$6,446.00  
Economic Development - \$9,015.00  
Airport - \$21,523.00  
Firemen's Relief - 19,962.00  
Special Asses:Fire Truck - \$10,000.00

Seconded by LaRoque, passed unanimously.

Edevold made the motion to submit the proposed Levy to the County in the total of \$493,469.00, which is a zero percent increase. Seconded by LaRoque, passed unanimously.

Edevold made the motion to approve the Sign Lease Agreement with Daniel Larson for October 12, 2009 to October 11, 2010. Seconded by Anderson, passed unanimously.

LaRoque made the motion to approve payment of the outstanding bills. Seconded by Edevold, passed unanimously.

Upcoming Meetings: Sept. 9<sup>th</sup> at 6 p.m. – Public Utilities Meeting  
Sept. 18<sup>th</sup> at 5:00 p.m.-Mn Association of Small Cities-Mahnomen  
Sept. 22<sup>nd</sup> at 6:30 p.m. – Park Board

Being there was no further business to come before the Board, Michel made the motion to adjourn. Seconded by Edevold, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
SEPTEMBER 28, 2009

The Bagley City Council met in special session on September 28, 2009 at 6:30 p.m. in the Bagley City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Sidney Michel, David G. Anderson, Mark Edevold, and Clerk Treasurer Colleen R. Lindgren.

Meeting was called to discuss the vacancy of the Street Superintendent, after the passing of Arvin Teige.

Clerk Lindgren explained what final wage payments will be given to Teige's family. Teige has 3 days of pay and 16 hours of comp wages, which he had earned before his death. He also has 11 ¾ hours of 2009 vacation and 19 days 1 hour of 2010 vacation.

Clerk asked about the proposed policy that the Council has talked about for 2010. This is the policy that when an employee is no longer working for the City, they get paid ½ of their accumulated sick leave when they quit working. Would this be something that the Council would do for the Teige family. Mayor Sutherland asked what is being done presently. Clerk informed the Council that presently, when an employee quits working for the City, they lose any accumulated sick leave. LaRoque asked if an exception could be made for Teige and not for others right now, or go ahead with it now. Mayor said that there was a past practice when Chief Haugen was paid. Clerk explained that when Chief Haugen retired, the Council did allow him to extend his sick leave and then retire. Edevold stated it was so he could maintain his health coverage. Clerk said that if the Council decided to allow paying Teige for his sick leave it would be 14 days 1 ¾ hours. Mayor Sutherland said that he had no problem with allowing the payment of the sick leave. Michel said that he really didn't know how to handle the sick days, but Haugen was a different case. Edevold said it was also different circumstances. LaRoque feels that the Council should stay where the policy is standing at this time. Michel said that the Council might need to make more exceptions in the future if they do it now.

Mayor asked that the meeting be closed at 6:40 p.m. for discussion on employee matters.

Meeting was reopened at 6:55 p.m.

Mayor asked for any further discussion or a motion on the matter of payments to Arnie Teige. Anderson made the motion that the Council pay the estate of Arvin Teige, ½ of his accumulated sick time. Seconded by LaRoque, passed unanimously. Mayor asked for clarification of the motion. Anderson stated that it will be City policy on January 1, 2010 and it was unfortunate timing for Teige and does not feel his family should be punished for his untimely death.

Mayor asked for discussion on the Street Superintendent Position. Clerk stated that she had not found anything about advertising in house first and stated that it is not a union position. The Mayor has spoken to Gary Coyer and at this time he has stated that he did not feel that he wanted to apply for the job. Clerk stated that she has also spoken with Coyer and he seems that he knows where everything is and he knows a lot about the paper work, which needs to be done. Michel said that Coyer should still be asked to apply for the position. Clerk said that he has been working for the City for 14 years. Edevold said that he is a firm believer in opening up the position and advertising, it gives the City an opportunity to see who is out there. He also stated that in a certain sense Arnie Teige is not replaceable, but there may or may not be someone out there to do the work. Coyer would strongly be encouraged to apply for the position. Edevold stated that you also need someone who can speak with MNDOT, and Engineers who would be used. Discussion was held on present wages of the position and on Coyer's position.

Michel said that he would like to see the position advertised as an opening in the Street Department, not as Street Superintendent. Mayor agreed that if Coyer did take the job, then it would be an opening in the department. LaRoque made the motion that the Council place Gary Coyer as Interim Street Superintendent until such time a replacement is hired. Seconded by Edevold, passed unanimously.

LaRoque asked about a wage for an interim Superintendent. Discussion was held on wages and wage ranges for the Superintendent position. Edevold asked if the computer system for payroll was able to do a separate line item for, as example, a \$2.00 per hour increase as a step in process, so it does not look like a base wage increase. This would make it clear as to where it is at. Coyer will need to train a new person in to work in the department.

Discussion was held on what would be required, such as CDL with air break endorsement, well versed in working with MNDOT, and able to plan what work needs to be done. They would also be subject to a background check. LaRouqe stated that no matter what, Coyer is going to need to train someone in as a mentor and he does have 14 years of experience.

Mayor asked what the Council would like to do for an increase for interim superintendent position. Motion was made by Edevold to increase Gary Coyer's wages by \$2.00 an hour for the interim and have the payroll department indicate the \$2.00 per hour as a separate line item on the payroll check, to begin immediately. Seconded by Michel, passed unanimously.

LaRoque would like to select a hiring committee formed to do the criteria, job description, and wages before the next Council meeting.

Discussion was held on the wages for the position. A good qualified person may cost between \$16.50 to \$18.50 per hour. And someone with more supervisor skills may be hired for \$21 to \$23/hour. Someone who is able to give the City advise on projects would be good also.

LaRoque nominated Michel to sit on the committee and have a committee of three. Edevold stated it would need to be a committee of two and maybe the City Clerk or a citizen. Michel would like the people who get interviewed do a test drive in the City vehicles and they know the basic skills when interviewed. Anderson nominated Michel and Edevold to sit on the committee. Edevold stated that he and Michel can go through the process of putting together a job description, distribute to all the Council, and get an OK from them to advertise.

Al Spring and Keith Lowry will be allowed to keep working for a while, as needed. Edevold made the motion to allow the Clerk to put on the winter help early, on an as needed basis per the request of Coyer on a day by day basis. Seconded by Anderson, passed unanimously.

The actual interviews will be done before the City Council, and the committee will narrow it down between three to five. Clerk explained how past interviews were done.

Motion was made by LaRoque to go with Anderson's nomination, that Sid Michel and Mark Edevold are on the recruitment committee to advertise and receive applicants, to screen applicants, and present qualified applicants to the City Council as a whole, for interviewing for the job of the Street Superintendent. Seconded by Anderson, passed unanimously.

Michel stated that if the Council does the interviewing, then it will need to take a few days to do so.

Motion to adjourn was made by Michel. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
OCTOBER 13, 2009

The Bagley City Council met on October 13, 2009 at 7 p.m. in the Bagley City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Mark Edevold, David G. Anderson, Sidney Michel, and Clerk Treasurer Colleen R. Lindgren.

Also present were Mike Jensen, Police Chief Darin Halverson, and Ken Moen.

Edevold made the motion to approve the Council minutes of August 13 & 27, September 3, 8, and 28<sup>th</sup>. Seconded by Michel, passed unanimously.

Department Reports: Liquor Store Manager Ken Moen. Moen reported that September was a great month. Moen asked for permission to attend the Annual MMBA Regional Meeting in Walker on October 21. Registration cost is \$15.00. Mayor Sutherland also expressed his interest in going. Motion was made by Anderson to send Moen and Mayor Sutherland to the meeting on Oct. 21. Seconded by Michel, passed unanimously. LaRoque asked about the sheet rocking to be done in the back room. Moen said that it could be done before the end of the year. Moen has gotten two quotes for a computer system at the Liquor Store. Anderson and LaRoque will go over them and bring something back to the Council at their next meeting.

Police Chief Darin Halverson. Chief Halverson brought before the Council, figures which he had gotten together, concerning a budget on Contracting with the County Sheriff's Department for services. Halverson had questioned Sheriff Erickson on his numbers concerning the health benefits. Erickson had only figured in for one full time officer on the health benefits and it should have been for two. Erickson said that the third officer, who would work ½ time for the City and ½ time for the County, would not be eligible for benefits. County numbers do not include vehicles or maintenance for cars. Halverson explained the numbers, which he had figured. Erickson had earlier also told the Council that there would be no active patrol after 4 p.m. Halverson feels that the City should keep control of the Police Department. He said that the Police Department is working well with the Sheriff's Department and feels it will continue to do so. Michel asked if Halverson had found anything on a radar system. Halverson said he has not found any used ones and a new one will cost around \$5,000. He will keep looking for one.

Fire Department- Clerk reported that a siren and equipment has been ordered for the Fire Hall, at a cost of \$10,238.63. This was in funded for in the 2009 Budget.

Park Board – LaRoque reported that the improvements for the Little Park may or may not get done this year. Depends on the whether. Edevold stated that the labor would be free labor, not the street crew. LaRoque stated that there would be information coming from DNR on the boat-landing repair. The street crew in the City garage is painting picnic tables.

Zoning – There will be a Planning and Zoning Workshop held in Bemidji on October 29<sup>th</sup> from 12:30 to 4:30. Headwaters Regional Development Commission is putting on the workshop. Edevold stated that he would like to attend, and Michel would also like to attend. Motion was made by Anderson to send up to four people to the workshop. Seconded by Edevold, passed unanimously.

Roads & Bridges: Clerk reported that Gary Eck, Janitor from Cornerstone Nursing Home had contacted the City Offices asking that the City blow out the lines for their lawn sprinkling system. Clerk stated that she is questioning doing this because, the Nursing Home is now owned by a private individual and not the County. This would be a liability to the City if something were to happen. Edevold stated that the City does not do such things for private citizens. They need to find a plumber or someone who does this kind of work. Edevold made motion that the City will not provide services on private property. Seconded by Anderson, passed unanimously.

Clerk reported that before Arnie Teige passed away, he had spoken to her about asking if the Council would pay for eyeglasses for Al Spring. He had broken them in the city garage when he was working. Motion was made by LaRoque to allot up to \$300 as reimbursement towards the purchase of glasses for Al Spring. Seconded by Edevold, passed unanimously.

There will be a workshop in Fosston on October 28 from 8 a.m. to 12 p.m. with a cost of \$10.00 per person. Training is called Plows, Potholes & Policies: Public Works Policies for Street Maintenance & Snowplowing. Anderson made the motion to send Gary Coyer and Mike Jensen to this training and pay for the registration fee. Seconded by LaRoque, passed unanimously.

Public Utilities: Mike Jensen. Hydrants are being flushed with a few repairs to hydrants done. The annual well inspection has been done. Fall draw down on the pond will be starting soon. Alum will be put on the ponds. Two new service lines will be put in for gas lines. Chief Halverson reported that Don Holm would like to have a streetlight put in on the end of Amber Court. There have been burglaries in the area. Edevold agreed that the City should put one in. Jensen will get options and bring back to the Council. 70% of the gas has been locked in. Edevold discussed the price increases that Minkota power has projected. Discussion has been heard on a curb stop in the area of Clearwater DAC building and the Sutton building.

City Hall-Colleen Lindgren, Clerk. WSN Engineer Curt Mayer told the Clerk that WSN has a Grant Writer on staff and would be willing to come to a Council meeting to give a presentation. His name is Pat Conroy. Clerk was asked to invite him to the next regular meeting.

Clerk was contacted by Kathy Crandall, owner of S&K Bar & Grill, asking if she could get reimbursed for her Liquor license being the S&K has been closed for three months. This would be a cost of \$300.00. Michel stated that he is not for this being the license is for one year and not by the month. Motion was made by LaRoque to prorata the Liquor License of Crandall for the remaining of the year. Seconded by Anderson. For: LaRoque, Anderson, Edevold. Against: Michel. Motion carried.

Motion was made by Edevold to allow the City Hall Offices to close at 2 p.m. on December 24<sup>th</sup>. Seconded by Michel, passed unanimously.

Board Reports: Roads & Bridges-Edevold. Edevold handed out an ad that he and Michel's put together to advertise the Street Superintendent position. After going over the ad, LaRoque made the motion to advertise the position of Street Superintendent in the Bagley Farmers Independent, Bemidji Pioneer, Grand Forks Herald, League of MN Cities, thirteen Towns, Leader Record, Fargo Forum, and to accept applications until 4:30 p.m. on November 4<sup>th</sup>. Seconded by Edevold, passed unanimously. Michel would like to see the applicants have some operational experience. Anderson also said to make sure to do a background check.

Discussion was held on a Truth In Taxation Public Hearing. It is not mandatory for the City to have a TIT Public Hearing, but they must announce when and where the final budget and levy will be discussed and the County must be notified. It can be held at the regular December Council meeting if the Council wishes. Council members all wished that the Truth In Taxation/budget and levy discussion will be held at the regular December 8<sup>th</sup> City Council meeting at 7 p.m. in the City Council Chambers.

A letter was received from Lindfors Insurance Agency giving the City a quote for Municipal Excess Liability insurance. Quote is in the amount of \$6,698. Motion was made by Anderson to decline the Excess Liability insurance. Seconded by LaRoque, passed unanimously.

A letter was received from Northern Municipal Power Agency concerning changes on their bylaws. A motion was made by Edevold to inform NMPA that the Council has

reviewed their bylaws and they have no comments. Seconded by Anderson, passed unanimously.

Council discussed a letter received from Greater Minnesota Environmental Trust, which was tabled from the last meeting. Anderson did not see any reason to join. Motion was made by LaRoque to decline the Greater Minnesota Environmental Trust request. Seconded by Edevold, passed unanimously.

Clerk reported that she and Gary Coyer had met at the airport with two gentlemen from the Dept. of Aeronautics and Engineer Mike Karvakko. These men walked the airport and checked the cracks in the runway. They feel that the problem of the cracking is a moisture problem. Their suggestions were to do tiling and piping along the runway. After this is done, do the crack filling again. If the cracks get too wide the airport may have to be closed until it gets fixed. The work would be cost shared with the City. Clerk was asked to contact Mike Karvakko, so they could meet with him on the airport.

Clerk reported that FEMA has approved the quotes of Dyrdaahl Construction to repair the road going up to the Airport. The city has until September 2010 to get the work done. There is paper work, which the Clerk needs to get done to receive the funds.

Motion was made by Edevold to approve transfer of \$15,000 from the Liquor Store checking account to the City checking account. Seconded by LaRoque, passed unanimously.

Motion was made by Edevold to pay the outstanding bills. Seconded by LaRoque, passed unanimously.

Upcoming meetings: Oct. 16 – Clerks Regional meeting  
Oct. 20 – Union Negotiations – Edevold  
Oct. 21 – 2011 Street Project Meeting – Edevold  
Oct. 27 – Park Board at D&R Café – 6:30

Other Business: Mayor Sutherland has spoken to County Sheriff Erickson on the dispatcher services. The City of Bagley will be charged \$500 per month in 2011. Clearbrook and Gonvick will be charged \$100.00 per month. Changes may need to be done on the 2011 Budget to cover these costs.

Being there was no further business to come before the Council, motion to adjourn was made by Michel. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer



CITY COUNCIL PROCEEDINGS  
NOVEMBER 10, 2009

The Bagley City Council met in regular session on November 10, 2009 at 7 p.m. in the Bagley City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, David G. Anderson, Sidney Michel, Mark Edevold and Clerk Treasurer Colleen R. Lindgren.

Also present: Pat Conroy, Larry Peterson, Mike Jensen, Doug Carlson, Leonard Stinar, Jeanine Brand, Jackie Merschman, Don Blooflat and Darren Lausch.

Motion was made by LaRoque to approve the reading of the minutes of October 13, 2009. Seconded by Michel, passed unanimously.

Doug Carlson was present to ask the Council if the school would be allowed to attach a sign onto the City Welcome signs, showing that the school had a state champion track win. The High School Art Class would design the sign and there would be no cost to the City. Council members agreed that it would be a good idea. Clerk Lindgren is to get hold of Al Rasmussen, who is on the HUB Board where the funds came from to construct the City signs.

Pat Conroy, Widseth Smith Nolting grant writer, was present to inform the Council about grants and loan funds, which the City could look into for projects. Council Members got a handout on funding possibilities. Darren Lausch also spoke about funding for the 2011 Street project that will be done in conjunction with Clearwater County road repair within the City.

Leonard Stinar was present to speak with the Council about the deer situation within the City. Last spring a group of people had met to work on a petition for no more game refuge around the City. This went through and then it was talked about what to do with the deer within the City limits. Stinar was hoping that there would have been bow hunting in the City by September and nothing has happened so far. He would like to know what is being done and where he should go on the project. Mayor Sutherland stated Shelly Gorman from DNR, was present at a Council meeting and told the Council they must go through a series of steps and one was a survey, which was in the newspaper the past week. She also said that an ordinance would need to be put in effect to have residents stop feeding the deer. A committee needs to be formed, which was also put in the paper. It will need to be found out if people want to have hunting in the City. Clerk explained the map and survey put in the paper. One person has called to be on the committee. Stinar offered to be on the committee also. Clerk will put a note on the Cable TV, asking residents to fill out the survey and if they would like to be on a committee to work on the deer situation. Edevold asked Officer Peterson how many deer have been hit in town? Peterson estimated about 25.

Stinar also talked about the grass, which ends up on the sidewalks and streets from mowing. He feels that there should be an ordinance against blowing grass on the sidewalks and streets.

Department reports: Police Department- Sergeant Larry Peterson. Peterson informed the Council that Enbridge gave a truck to the City Police Department. Peterson had heard last April that Enbridge has a 9-11 Fund for different programs. He informed Chief Halverson about this and the Chief wrote a letter inquiring about the possibility of getting a vehicle. They did not hear any more until one day a call came in that their truck was to arrive that day. It is a 2005 Silverado in spotless condition. This will be used during the winter storms.

Peterson reported that the Bagley Chamber has put some reward funds aside for the arrest and conviction of person or persons who are doing vandalism and theft in the City. Some of the businesses may be putting funds in also. He also pointed out that there have been a number of extra hours put in due to all the theft. Anderson asked if there was a curfew that the Police follow. Peterson said there is which it is 10 p.m. during the week and 11 p.m. on Saturday night. There have been tickets given out. Peterson would like to look into getting some night vision equipment for the department. He is offering to give up some of his clothing allowance to purchase this. Estimated cost is \$350 for a single optical. LaRoque would like to purchase one now. Michel stated that there will be some work meeting coming up that this could be discussed at one of those. Peterson was asked to bring some numbers back to the Council in a week or so. Edevold stated that it should be left until the end of the year when it is better known where the funds are. Peterson would like to see it gotten now, and that is why he offered his clothing allowance.

Due to all the theft and vandalism in the City, the department has gone over on part-time help and overtime hours. Peterson stated that he and Chief Halverson wanted to make it very clear that under no circumstances, the Police Department has no intention of being in competition with the County Sheriffs Department. After the last Council meeting there was a note posted in dispatch that if there is a call in the City, a City Officer must be called FIRST even if not on duty. Peterson said that they do not want to cause any hard feelings and he does not feel the City of Bagley deserves this. There has been a change in officer hour coverage. Peterson said they are trying to work together to not make any conflict between departments. Mayor Sutherland said that due to the recent thefts, residents are encouraged to keep both their back and front lights on at night, and are encouraged to watch and report what is going on in their neighborhoods. Clerk was asked to check with the League of Minnesota Cities, on whether or not the City can do rewards.

Park Board-Jeanine Brand. Brand brought before the Council a Plank Agreement, which they would like the Council to look at, for the boat dock in the City Park. This agreement is with the Department of Natural Resources and would provide the City with 40 concrete planks to be used for the construction/repairs of the boat dock. The city would need to pay for the installation of the planks, bringing them to Bagley and anything else needed for it. This is one of the priorities that the Park Board has recognized, as they have heard many complaints on the ramp. The vertical lip of the ramp needs to be done. They have had a contractor look at the project but without a plan he was unable to give them a firm bid. A ballpark number is around \$9,000. Merschman stated that a plan has not been seen yet.

Second issue is for the ballpark. A bid has been received for a shelter over the field lane and the two dugouts. At the end would be a mesh net for an area where children could play in a sand pile. However, the quote did not have a size on it or how long it is. The board still has some issues on this but they would like to save some of the Park Budget funds for this. Steve Hilliard is working on the area of bases. The bases are being torn up by the cleats of students who use the fields. Board is looking into a Twins Grant for the shelter construction and the bases. Anderson asked what the school does for the park field. Brand said they had talked about this, and it should be a youth group to put the grant in.

Third issue is Spruce Park. Doug Lindgren was going to try to even out the ground for the basketball court. It has already been alligated to reserve \$800 for the cement court and the board is asking that this be kept until 2010, due to not being able to do the work this fall. Brustad is looking into a Timber Wolves grant, if they have any, for the basketball court.

Brand also stated that the Early Childhood Initiative is willing to put a piece of playground equipment in the front part of the park.

Valspar Grant has been completed. All the green paint has been used on the tables and there is just a small amount of the red paint left. This will easily be used up at some point. Brand stated that the Board does appreciate the Street crew finishing up the painting.

Merschman asked if the Council would consider signing the Plank Agreement for the boat docks. Clerk stated that she found papers that stated in 1996, Arnie Teige had signed a plank agreement to update the docks. Merschman stated that as long as the dock is kept within 30 feet, there are no further permits to be gotten. The DNR had also said that all the long grass along the lake on the north, can be trimmed, because it is not a protected area. LaRoque made the motion to sign the Plank Agreement between the State of Minnesota Department of Natural Resources Parks & Trails Division and the City of Bagley. Seconded by Michel, passed unanimously. Park Board again asked that the funds left in the park department budget, be carried over to the 2010 year. Clerk stated that she has figured there will be approximately \$10,000 left in the 2009 budget.

Public Utilities-Mike Jensen. Energy Survey is finished. December 14 will be the MNOPS inspection. Fall dump on the ponds is done. There have been two water leaks, which were taken care of and fixed. Gravel was hauled to the sewer plant road by the Street Department. Insulation will be done with the lines on Willborg Ave. A temporary streetlight was put in on Amber Court. TV system is back up and running.

City Hall-Colleen Lindgren, Clerk Treasurer. The 2008-09 Annual Report for the League of Minnesota Cities Insurance Trust is on file at the City Hall. An Airport Pavement Management System 2007 Update has also been received is on file at City Hall.

Clerk reported that Enbridge has offered a 2005 Chevy Silverado to the Bagley Police Department, for the amount of \$1.00. Motion was made by Anderson to accept the 2005 Chevy Silverado for the amount of \$1.00. Seconded by Edevold, passed unanimously. Clerk will send a letter of Thank you from the City.

Board Reports – Public Safety. Edevold went over the contract settlement with the Police Officers. Most was the cleanup of wording in the contract and the real big item is that the Officers have agreed not to take a wage increase for the year. This contract will expire on July 31<sup>st</sup> of 2011 in order to work on the contract for the budget year. Insurance cap will be increased by \$25.00 for 2010 and any remaining amount will go into a Health Savings Account. Changes were also made in the area of longevity steps. If approved, effective January 1, 2010 officers shall receive a shift premium of \$.25 per hour for all hours worked between 8 p.m. and 5 a.m. After presenting this to the Council, Edevold made a motion to approve the settlement terms and ask that this be added to the full contract. Seconded by Anderson, passed unanimously. Clerk will send a letter to the union stating the Council decision.

Liquor Store – LaRoque. She asked that she be able to get together with Anderson on the computer system for the Liquor Store. Anderson said that he has contacted TRS on the system. It all looked good but the price will be a little different due to the quote was gotten some time ago. One thing jumped out and that was that there was only one till. He called the company and inquired about their support system. He will be getting a call back on this. This company has worked with many liquor stores and he will recommend this company so long as it does not come back with a really high dollar amount. LaRoque reported that beer company prices have increased so the Manager has raised some prices also. Manager is waiting for the sheet rocking to be finished in the back room.

Motion was made by LaRoque to approve the Gambling application permit, put in by Clearwater Ambulance Service/Health Services for their January 10, 2010 raffle. Seconded by Anderson, passed unanimously.

Miller McDonald, Inc. has sent a letter of understanding for the 2009 Audit. Clerk reported that prices have increased as follows: Liquor Store - \$245.00; City - \$600.00; and Public Utilities - \$655.00. Motion was made by Edevold to accept the proposal of Miller McDonald to so the 2009 City Audit for the total amount of \$16,500. Seconded by Michel, passed unanimously.

Motion was made by Anderson to pass Resolution #25-09 AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT MAINTENANCE AND OPERATION. Seconded by Edevold, passed unanimously.

Motion was made by Edevold to send City Bookkeeper Faye Jacobs to a one-day workshop in Bemidji on January 5, 2010. Title of the workshop is Mistake-free Grammar and Proofreading. Motion seconded by Anderson, passed unanimously.

Motion was made by Edevold to approve payment of the outstanding bills as presented. Seconded by Michel, passed unanimously.

List of upcoming meetings was given to the Council.

Councilman Edevold gave an overview on the issue of a water line between the DAC and the Sutton building. There is a single curb stop for the two buildings. Sutton wants to turn the curb stop off for the winter, so he does not have to worry about freeze up. If he turns off the water, the DAC also gets turned off. It is the policy of the Public Utilities, and has been for some time, that they are responsible for the curb stop up to the property line and it is the responsibility of the property owner to go from the property line to the building. There is a curb stop available 9 feet from the DAC. The Public Utilities Commission has offered to the DAC, to loan them the money to hookup and get the water into the building. The loan would be for five years at 0% interest. This is as far as the Public Utilities will go, it is now the landowners responsibility. Don Blooflat was present on behalf of the Clearwater DAC. He stated that the DAC Board feels it is not their responsibility. They were told a number of years ago to leave the water running so the lines would not freeze up. Edevold stated that they were also told that they must do something about the lines. Edevold also said that Mr. Sutton will very soon be asking to turn off the water and the Public Utilities will have to turn it off. Discussion followed on what the DAC needs to do if the water is turned off.

Motion was made by Edevold to extend the meeting by 15 minutes. Seconded by Michel, passed unanimously.

Edevold said that the Public Utilities Commission has set their opinion on what they will do and will stick with it unless the City Council directs the Commission to do something different than what was offered. Michel asked if they were offered a ten year loan instead of five years, would that help? Edevold stated that the Council could take no action or they could do instruct the Commission to do something, which he does not agree on. Michel said the Council would have to address more of these issues down the road and that helping the DAC, which is a special resource for the City and the County, whatever could be done to help them is a good investment. It is now in the DAC's hands. Blooflat said that it would have been a whole lot easier if there would have been some records from the past and why things were done the way they were.

At this time, 9:10 p.m., Mayor Sutherland closed the meeting for discussion on employee matters.

Meeting was reopened at 9:35.

Being there was no further business to come before the Council, motion to adjourn was made by Edevold. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
NOVEMBER 14, 2009

The Bagley City Council met in special session on November 14, 2009 at 2:20 p.m. at the Bagley City Council Chambers.

Present were Mayor John Sutherland, Council Members Mark Edevold, Sidney Michel, Wendy LaRoque, and Clerk Treasurer Colleen R. Lindgren. Councilman David G. Anderson was absent. Also present was William Masterson.

Motion was made by Edevold to offer the position to William Masterson for Bagley City Street Superintendent, pending criminal background checks, drivers license check and references. Seconded by Michel, passed unanimously.

Clerk was to call Masterson and tell him he has made it to the next step, pending the before mentioned items.

A special meeting will be held on Wednesday November 18<sup>th</sup> at 6:30 p.m. and Masterson will be asked to attend at 7 p.m.

Clerk brought before the Council a quote, which the Fire Department members have gotten for a fire vehicle. The members have a truck fund, which would cover the cost of the truck and firemen would be looking at the vehicle this coming week. They have been looking for a truck for quite a while and they found a used 1998 Freightliner Ambulance, which would take the place of the present truck. The present vehicle needs a lot of repairs and is old. Quote is from CarCo Automotive, Inc. from Rice, MN. Cost is \$28,800.00 and they would consider a trade in of the old vehicle. The company would like to bring it to the Firemen's meeting on Monday November 16<sup>th</sup> and have the firemen look at it. Michel stated that he would like to see what kind of tires it has on it and what is included. Clerk read off a list of what the vehicle has on it. Motion was made by LaRoque that if the Fire Department deem that this vehicle is what will work for them, then they go ahead and purchase the vehicle out of their Truck account. Edevold seconded the motion. Passed unanimously.

A letter was received from the Explore MN to join in the dues to the Northwest MN Tourism Education. Motion was made by Edevold to table the matter until the following Wed. Seconded by Michel, passed unanimously. LaRoque will take the material home to study it.

Motion to adjourn was made by Michel. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
NOVEMBER 18, 2009

The Bagley City Council met in special session on November 18, 2009 at 6:30 p.m. in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Wendy LaRoque, Mark Edevold, David G. Anderson, Sidney Michel, and Clerk Treasurer Colleen R. Lindgren.

At this time Mayor Sutherland closed the meeting for discussion on the hiring of a Street Superintendent.

The meeting was reopened at 7 p.m.

William Masterson was present at the meeting to discuss the position with the Council. Motion was made by Michel to hire William Masterson as Street Superintendent, with pay to be \$20.00 per hour, to begin work on November 19<sup>th</sup>, 2009. Seconded by LaRoque, passed unanimously.

Motion was made by LaRoque to keep Gary Coyer at the rate of \$18.25 and in 90 days his rate of pay will go to \$17.00 per hour. These rates are in effect for orientating Masterson into the position of Street Superintendent. Seconded by Michel, passed unanimously.

Clerk informed the Council that Al Rasmussen contacted her on the Special Assessments for the Habitat House, which was built in the Kastner Addition. He is wondering if the assessments will be forgiven. Clerk contacted David Drown to ask his opinion on the matter due to the house being in a TIF District. He said that an agreement could be done but the assessments should still be paid over the 15-year period. Drown said that the Council could amend those assessments but they would need to go through with having a Public Hearing. Anderson said that he feels the Council should not do any changes. Michel asked Edevold, if the Public Utilities were going to forgive the payment for the hookup charges. Edevold will look into this further. Motion was made by LaRoque to leave the assessments as is. Seconded by Edevold, passed unanimously.

Discussion was held on the lots in the Kastner Addition. Michel stated that there is a sign in the Addition stated that to contact Security State Bank on the lots. Mayor Sutherland will check into this.

Motion was made by LaRoque to adjourn. Seconded by Anderson, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS  
DECEMBER 2, 2009

The Bagley City Council met in special session on December 2, 2009 at 6 p.m. in the City Council Chambers.

Present: Mayor John Sutherland, Council Members Wendy LaRoque, David G. Anderson, Sidney Michel, Mark Edevold, and Clerk Treasurer Colleen R. Lindgren.

Also present was Street Superintendent Bill Masterson and Engineer Mike Karvakko.

Meeting is being held to discuss the cracking of the Airport Runway.

Engineer Mike Karvakko informed the Council that he had met with the MN Aeronautics Dept. at the Bagley Airport in October of 2009. They reviewed the site and the cracks, which have formed in the runway. There are minor and major cracks and how they should be addressed. Some solutions have been looked into, which Karvakko proceeded to go over. MNDOT has come up with an acceptable solution and for their part they do have the funding.

The first project is an under drain project. A number of trenches would be constructed along the runway to drain the water, which has no ways of getting out at this time. When the bituminous cracks, the water just sits there because there is nowhere for it to run. MNDOT Aeronautics has stated that they would have MNDOT Dist. 2 do borings, but at this time it has not been done. Cracks are 2" to 3" wide and deep. They do not see it as a hazard at this time but if the cracks get any wider it may be a hazard. Karvakko explained how this project would be done. Only drawback would be that this work would be done right next to the runway and the airport would need to be closed down for X number of days. Mayor asked if this should have been caught when the airport was constructed. Karvakko said that he was not the engineer and he does not know the whole history of the project.

The second project would be to address the cracks with a bituminous crack-sealing project. After the drains are put in then the runway cracks should be sealed. MNDOT Aeronautics does not feel that an overlay would be that good. Michel asked if they would do a density test.

Karvakko said that when a boring is done then the density would be tested. The runway was done with a low volume mix, which is typically used on streets, and not usually seen on airports. Michel asked if they would remove the blacktop. MNDOT will not do a removal. There will be no boring of drains under the blacktop. Crack action is very deep. Boring would be done in the runway to see what is there and this could be done now.

Karvakko recommends that before proceeding any further, the City should get the soil borings done according to MNDOT. He can work on this part.

Clerk was instructed to call Short Elliot Hendrickson Engineering to see about getting all records of the project. Such as the as builts and test results. A formal letter will also be sent.

There are approximately 10,000 lineal feet of cracking. There is no vertical moving of the runway.

Approximate cost is \$105,200 for the under drain project and \$44,700 for the crack sealing. State share of 80% would be \$120,000 and the local share of 20% is \$29,900.

Edevold agreed that getting the soil borings results will be the key. Michel asked if Karvakko could get the borings done and he said he could do that. Edevold would like to see this done soon. Karvakko said that he could start with MNDOT for the borings and if they can't do it there are other companies that can. He could get something to Clerk Lindgren by the next meeting.

Discussion was held on the kind of crack sealant used and the kind of bituminous used. Some airports seal the cracks each year or so as upkeep of the runway. LaRoque stated she feels the City should budget for this annually.

Dates of what could be done when were gone over. If the Council goes ahead with the project, bids could be scheduled to be opened in May 2010.

Karvakko will start the process of getting the borings of the runway done.

Clerk informed the Council that health insurance quotes have been received and asked if the Council wants to set up a special meeting to discuss these. Clerk will contact the agents and see if they can meet on December 16<sup>th</sup> at 6 p.m. or December 17 or 18 at 6:30 p.m.

Being there is no further business to come before the Council, motion to adjourn was made by Anderson. Seconded by LaRoque, passed unanimously.

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John Sutherland, Mayor

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer



CITY COUNCIL PROCEEDINGS  
DECEMBER 8, 2009

The Bagley City Council met on December 8, 2009 at 7:00 in the City Council Chambers.

Present were Mayor John Sutherland, Council Members Sidney Michel, David G. Anderson, Wendy LaRoque, Mark Edevold, and Clerk Treasurer Colleen R. Lindgren.

Also present were Mike Jensen, Amanda Brustad, Bill Masterson, and Darin Halverson.

Motion was made by Edevold to approve the minutes of the following meetings: November 10, November 14, November 18, and December 2<sup>nd</sup>. Seconded by LaRoque, passed unanimously.

Department Reports: Liquor Store-LaRoque. Sheet rocking in the back room has been started along with repairs. Moen is building up inventory getting ready for the Christmas sales. The gentleman from Total Register Systems stopped by and a meeting will be set up with Councilman Anderson and Moen to look at the system.

Police Department: Chief Halverson. Chief brought before the Council the problems with the present squad cars. A new vehicle would be scheduled for 2012. Chief Halverson would like to look into purchasing a new squad car through a lease payment plan. There is presently around \$10,000 in the capital outlay budget fund. Sutton Ford has given an estimate of \$9,475 per year for three years on a new car. There would be no down payment of the lease and payout would be \$1.00. He does not feel the spare car is worth putting any more money into. Car cost estimate is \$21,500 for the car itself and \$24,995 with light bar and shipping. The city would need to add the radio and cage. Michel asked how much had to be put down on the lease and Halverson stated zero. Edevold would like to wait until January or February to see where the dollars are in the budget. Halverson would be fine with that. Nothing conclusive has been done on the radar unit and the security cameras.

Park Board: Amanda Brustad. Big item on their agenda was the Council's approval of the plank agreement to get the boat dock area repaired. The Park Board will be talking about whether or not to follow the original concept plan or not to follow it. All of the board members were not at the meeting. The Board would like to know if the Council would want to hold an open meeting on the park project as previously proposed or not make any changes. Or would the Council rather have the park board do the meeting and invite the Council. Anderson stated that he would like to see the Park Board hold the meeting and the Council will be there for it.

Roads & Bridges: Bill Masterson. Masterson had a meeting with County Engineer Dan Sauve concerning County State Aid roads in the City. Sauve has some additional road miles and he will be coming to the January Council meeting on this.

Public Utilities: Mike Jensen, Manager. Cable TV is back working, and the sewer system is going normally. Under natural gas, there is a MNOPS Audit going on. They are focusing on record keeping and drug & alcohol testing. The City policy is in line with the DOT drivers but not so much with natural gas. The format may need to be changed to include natural gas work. Safety Instructor Joe Schmitz will be contacted and the policy will need to be worked on.

A sample ordinance for Wind Energy Conversion Systems was given to the Council. Edevold stated that the Public Utilities Commission would be looking into this further.

Jensen also brought before the Council copies of the easement map for the Industrial Park. After having the easements mapped out again, it is showing that the utilities are not in the easements but are off part of the easement by approximately six feet. Jensen had taken the maps to Attorney Rasmussen and he stated that it could be left until the lots are sold. Edevold said that he feels it is far better to have the paperwork done now. Motion was made by Edevold to have the City Attorney adjust the affected utilities line easement on the south side of the two effected lots by six (6) feet, through the entirety of the lots. Seconded by Anderson, passed unanimously. Jensen feels that the north south lines should be OK.

City Hall: Colleen Lindgren, Clerk. Lindgren reported that she has gotten TIF Agreement copies for Duane Lewis and Steve Olson. These were sent to them and they were asked to have something

back to the City by December 1<sup>st</sup> or by the Council Meeting date. David Drown had told the Clerk that Lewis had stated he would have something back to the Council by the meeting date. The Clerk has not received anything as of this date. Plans were given to the City Attorney to look at and he responded that all seemed in order.

Clerk has contacted S.E.H. Engineering on the airport project. Nothing has been received as of this date. Engineer Karvakko has emailed Mike Ferry with aeronautics, requesting that soil boring be done. Ferry will be looking into this in the next two weeks.

An email was received from the League of MN Cities stating that the City LGA will not see another unallotment in December. However, it could still happen in 2010.

Clerk asked if the Council would approve for Gary Coyer to carry over some of his 2009 Vacation to 2010. Due to the death of Street Superintendent Arnie Teige, Coyer was unable to use up his 2009 vacation. He will use as much of the vacation as possible. Michel made a motion to allow Coyer to carry over any unused 2009 vacation time into 2010 and be used in 2010. Seconded by Anderson, passed unanimously.

Discussion was held on the 2010 Employee wages and benefits. Clerk gave the Council a list of the proposed changes that were tentatively approved and the changes, which were tentatively not approved. Also handed out was the proposed step increase for the Park Attendants. Michel commented on the proposed LGA and whether or not the City can afford to go with the step increase. Edevold stated he feels that the Council should lock into the proposed numbers even though there may be an unallotment in 2010. Council Members commended Wayne and Rhonda Netland for their good work in the City Park. Amanda Brustad said the Park Board had put a survey out for park campers and there were many good reports on the Netlands.

Motion was made by LaRoque to approve the following proposed changes for 2010: 1) wage scale for the Park Attendant; 2) benefit Cap – raise from \$880 per month to \$905.00 per month. Flex employee will be raised \$18.25 per month. This is for all non-union employees; 3) Severance Pay: Severance pay shall be paid upon the retirement which shall mean separation from employment after not less than ten (10) years of service or upon forced retirement due to disability to the employee or his/her estate at the rate of one-half (1/2) of his/her accumulated sick leave, but not to exceed sixty (60) days; 4) When an employee has reached their maximum sick leave accumulation of 120 days, they shall be credited with an additional one-half (1/2) day of vacation each month the employee maintains their maximum sick leave accumulation. Seconded by Edevold. Edevold wanted to make it known that there will be no wage increases for City Employees but the insurance is being raised by \$25.00 per month. Michel asked for discussion. He would like to have it clarified that the \$25.00 would be only in effect for 2010, due to the insurance could be lowered in 2010 and the cap could be lowered. Edevold said that the cap could be lowered in any calendar year as the Council had discussed at earlier meetings. Mayor asked for a vote on the motion. All members voted for the motion. Motion carried.

Motion was made by LaRoque to raise the rent on the Airport House by \$50.00 per month beginning January 1, 2010. Seconded by Anderson, passed unanimously.

Motion was made by LaRoque to create a Dog Pound rate ordinance to be approved at a later time by the City Council. Seconded by Michel, passed unanimously.

Edevold brought before the Council the item of longevity for employees. This has been negotiated on for the Teamsters Union employees. Clerk read off the longevity pay scale: After 5 years of service - \$20.00/month. After 10 years of service - \$25.00/month. After 15 years of service - \$30.00/month. After 20 years of service - \$35.00/month. After 25 years of service - \$40.00/month. Motion was made by Edevold to adopt this scale for the City employees also. Seconded by Michel, passed unanimously.

Discussion was held on the 2010 Budget. Mayor Sutherland questioned about changing the budget in the area of the dispatcher services. He stated that the City of Clearbrook would be paying some dollars to the Sheriffs Department for dispatcher services. Chief Halverson stated that the Sheriff has told him he is not going to send a billing to the City for services. Edevold feels that the budget can be approved as it is and if it comes up again it could be paid out of the general fund. Adjustments can be made to the budget. Mayor Sutherland asked about sending a letter to the

County Commissioners stating that it is the Cities intention to pay but they do want some kind of billing statement telling what they are paying for. The City Auditors are going to be asking to see something in writing. Motion was made by Edevold to approve the 2010 Budget in the amount of \$1,188,457.00, as presented. Seconded by Anderson, passed unanimously.

Michel asked the Clerk if the amount of gallons of gas used per vehicle, was kept track of. Clerk stated that the records of how much is purchased are at City Hall, but she does not have a log on each vehicle. Michel asked that the Street Superintendent start keeping a mileage log on each vehicle. Superintendent stated that a receipt is gotten when gas is put in but he will look into logs for the vehicles.

Motion was made by Anderson to approve the 2010 Levy in the amount of \$493,469.00, as presented. Seconded by Edevold, passed unanimously.

Motion was made by Anderson to approve the 2010 Dance Permit for the Bagley American Legion. Seconded by LaRoque, passed unanimously.

Motion was made by LaRoque to approve the 2010 Club License for the Bagley American Legion. Seconded by Edevold, passed unanimously.

Motion was made by Edevold to approve the 2010 Liquor License for Great Northern Bar & Grill and Main Street Tavern. Seconded by Michel, passed unanimously.

Motion was made by Edevold to approve the 2010 Pawn Brokers License for Bagley Motor Sports. Seconded by Anderson, passed unanimously.

Motion was made by Anderson to approve the 2010 Sunday Liquor License for the Bagley American Legion. Seconded by Michel, passed unanimously.

Discussion was held on the 2010 Council meeting dates and a start time. Edevold would like to see the meetings begin at 6 p.m. instead of 7 p.m. Motion was made by Edevold to set the City Council Meetings for 2010 as listed, with a start time of 6 p.m. and ending time at 8 p.m. Seconded by LaRoque, passed unanimously.

January 12, February 9, March 9, April 13, May 11, June 8, July 13, August 10, September 14, October 12, November 9, and December 7.

Discussion was held on the 2010 Leadership Conference for Newly Elected Officials. Registration fee is \$285 and the Conference is being held in Brooklyn Park on January 29 & 30<sup>th</sup>. Registration fee does not include the hotel room. Conference discussion tabled until the January Council Meeting.

Motion was made by Edevold to accept Resolution #26-09 ACCEPTANCE OF DONATION. Seconded by Michel, passed unanimously.

Discussion was held on the recent deer survey. Clerk reported that 17 surveys have come in. Three people have expressed interest in being on a committee, two from one section of town and one from another. Comments on the survey were that there were too many deer in town, leave the deer alone, all have lived in town over 10 years, quit feeding birds because you are feeding the deer also, and if you don't like them in your yard build a fence. LaRoque asked about the three volunteers meeting with the Police Chief and Shelly Gorman, DNR, go through the surveys, and then come back to the Council. Michel asked about sending out the survey along with the Public Utility bills. Edevold stated that it maybe an ad should be put in the newspaper that due to low response, the matter will be dropped. Michel said that an attempt should be made to do something. Anderson said that the group should meet, and the meetings would be open to the public and the group could see what the public really wants. Mayor Sutherland talked about having a Public Hearing on the matter, whether it is now or in February. Edevold stated that the DNR has said that one of the things that should be talked about is banning bird feeding and banning deer feeding in an ordinance. This would encourage people to get out and tell the City what they would like to see done. He does not see it as a big enough problem. LaRoque disagreed on the matter of the ordinance. Clerk stated that her office could combine the surveys on a report and publish it. LaRoque would like to thank the three volunteers, Dennis Merschman, Lynn Anderson and Leonard Stinar, for saying they would be on the committee, but due to lack of citizen interest the City will not be doing anything at this time.

Motion was made by Edevold to approve the payment of the outstanding bills, including one to the League of Minnesota Cities, which was not listed. Seconded by Anderson, passed unanimously.

Upcoming meetings: December 16-Health Insurance Meeting – 6 p.m.  
December 22-Park Board Meeting-6: 30-DaRoos

Being there was no further business to come before the Council, motion to adjourn was made by Michel. Seconded by LaRoque, passed unanimously.

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Mayor John Sutherland

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer

## CITY COUNCIL PROCEEDINGS

December 16, 2009

The Bagley City Council met in special session on December 16, 2009 at 6 p.m. in the City Council Chambers.

Present: Mayor John Sutherland, Council Members Mark Edevold, David G. Anderson, Sidney Michel, Wendy LaRoque, and Clerk Treasurer Colleen R. Lindgren.

Also present were Andy Simons, Doug Lindgren, Kenny Moen, Adam Broden, Dereck Pickett, Bill Masterson, Mike Jenson, Faye Jacobs, Angie Swenson, Vicki Fletcher, Chris Arnold, Kraig Fontaine, Dennis Danielson, Brian Gunderson, and Tony Marty.

Meeting was called to discuss the City employees Health Insurance.

Mayor Sutherland called upon Adam Broden, Farm Bureau Financial Services. Broden went over a number of Blue Cross Blue Shield Plans. He said that the Council could offer the employees a dual choice of plans, such as \$350 and \$500 deductible.

Derek Pickett, from Pickett Insurance Agency, went over the employee's present Blue Cross Blue Shield VEBA plan, which is through the North West Service Coop. Employees presently have a VEBA account and a FLEX account. Whereas, with an H.S.A. they cannot have a flex account. Pickett also went over a MEDICA Health plan. Medica is age banded, whereas the VEBA Health Plan is not. The Medica rates are higher than the VEBA rates. Many of the employees have VEBA dollars in their accounts.

An explanation of what an H.S.A. was given.

Faye Jacobs said that she is personally very happy with the present plan and being able to use the VEBA dollars that she has built up. Brian Gunderson agreed and he can use his VEBA dollars for his wife and kids medical expenses.

Councilman Edevold stated that the insurance is going up and up and the Council is being squeezed for budget. They have to look into what they can do and what options are out there. They are running out of places to take funds from to pay for other budgeted items.

Pickett explained that last year the employees voted to raise the deductible. Costs will be going up and this year's increase was 4.8%. Councilman Michel stated that he feels that any increases in the insurance will need to be covered by the employees.

Dennis Danielson asked about building up an H.S.A. Pickett stated it can be built up but only to \$3,050 for 2010. Pickett also said that if the employees get severance pay, this can go into their VEBA account.

Michel said that he does not think the employees will be losing their benefit but the Council is trying to find something cheaper, and maybe give the employees a short term or long term disability plan.

Dennis Danielson said that the VEBA works good and this could help in the way of an early retirement.

Michel said that the only downside is carrying the retirees if they have a big claim. Pickett stated that it does not matter what plan the City has, the Retired Employees can state on the plan, but they pay the premium.

Michel feels it is too late in the year now to do anything, but he would like to look at it closer for next year.

Mayor Sutherland stated that there are other places to cut than the employee benefits.

LaRoque asked if the City decides to go out to bid the insurance, when is this possible.

Picket stated that companies do not want to take applications more than 90 days ahead of time.

Due to no more discussion to be heard, motion to adjourn was made by LaRoque. Seconded by Anderson, passed unanimously.

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Mayor John Sutherland

ATTEST:

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Colleen R. Lindgren, CMC  
City Clerk Treasurer