

January 5th, 2015

The Bagley City Council held their Annual Meeting for 2015 at 5:30 p.m. on Monday January 5th in the City Council Chambers.

Oath of Office was given to Sidney Michel as Mayor, and to Chad Bonik and John Sutherland for City Council.

Present: Mayor Sidney Michel, Council Members Jon Brovold, Dennis Merschman, John Sutherland, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Motion was made by Merschman to approve the minutes of the December 9 and December 22, 2014 meetings. Seconded by Bonik, passed unanimously.

Mayor Michel appointed John Sutherland as Vice-Mayor for 2015.

Motion was made by Bonik to appoint Jackie Merschman and Doug Lindgren to the Bagley Park & Recreation Board. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to appoint Council Members Jon Brovold and John Sutherland to the Park & Recreation Board for 2015. Seconded by Bonik. For: Merschman, Bonik, Michel.
Abstained: Brovold & Sutherland. Motion carried.

Motion was made by Brovold to appoint Sidney Michel, Jackie Merschman, Kraig Fontaine, Bill Masterson and Chad Bonik to the Zoning Board for 2015. Seconded by Sutherland. For: Merschman, Sutherland, Brovold. Abstained: Michel & Bonik. Motion carried.

Motion was made by Merschman to appoint Terry Knutson, Sarah Swegal, Kathy Steinmetz, Kassie Dahl and Lavidia Wiens to the Library Board for 2015. Seconded by Bonik, passed unanimously.

Motion was made by Merschman to appoint Attorney Ed Rasmussen as City Attorney for 2015. Seconded by Sutherland, passed unanimously.

Motion was made by Bonik to appoint Colleen Lindgren as Cemetery Sexton for 2015. Seconded by Sutherland, passed unanimously.

Motion was made by Sutherland to pass Resolution #1-15 OFFICIAL NEWSPAPER. Seconded by Brovold, passed unanimously.

Motion was made by Brovold to pass Resolution #2-15 OFFICIAL DEPOSITORY. Seconded by Sutherland, passed unanimously.

Brovold reviewed the recent accident between a City snowplow truck and a vehicle. The League of MN Cities Ins. Trust has refused to pay on the claim, to the driver of the vehicle. He will report this back to owner of the vehicle.

Clerk Lindgren reported that there is a problem with the new snow blower. Masterson is working with the company and will report back to the Council at the next meeting.

Clerk reported that she is working with Enbridge to meet with the Council on January 14th. Council Members would like to see an Open House so the Public can voice their opinion on the pipeline matter. Enbridge will be asked to be here at 5 p.m. for an open house.

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

January 14th, 2015

The Bagley City Council met in regular session on January 14, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members John Sutherland, Chad Bonik, Jon Brovold, Dennis Merschman (by Skype), City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Enbridge employees, area residents, Street Superintendent Bill Masterson, Utilities Manager Mike Jensen, Ceira Jobgren, Liquor Store Manager Chris Arnold, Fire Chief John Gerbracht, and Police Chief Larry Peterson.

Mayor Michel asked if there was any further discussion with Enbridge from the earlier Open House meeting. There were comments from some that would like to see the Council support Enbridge and others that were against it. The Council was thanked by Enbridge for allowing them to present at the open house and at the Council meeting. Evan Carlson, Enbridge, asked if the Council had made any headway on the Airport easements for Enbridge to cross over sections of the airport. Mayor informed him that information from the State Aeronautics has not been received yet. As soon as the City receives something they will be informed.

Motion was made by Merschman to approve the minutes of the January 5, 2015. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to approve the 2015 Agreement between the City of Bagley and the County Attorney's Office for representation in prosecution cases. Seconded by Bonik, passed unanimously.

Motion was made by Brovold to advertise for gas at the pumps for the City and the Utilities Departments. Seconded by Sutherland, passed unanimously. Clerk was asked to check into a credit card for the City due to the fact that if pumps are down and gas is needed, the City can still purchase gas.

City Receipts for December were reviewed. \$624,130.77 was received in December.

City expense reports for December were reviewed. Expenses totaled \$116,672.62. End of the year report will be gotten in February.

The Municipal Liquor Store Profit & Loss for December was reviewed. Gross profit was \$30,045.55 less expenses of \$23,361.93 with a net income of \$6,683.62. End of the year report will be gotten in February.

Motion was made by Brovold to approve the payment of the outstanding City and Liquor Store bills for December. Bills for repairs on the City Hall back room to come out of the sale of the old Library building. Seconded by Sutherland, passed unanimously. Outstanding bills for the City totaled \$67,424.31. Outstanding bills for the Liquor Store totaled \$41,014.77.

Department Reports: Police Chief Larry Peterson. December Activity report was reviewed. Two of the patrol cars are having issues. Chief would like to propose getting a new squad this year. Approximate cost for a vehicle with cage and stripping is \$31,131. Chief suggested selling the two older cars and putting those funds into fixing up the pickup which is used for patrolling also. Chief was asked to double check on numbers and bring back to the Council at their next meeting. Chief received a quote on a speed box which came in at \$4,041. There are funds in the confiscated vehicle fund and the \$1,500 that the Council approved earlier.

Fire Chief John Gerbracht. A new drop tank is needed for the Fire Dept. Cost is \$1,500 plus \$500 to patch the old one, which is 20 years old. Motion was made by Brovold to approve the purchase of a new tank and repair of the old tank for a cost up to \$2,000. Seconded by Sutherland, passed unanimously. Emergency Apparatus will be fixing the phones on Unit 2.

Liquor Store Manager Chris Arnold. Arnold reported on the monthly activity of the Liquor Store.

Zoning – no activity.

Public Utilities Manager Mike Jensen. Speed limit sign is back and working. Water break by the Hospital. Jensen gave a quote on shelving for the back room. Motion was made by Brovold to spend up to \$1,000 for the shelving. Seconded by Bonik, passed unanimously.

Supt. Bill Masterson, Street Dept. Truck and snow plow have been fixed. The old snow blower needs some repairs. Employees were called in to work over the Holiday.

City Hall, Clerk Colleen Lindgren. The December Website activity report was given to the Council. City Auditors will be working on the 2014 Audit during the week on February 9 – 13. Discussion was held on a proposed TIF District Agreement. Clerk will get more information from David Drown on the project.

Motion was made by Brovold to join the MN Association of Small Cities with the dues being \$388.20. Seconded by Sutherland, passed unanimously.

The 2015 MMBA Boot Camp will be held Feb. 16-18 at Breezy Point Resort. No one will be attending.

Motion was made by Brovold to approve the agreement with Ehlers to do the Limited Disclosure Services on the City bonding for a cost of \$750. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to extend the meeting by 15 minutes. Seconded by Bonik, passed unanimously.

Motion was made by Brovold to approve payment of the Small Cities Grant projects in the amount of \$17,993. Seconded by Bonik, passed unanimously.

Motion was made by Brovold to approve Resolution #3-2015 A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BAGLEY, MINNESOTA APPROVING THE SALE OF CITY-OWNED REAL PROPERTY IN BAGLEY, MINNESOTA, AND DISPENSING WITH REVIEW OF THE SALE BY THE BAGLEY PLANNING COMMISSION. Seconded by Sutherland, passed unanimously. Discussion was held on the City owned lots located in the Kastner Addition. Clerk was instructed to put the lots for sale on the City Web site.

Motion was made by Sutherland to pass Resolution #4-15 A RESOLUTION APPOINTING A COMMISSIONER TO THE BAGLEY HOUSING & REDEVELOPMENT AUTHORITY. Appointee would be Kay Peterson. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to pass Resolution #5-15 RESTRICTED FUND TRANSFER. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to pass Resolution #6-16 IN SUPPORT OF THE SANDPIPER PIPELINE PROJECT AND ENBRIDGE'S PROPOSED ROUTE. Seconded by Brovold, passed unanimously.

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

February 11th, 2015

The Bagley City Council met in regular session on February 11, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Councilmen John Sutherland, Chad Bonik, Jon Brovold, Dennis Merschman (via Skype), City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Street Supt. Bill Masterson, Utilities Manager Mike Jensen, Police Chief Larry Peterson, Laura Dropps, Richard Ness, Liquor Store Manager Chris Arnold, Sierra Jobgren, and Fire Chief John Gerbracht.

Motion was made by Merschman to approve the minutes of the January 28, 2015 Council meeting. Seconded by Brovold, passed unanimously.

Motion was made by Bonik to approve Resolution #10-15 AMERICAN LEGION POST #16 GAMBLING LICENSE, to have pull tabs at the Great Northern Bar & Grill. Seconded by Brovold, passed unanimously.

Laura Dropps was present to speak with the Council on the City Web site. Farm By The Lake wants to be a featured business on the site. Dropps asked how the Council wants her to put businesses on the City Web site and if they want her to keep putting the requests from local businesses on the site. Dropps was asked to bring a fee structure back to the Council, for maintaining this area of the site.

No bids were received on the gas at the pumps. Motion was made by Sutherland to have the Clerk re-bid for gas at the pumps. Seconded by Brovold, passed unanimously.

The final 2014 Liquor Store report was reviewed. Net income for the year of 2014 is \$3,215.02 along with the \$10,000 transferred to the City of Bagley General Fund. Bonik asked if anything further has been done with the Credit card costs. No changes in company being used will be done. Credit card use fees were \$12,272.72 for the year. Liquor at the Golf Course will again be done this coming summer.

The final 2014 City budgets were reviewed. Budgets were over or under budget as follows: City Hall (\$6,520.02); Fire Dept. (\$11,813.98); Police Dept. \$18,444.06; Roads & Bridges \$29,503.52; Park Dept. \$5,600.71; Cemetery (\$853.43); Animal Pound \$8,774.71; Zoning Commission \$2,138.19; Community Service – 0 -; Economic Development (\$3,500.00); Airport \$8,547.86.

Clerk's recommendations to balance out all budgets: from Zoning to Ec. Devel. \$2,138.19 leaves Zoning at 0. From Airport to Ec Dev. \$1,361.81 and \$7,186.05 into the Ec Dev. Designated fund. From St. Dept. to Cemetery \$853.43. Pound Dept. – put all \$8774.71 into a vehicle fund. Park Dept. – put all \$5,600.71 into the 2015 budget fund. Police Dept. to Fire Dept. \$11,813.98. Police Dept. to a computer fund \$230.08 and \$6,400 into the PD car fund. Street Dept. to City Hall \$6,520.02. Street Dept. into the designated Street project fund - \$22,130.07.

Fire Chief Gerbracht questioned as to taking from the Police Dept. and putting in the Fire Dept. He does not feel it should be done this way, he feels it should come out of the Fire Truck Account. After discussion, motion was made by Merschman to transfer the amount which the Fire Dept. is over, from the Fire Dept. truck account into the 2014 Fire Dept. budget. Seconded by Bonik, passed unanimously. Resolution will be written up for the next council meeting.

Motion was made by Merschman to approve the Clerks recommendations on 2014 Budget transfers with the correction of the Fire Dept. Funds. Seconded by Bonik, passed unanimously.

Motion was made by Merschman to put the \$11,813.98 from the Police Dept. budget into a Police Dept. Designated Equipment budget. Seconded by Bonik, passed unanimously.

January 2015 City Receipts was reviewed. Total amount was \$46,393.81.

The January 2015 City Budget reports were reviewed. Total City expenses for the month of January were \$291,472.08. This included \$185,961.25 in Bond Payments.

The January 2015 Liquor Store budget report was reviewed. Gross profit was \$21,278.57; expenses were \$20,720.09 for a net income of \$558.48.

Motion was made by Sutherland to pay the outstanding bills for the Liquor Store in the amount of \$13,277.49 and the City bills in the amount of \$20,134.01. Seconded by Brovold, passed unanimously.

Department reports: Police Chief Larry Peterson. Chief asked permission to send Officers to a mandatory driving class in St. Cloud. Spring class would be for Peterson and Karayel and Fall class will be for Benson and Sutherland. Cost is \$396 per Officer plus Hotel room. Motion was made by Brovold to approve the training. Seconded by Bonik. For: Brovold, Bonik, Merschman, Michel. Abstain: Sutherland. Motion carried.

Chief reported that if the Council is going to approve the purchase of a squad car, it should be done by the

end of the week so the company can put the order in. Nothing can be guaranteed after that date. The PD pick-up could be used as a Pound vehicle due to the fact that the Pound vehicle is in poor condition. Motion was made by Brovold to allow Peterson to order the SUV for the Police Department. Seconded by Bonik, motion carried.

Fire Chief John Gerbracht. Truck #1 needs the lights repaired. Funds for this were put into the 2015 capital outlay budget. Motion was made by Bonik to get the lights repaired and spend up to \$1,500 for this. Seconded by Sutherland, passed unanimously.

Liquor Store Manager Chris Arnold. The Bagley Liquor Store was ranked 77th in the State in 2013 for sales, up 5 from 2012. It is ranked 3rd in the Headwaters Region.

Fireworks Fundraiser committee has met and would like to hold the event on May 1st. Motion to approve the Fireworks Fundraiser event being put together by Arnold and staff to be held on May 1st with venue to be determined was made by Brovold. Seconded by Sutherland, passed unanimously.

Zoning – some building planned for the summer but nothing at this time.

Parks & Recreation – Next meeting to be held on Feb 24th.

Public Utilities Manager Mike Jenson. No freeze ups at this time. Repairs have been completed at the water plant. Some gas prices have been locked in.

Street Dept. – Superintendent Bill Masterson. The shoot on the snow blower needs to be revamped so it does not blow so hard. Boat docks will be repaired in the shop soon. This will be coordinated with the Park Board.

Mayor had asked Masterson to check the library building roof in case it needs repairs. Price to do so is approximately \$8,500 for materials only. Masterson feels that the roof is in good enough condition and should be good for 5 to 8 years yet. Sidewalks will be needed in the spring.

City Hall – Clerk Colleen Lindgren. A thank you letter from Jennifer Maleitzke, Enbridge, was read to the Council, thanking them for allowing them to speak with the Council and the public at a meeting held on January 14th.

Motion was made by Brovold to allow the payment of \$1,666.29 to the Public Utilities for the shelving and electrical work done in the new vault area. Funds to be taken out of the sale of the old library building. Seconded by Bonik, passed unanimously.

Clerk reported that the COPS Office has informed her that the Cops Grant has been extended to August 28th. There are not that many funds left but there are enough to go through March. The cost to the City for keeping the 4th Officer on for a full year will be approximately \$64,462. This includes all benefits and wages, workers comp, sick leave, health ins. Etc.

Motion was made by Brovold to transfer \$6,000 to the Bagley Industrial Development Corporation from the Economic Development budget. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to send Dept. Heads to the 2015 Safety & Loss Control Workshop in Mahanomen on March 25th, at a cost of \$20 per person. Seconded by Bonik, passed unanimously.

Motion was made by Sutherland to decline the Excess Liability insurance as quoted by Lindfors Insurance Agency. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to pass Resolution #8-15 A RESOLUTION BY THE MAYOR & CITY COUNCIL OF THE CITY OF BAGLEY APPROVING THE SALE OF CITY OWNED REAL PROPERTY IN BAGLEY AND DISPENSING WITH REVIEW OF THE SALE BY THE BAGLEY PLANNING COMMISSION. Seconded by Brovold, passed unanimously.

Brovold reported on the TAP presentation. He feels it went well and has high hopes that we will be accepted to receive funds for the Safe Routes to Schools project.

Mayor reported on a meeting he held with Karvakko Eng. on the easements and Aeronautics concerns on the airport. More will be brought to the Council soon.

Clerk reported that Allen Potvin has told her that that he will be getting numbers from the County Assessor within a day or they will be given directly to the Clerk. These numbers will then be given to David Drown for the TIF District.

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

March 11th, 2015

The Bagley City Council met in regular session on March 11, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members Jon Brovold, Chad Bonik, Dennis Merschman via Skype and Deputy Clerk Faye Jacobs.

Councilman John Sutherland and City Clerk Treasurer Colleen Lindgren were absent.

Also present were Street Superintendent Bill Masterson, Utilities Manger Mike Jenson, Police Chief Larry Peterson, Liquor Store Manager Chris Arnold and Ceira Jobgren.

Motion was made by Merschman to approve the minutes of the February 25, 2015 Council meeting. Seconded by Brovold, passed unanimously.

Jon Brovold reported on the Bagley Community Safe Trial Route Project. \$150,000 has been approved through the Dist. 2 Area Transportation Partnership (ATP), to fund this project. The rest of the funds will come through MNDOT for anything on their right-of-way. This will take place during the reconstruction of HWY 92 by the State DOT. Merschman stated that he has spoken to the School Superintendent and they do have funds to help with the project also.

Amanda Grover and Amy Merschman have put in an application for a Liquor License under the name of Timbers Event Center. This will be located in the building connected to DaRoos Pizza. Fee in the amount of \$1,200 has been received. Grover and Merschman still need to get their insurance in place for the Event Center. Motion was made by Merschman to approve the Liquor License application for Timers Event Center, pending receipt of insurance certificates. Seconded by Bonik, passed unanimously.

February City receipts were reviewed. Total for the month were \$51,333.58.

February budget reports were reviewed. Total expenses for February were \$75,722.97.

February Liquor Store budget was reviewed. Gross profit for the month is \$19,771.82. Expenses were \$21,032.72 for a net income for February of (\$1,260.90). Year to date net income is (\$702.42).

Chris Arnold brought information to the Council concerning the Liquor Stores cash register systems. Total Register Systems has now revamped their software system. They submitted a bill in the amount of \$907.37 which is to include annual software updates. Last time this was received was in 2010, so Arnold had the system updated. The technician which Arnold worked with through Total Registers has quit their company and started his own company, called Zabinski Business Services, Inc. After reviewing bids for the software and support, Council was in favor of not contracting with Total Register Systems. It is felt that the Liquor Store should be able to get through this year with the equipment they have. Arnold asked the Council to reject the billing of Total Registers for support and go with Zabinski Business Services. He stated there is a large amount of other Liquor Stores dropping Total Registers. Motion was made by Merschman to approve Arnold's recommendation to drop Total Register System and change to Paul Zabinski, Zabinski Business Services for computer support. Seconded by Bonik, passed unanimously. Upgrades of the systems need to be done in 2016.

Motion was made by Brovold to approve the outstanding bills of the City and the Liquor Store as presented, with the exception of Total Register Systems bill to be withheld. And add a billing to Zabinski Business Services for \$500.00, not to be paid until an invoice is received. Seconded by Bonik, passed unanimously. City outstanding bills totaled \$16,043.60 and Liquor Store outstanding bills totaled \$7,917.45.

Department Reports: Police Chief Larry Peterson reviewed the monthly reports. He and County Sheriff have met with the Highway Patrol about manpower issues. Chief is working on a letter to Senator Skoe and Legislators. The new vehicle for the Dept. has been ordered.

Liquor Store: Manager Chris Arnold. Miller/MMBA is promoting a fund raiser for local animal pounds during the month of April. Motion was made by Bonik to participate in this fund raiser. Seconded by Brovold, passed unanimously. Arnold asked permission to start advertising the opening of the Liquor Store at the Golf Course. Would like to open over Memorial Weekend. Arnold asked permission to attend the MMBA Annual conference in Alexandria on May 16-19th. Arnold asked if the Council wanted to participate in the 2015 MMBA Facility Awards and MMBA is looking for Board Directors. Mayor stated that he feels only one should go to the conference so the Assistant Manager stays behind to take care of the store. Motion was made by Brovold to send Arnold to the MMBA Annual Conference, seconded by Bonik. Passed unanimously. Brovold made the amendment to include paying mileage. Seconded by Bonik, passed unanimously. Council did not make any decisions on the Facility Awards or the Board Directors. Arnold said that he would have more information on these two items for the Council work meeting on March 25th.

Parks & Recreation – Bill Masterson reported that the old docks have been hauled to City Garage and he will be repairing them before putting them back into the lake. Aluminum dock info will be given to the Park Board for their recommendation. It will then be brought to the Council.

Public Utilities – Manager Mike Jensen. He has been looking into the wind turbo ordinance and one that Clearwater Polk has. More information will be given to the Council at the next work session.

Roads & Bridges – Superintendent Bill Masterson. One more load of salt was ordered for the year. Docks are being worked on. Some maintenance is being done on the Airport Arrival Departure building. There are more trees at the airport to be removed also.

Motion was made by Bonik to hire Park Attendants Mike & Elaine Brustad, back for the 2015 summer, along with the step raise to \$1,550 per month. Seconded by Brovold, passed unanimously.

Motion was made by Bonik to hire Joan Gray for Park Janitorial Services at a wage of \$9.50 per hour for the summer of 2015. Seconded by Brovold. Passed unanimously. Days of work to be Tuesday through Saturday.

Mayor informed the Council that Mike Karvakko is working with the State on the Airport negotiations and appraisals.

Motion was made by Bonik to allow Bill Masterson to hire Seasonal Worker Al Spring back for the 2015 summer at Masterson's discretion.

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

March 25th, 2015

The Bagley City Council met in regular session on March 25, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Vice-Mayor John Sutherland, Council members Jon Brovold, Chad Bonik, and Dennis Merschman (via Skype), City Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Mayor Sidney Michel was absent.

Also present: Police Chief Larry Peterson, Laura Dropps and Doug Lindgren.

Laura Dropps was present to speak to the Council on a proposal for featured businesses to be put on the City web site. Brovold stated that the proposal looks good and wants it to be fair to her. Motion was made by Merschman to approve the proposal for featured businesses put in by Laura Dropps. Seconded by Brovold, passed unanimously. Merschman asked Dropps to look into setting up email for the Council members. Dropps will review what the city has and what could be found and bring back to the Council.

Motion was made by Brovold to approve sending one person to the Administrative Professional Day Event being held at Fireside Grill & Patio on April 22nd. Seconded by Bonik, passed unanimously.

Community Gardens: Mayor Michel & Clerk Lindgren had met with Kathleen Lien concerning community gardens in the City. City has received funds through the SHIP program in order to put a garden by the new library or in another location in the City. Motion was made by Merschman to accept the funding to put towards a community garden and to work with Lien and the SHIP Program to do so. Seconded by Brovold, passed unanimously.

Motion was made by Bonik to approve the 2015 Dance Permit for Timbers Event Center, pending receipt of insurance. Seconded by Brovold, passed unanimously.

Discussion was held on a contract from ProSource for the airport property appraisal, sent to the City by Cory Boushee, Karvakko Engineering. This appraisal must be done for the State Aeronautics, concerning the property which the pipeline wants to cross. Merschman stated that Mayor Michel had told him that when speaking to Enbridge he feels they will pay for the appraisal plus all costs that Karvakko Eng. has occurred due to working on this project. Motion was made by Merschman to approve the signing of the contract pending approval of Enbridge agreeing to pay all costs which include the appraisal, Karvakko and the cost of the property. Seconded by Brovold, passed unanimously.

Police Chief spoke about a letter being written to State Government Officials concerning the amount of coverage in the area by the State Highway Patrol. Chief was asked to separate out how many calls his Department helps out with for the Highway patrol.

Park Board Chairman Doug Lindgren was present to speak with the Council concerning boat docks for the City Park. Aluminum docks cost: 4 foot wide by 48 feet cost \$4,000 and a 6 foot wide by 48 feet cost \$6,600. These are heavy duty, ¼ inch aluminum. They would be easier to move around than a steel one. The Street Crew has repaired the two existing docks and would like to build another steel one which is estimated to cost around \$3,000. Motion was made by Bonik to approve the building of a third dock for the City Park. Seconded by Brovold, passed unanimously.

Bagley Planning & Zoning Commission held a Public Hearing concerning an application for a Conditional Use Permit put in by Thrifty White to set up a temporary seasonal greenhouse located on a lot owned by Tom Lillegaard. The Commission approved the permit and is now asking the Council for their approval. Motion to approve was made by Brovold. Seconded by Bonik, passed unanimously.

Clerk reported that a letter needs to be sent to Total Register System to give them a thirty (30) day notice to cancel the contract with them for service on the Liquor Store systems.

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

April 8th, 2015

The Bagley City Council met in regular session on April 8, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sid Michel, Council Members John Sutherland, Chad Bonik, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Street Superintendent Bill Masterson, Bruce Sly, Mike Karvakko, Salina Gilbertson, Mike Jenson, Al Rasmussen, Ceira Jobgren, Susan Sunderland, Lillian Newland, Larry & Cindy Olson, Garry Olson, Malotte Backer, Don Friborg, Jim Herman, Shirley & Bob Dukek, Kathy Rasch, Police Chief Larry

Peterson, Liquor Store Manager Chris Arnold, Fire Chief John Gerbracht, Allen Potvin, and a few more Township Officers who were unknown.

Motion was made by Merschman to approve the minutes of the March 11 and March 25, 2015 meetings as written. Seconded by Brovold, passed unanimously.

Al Rasmussen was present to request two (2) raffle permits. One (1) for the Clearwater County Agriculture Society for the yearly Fair calendar raffle and one (1) for the Bagley Rotary Club who will be raffling off a golf cart at their golf tournament. Motion was made by Bonik to approve both raffle permits. Seconded by Merschman, passed unanimously.

Malotte Backer was present representing Bagley Art In The Park. The event is planned for July 11th in the City Park and the board is requesting to use two (2) shelters, barriers for the streets, put up a welcome sign and banner. Backer also asked to be put on the shelter calendar for the second Saturday in July of 2016. Motion to approve made by Merschman. Seconded by Bonik, passed unanimously.

Kathy Rasch, Clearwater SWCD, was present to update the Council on the Aquatic invasive species program which is being done through Clearwater County. Rasch asked if the Council would support having an inspection on Lake Lomond, at no cost to the City. After discussion, motion to approve was made by Merschman. Seconded by Sutherland, passed unanimously.

Copley Township Chairman Larry Olson was present to speak on the Township Fire Contract language and budget for 2015-16. They are looking for further clarification on the contracts. After lengthy discussion, budget items will be broken down further for their information. Townships would like to meet in October of each year to see where budgets are at for the year. Clerk was asked to send out the "old" contracts to each of the townships.

Motion was made by Brovold to approve the 2015 Fire Contracts of LaPrairie, Moose Creek, Rice, Minerva, and Nora Townships to bridge the time from now when the old format contracts are sent out to cover the 2015 Fire Contract. Seconded by Merschman, passed unanimously.

Motion was made by Brovold to approve fire coverage for the townships of Copley, Falk, and Popple to give them time to get their fire contracts in by the end of April, 2015. Seconded by Merschman, passed unanimously.

Mike Karvakko, Karvakko Engineering, was present to update the Council on airport projects. Appraisal of the airport land is still being worked on. Task Order #15 was given to the Council, on a crack sealing project for the airport runway. Motion to approve Task Order #15 was made by Bonik. Seconded by Brovold, passed unanimously. Discussion was held on allowing a private hanger bay to be built at the airport. More fencing will be needed before hangers are built.

Motion was made by Merschman to hold a Public Hearing on June 10, 2015 at 5:30 p.m. for discussion on the City Well Head Protection Plan. Seconded by Brovold. Passed unanimously.

Discussion was held on a Tax Increment Plan for Cornerstone Nursing & Rehab. Motion was made by Merschman to pass Resolution #15-15 A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BAGLEY, MINNESOTA, APPROVING TAX INCREMENT DEVELOPMENT AGREEMENT. Seconded by Sutherland, passed unanimously.

March receipts in the amount of \$147,701.45 were reviewed.

City Budget reports were reviewed. Expenses for the month of March were \$69,959.96.

March Municipal Liquor Store Budget was reviewed. Gross profit/\$21,931.92; expenses/\$22,366.06; profit or loss/ (\$434.14); year to date profit or loss/(\$1,136.56).

Motion was made by Bonik to pay the outstanding City bills in the amount of \$28,159.54 and the Municipal Liquor Store outstanding bills in the amount of \$26,982.88. Seconded by Sutherland, passed unanimously.

Department reports: Fire Dept. Chief John Gerbracht. Chief Gerbracht explained the Volunteer Recruitment & Retention Stipend Pilot Program as an incentive to recruit and retain Firemen for at least a three year term. Paperwork is being done to apply for a \$300,000 grant for a truck.

Police Dept. Chief Larry Peterson. Monthly activity report was reviewed. Discussion held on rangers, ATV's & Golf Carts on the beach area.

Motion was made by Brovold to extend the meeting 15 minutes. Seconded by Merschman, passed unanimously.

Chris Arnold, Liquor Store Manager. Facebook advertising for the store is being done with a \$100 budget. A 1X2 foot OPEN sign will be ordered and paid for from capital outlay. Fireworks fundraiser will be May 1st.

Public Utilities Manager Mike Jenson. Well #5 is being rehabbed. MN DOT project 2018 may be split into two projects. The American Public Power Association annual conference will be held in Mpls. on June 5-10. Councilmembers are invited.

Roads & Bridges – Street Supt. Bill Masterson. Motion was made by Bonik to hold the City Wide Clean-up on May 4th and 6th and to advertise as needed. Seconded by Merschman, passed unanimously. Noise Ordinance signs will be put up soon. For the City to do it would be cheaper but the state must approve the location.

City Hall – Clerk Treas. Colleen Lindgren. Arts Grant for the community room is going well. A display case will be put up soon.

Motion was made by Sutherland to extend the meeting by 10 minutes. Seconded by Bonik, passed unanimously.

Flower planter donation letters will be sent out soon. Cost per planter is \$26.25 and the Boy Scouts will be asked to help plant them. Hanging pots will cost \$50 each and we have 30 pots. Motion was made by Bonik to allow Clerk to order the flowers and send out letters for donations. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to approve Resolution #14-15 ACCEPTANCE OF DONATION accepting \$200 from the Shevlin Township to put towards the Animal Pound expenses. Seconded by Sutherland, passed unanimously.

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

April 22nd, 2015

The Bagley City Council met on April 22, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Councilmembers John Sutherland, Jon Brovold, Dennis Merschman, Chad Bonik, Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Police Chief Larry Peterson, Liquor Store Manager Chris Arnold, Street Supt. Bill Masterson, Utilities Manger Mike Jenson and Park & Rec Chairman Doug Lindgren.

Motion was made by Merschman to approve the request of the Bagley Library Board to use \$350 from the Tjolsen Memorial funds for Kindergarten Library Field trip and library card sign-ups. Seconded by Sutherland, passed unanimously.

Utilities Manager Mike Jenson brought before the Council a proposal from Klay Thompson to get fill from

the City in the area of the substation behind JAG Auto Body. He is in need of 1,500 yards of sand and is willing to pay 50 cents per yard. It would be stock piled on the property owned by Gary Gesell. Motion was made by Merschman to approve the sale of the sand at 50 cents per yard to Klay Thompson with Jenson to get a contract, insurance certificate and letter of understanding between Thompson and Gesell. Seconded by Brovold, passed unanimously.

Motion was made by Brovold to appoint Stuart Lien to the Bagley Public Utilities Commission to replace Andy Simmons. Seconded by Sutherland, passed unanimously.

Street Supt. Bill Masterson reported on the Kastner Division. People have been trespassing on the properties. Discussion was held on security in the area. Masterson was asked to put up No Trespassing signs on City property and Law Enforcement was asked to patrol the area.

Discussion was held on future hanger bays for the airport and sizes. Clerk was asked to check into prices for the lease of the property to build on.

Airport land renter Jeff Francis has asked to be able to put up fencing around an area at the airport. Cost would be approximately \$800 for posts and wire and Francis would provide all labor. This would not interfere with the pipeline area. Motion was made by Merschman to spend up to \$800 out of the airport capital outlay for fencing around a section of the airport. Seconded by Bonik, passed unanimously.

Police Chief Larry Peterson reported that COPS Grant Officer Scott Lachowitz has put in his resignation. Discussion was held on the COPS Grant position. Federal funds will cover April 2015 wages and then the City must start their one year of retaining an Officer. Motion was made by Brovold to start the process for the fourth Police Officer position. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to send Officers Renee Benson and John Sutherland to a driving training course and mileage, expenses with a registration cost of \$396 per person. Seconded by Merschman. For: Bonik, Merschman, Brovold, Michel. Abstain: Sutherland. Motion carried.

Airport Appraisal – Mayor and Karvako Engineering are working on this yet.

Liquor Store Manager Chris Arnold reported on the cleaning/waxing of the floors in the store. Workers to sell liquor at the Golf Course are still being gotten and will be needed for opening up on Memorial Weekend. Arnold updated the Council on the Fireworks Fundraiser.

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

May 13th, 2015

The Bagley City Council met in regular session on May 13, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Chad Bonik was absent.

Also present: Police Chief Larry Peterson, Utilities Manager Mike Jensen, Street Superintendent Bill Masterson, Al Rasmussen, Ceiera Jobgren, Annie Bruguht, and Liquor Store Manager Chris Arnold.

Motion was made by Merschman to approve the minutes of the April 8th and April 22nd Council Meetings. Seconded by Sutherland, passed unanimously.

Mayor Michel called upon Annie Bruguht and Al Rasmussen, representing the Farmers Market. Motion was made by Brovold to allow the Farmers Market to take place on the triangle of City property located just south of Galli Furniture, during the months of July through Sept. Seconded by Sutherland, passed unanimously. Discussion was held on the City Community Garden. Clerk asked that someone be found to oversee the project. Funds have been gotten from the SHIP Program for this garden. Clerk was instructed

to talk to some people on this. Suggestion was to either do something below the library or in the Farmers Market area.

April City Receipts were reviewed in the amount of \$47,145.38.

April City Budget Reports were reviewed. Expenses totaled \$86,274.35 for April.

April Liquor Store Budget was reviewed. Total Gross profit was \$23,118.99; expenses were \$22,328.87 for a net income of \$790.12. Expenses for the Liquor facility at the Golf Course were \$38.00. No income to date.

Motion was made by Merschman to approve payment of the City outstanding bills in the amount of \$38,901.00 and the Liquor Store outstanding bills in the amount of \$16,687.98. Seconded by Brovold, passed unanimously.

Department Reports: Liquor Store Manager Chris Arnold. Discussion was held on the west entrance into the Liquor Store parking lot as Arnold has heard complaints on it. Moose Creek Graphics will be getting a price together on the sign/lighting for the front of the store. Motion was made by Merschman to hire Cory Oien as call in help at the liquor store. Seconded by Sutherland. Merschman made the amendment to pay Oien \$9.50 per hour with a probation period and background check. Seconded by Sutherland, passed unanimously.

Doug Lindgren entered the meeting at 6 p.m.

Park & Recreation Chairman Doug Lindgren reported that there has been an offer of a dollar donation to paint the tennis court so that it can also be used as a Pickle Ball Court.

Councilman Chad Bonik entered the meeting at 6:05 PM.

Motion was made by Brovold to add the painting to the Tennis Court. Seconded by Sutherland. For: Brovold, Sutherland, Bonik, Michel. Merschman abstained. Motion carried. Lindgren commended Bill Masterson and his crew for all the work they have done in the City Park. Council agreed.

Zoning: Bill Masterson reported on land use permits, abandoned houses and gutter repair needed at the Fire Hall/Police Station.

Police Chief Larry Peterson reviewed his monthly activity log. New Patrol car should be in by the end of June. Mayor Michel stated there will be a special closed meeting on Friday, May 15th at 7:30 a.m. to discuss employee issues.

Utilities Manager Mike Jenson reported on the monthly activities. NMPA meeting will be held in Thief River Fall on May 20th, Council is invited to attend.

Street Dept. Superintendent Bill Masterson. Spring clean-up went well but there were still people who put their items out after the pick-up days which will not be picked up. Noise ordinance signs are in and approval from the State has been gotten. Dust control on McDougal Ave. was addressed. Approximate cost is \$500 and must be paid by May 22nd. Motion was made by Bonik to approve up to \$600 for the dust control solution from the County. Seconded by Sutherland, passed unanimously.

City Hall: Clerk Colleen Lindgren. The agreement between Klæe Thompson/Gary Gesell/and the City has been received. Still need a certificate of insurance from Thompson for gravel removal. Motion was made by Brovold to approve Amendment #2 to MnDOT Grant Agreement #03840 (as amended according to Amendment #1); increasing the Airport M&O amount by \$3,818. Seconded by Sutherland, passed unanimously. Clerk reported on lease agreements with hanger bay owners and land owners in the area. Present agreements will be looked at and matter will be discussed further at a later date.

Seasonal Help at the Golf Course Liquor was discussed. Motion was made by Merschman to approve hiring Destiny Halvorson and Meghan Kaiser for the 2015 season, at the same pay rate as was paid last year. Seconded by Bonik, passed unanimously. One other applicant will be interviewed.

League of MN Cities 2015 Annual Conference was discussed. No one will be able to attend.

Mayor Michel discussed setting up an EDA in the City. City would be able to do more bonding, grants and such. Mayor asked Council to study the information given to them and would like to discuss it further at a later date.

Sidewalks at the Library: Masterson will reconfirm price on the work to be done and bring back to the Council. Discussion was held on the water line which runs under the parking lot. Jenson will get prices on having the work done and bring back to the Council.

Motion was made by Brovold to join the MN Association of Small Cities with dues set at \$716.55. Seconded by Sutherland, passed unanimously.

Motion was made by Merschman to pass Resolution #16-15 ACCEPTANCE OF DONATION. Seconded by Brovold, passed unanimously. (Accepting Fire Works donations from Clearwater Trail Blazers-\$500, Moose Creek Twp.-\$50, Holst Twp.-\$100).

Motion was made by Merschman to pass Resolution #17-15 PERA POLICE OFFICER DECLARATION. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to pass Resolution #18-15 A RESOLUTION APPOINTING A COMMISSIONER TO FILL AN UNEXPIRED TERM TO THE BAGLEY HOUSING AND REDEVELOPMENT AUTHORITY, accepting the resignation of Lyn Schroeder and appointing Ruby Bergquist to the Board. Seconded by Brovold, passed unanimously.

Motion was made by Brovold to pass Resolution #19-15 NORTHERN MUNICIPAL POWER AGENCY ADVISOR, appointing Dennis Merschman as advisor. Seconded by Bonik. For: Brovold, Bonik, Sutherland, Michel. Abstain: Merschman. Motion carried.

Motion was made by Merschman to pass Resolution #20-15 NORTHERN MUNICIPAL POWER AGENCY DIRECTOR, appointing Mike Jenson as director. Seconded by Sutherland, passed unanimously.

Discussion was held on the City Pay Equity Report. Mayor Michel brought before the Council a proposal from Flaherty & Hood Attorneys to do a full review of the City job classifications and compensation study. Estimated cost to be \$4,000. Motion was made by Sutherland to hire Flaherty & Hood to do the City Pay Equity Compliance Report. Seconded by Merschman, passed unanimously.

Mayor Michel stated that Team Serve will be in the Bagley area soon and he will be doing a Proclamation to support the project.

Mayor has told the Deputy Clerk to move ahead with looking into a credit card machine for City Hall at a cost of \$218 per machine.

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

May 15th, 2015

The Bagley City Council met in special session on May 15, 2015 at 7:30 a.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members Dennis Merschman, John Sutherland, and Clerk Treasurer Colleen Lindgren. Councilmen Jon Brovold and Chad Bonik were absent.

Also present: Police Chief Larry Peterson.

Mayor Michel closed the meeting at 7:32 a.m. for employee discussion.

Meeting was reopened at 7:47 a.m.

Clerk was instructed to check with Attorney's Flaherty & Hood on the hiring process for the Police Department.

Being there was no further business to come before the Council; motion to adjourn was made by Merschman. Seconded by Sutherland. Passed unanimously.

May 27th, 2015

The Bagley City Council met on May 27, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, Chad Bonik and City Clerk Treasurer Colleen R. Lindgren.

Also present: Police Chief Larry Peterson and Street Superintendent Bill Masterson.

Motion was made by Merschman to approve the minutes from May 13 and May 15 meetings as written. Seconded by Sutherland, passed unanimously.

Discussion was held on the information given to the Council, about the Fire Department budget and how items are reported. The Fireworks account will be moved out of the Fire Dept. and be put into the Economic Development budget area. Clerk will make the change and send information out to the Townships covered by the City Fire Contracts.

Discussion was held on setting up an EDA (Economic Development Authority) in the City. Mayor stated that an EDA can get TIF and borrow funds for housing projects and such. A separate board would be set up to manage it. Clerk was asked to set up a meeting with HRDC members to discuss the project further.

Storm Brochures: Mayor will be attending a meeting at the Nursing Service to update the brochure if needed. Clerk will be sending out a letter to make sure all the businesses listed will still be able to open up during a storm.

Clerk reported that she and Mayor Michel had met with WSN on the sewer/water project funding through USDA. One requirement for USDA is that the City has an emergency plan which covers the City wells and water. The Emergency Operation Plan which the City has with the County does not qualify. Bagley will need to complete one plan for the water system and one plan for the wastewater system. WSN will work on this and get to us as soon as they can.

Police Chief Peterson brought forth his recommendation to hire Chester Carlson for the fourth year Grants C.O.P. Officer. Motion was made by Bonik to hire Carlson as Police Officer for the Police Dept. Seconded by Brovold, passed unanimously. Pay scale to follow the Union Contract.

Discussion was held on wages for City Employees. Clerk explained charts which were handed out to the Council. 2% increase had been put into the 2015 budget. Members leaned towards giving a per hour raise instead of a percent increase. After discussion, motion was made by Sutherland to give City Employees 50 cents per hour raise to begin July 1, 2015 with a 50 cent per hour back pay to January 1, 2015. Seconded by Merschman, passed unanimously.

Masterson brought a quote to the council on putting in cement on the drive way of the liquor store. Cost estimate is \$4,500 for 55 feet of curb. Mater will be tabled at this time. Cost estimate to do the sidewalks at the Public Library/Community Center is \$8,500. Masterson to work on this project. Discussion was held on the repair of the sewer & water lines at the Library. It would be a 15 foot cut across the parking lot. Cost to tear up the lot, insulate, and backfill is approximate \$6,000. If BBI is in town, approximate cost for overlay is \$1,600, plus \$800 for sidewalk. Masterson will also work on this project.

Clerk was asked to look into rental property ordinances or policies in other cities pertaining to rental properties. Meeting will be set up with the Zoning Board to speak about condemnation of buildings in the City.

Being there was no further business to come before the Council; motion to adjourn was made by Brovold. Seconded by Merschman. Passed unanimously.

June 10th, 2015

Public Hearing for the Bagley Wellhead Protection Plan.

Hearing was opened at 5:30 p.m. and held in the Bagley City Council Chambers.

Present: Chris Parthun, MN Dept. of Health, Mayor Sidney Michel, Council Members John Sutherland, Chad Bonik, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen Lindgren, Deputy Clerk Faye Jacobs, Ceira Jobgren, Bill Masterson, Mike Jensen, Selina Gilbertson, Ron Peterson, Larry Peterson, Chris Arnold, and Doug Lindgren.

Chris Parthun from the MN Dept. of Health was present to review the City of Bagley Wellhead Protection Plan. Handouts were given to all present. This is the second of two opportunities where the public has had a chance to hear about the plan and speak up at a public hearing. Handouts went through the whole process of the plan. City wells #4 & 5 meet all requirements. The water age is older than 1950 and this is a good thing. The plan has gone out to all the local government units. No comments were heard from any one by the Manager of the Plan. The plan will now be sent to the state for their review.

Public Hearing was closed at 5:50 p.m.

The regular meeting of the Bagley City Council was then opened at 5:50 p.m. by Mayor Michel.

Present: Mayor Sidney Michel, Councilmembers Chad Bonik, Jon Brovold, Dennis Merschman, and John Sutherland, City Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Motion was made by Merschman to approve the minutes of May 27, 2015 as read. Seconded by Brovold, passed unanimously.

Motion was made by Sutherland to approve the 2015 WellHead Protection plan as presented. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to approve the application to conduct off-site gambling for the American Legion Post 16. They are planning to hold Bingo at the Clearwater County Fair during August 7-9, 2015. Seconded by Sutherland, passed unanimously. Resolution #24-15 AMERICAN LEGION POST #16 BINGO PERMIT.

City receipts for May were reviewed, in the amount of \$13,182.58.

May budget reports were reviewed. Total City expenses for May were \$97,051.69.

May Liquor Store budget was reviewed. Total gross profit = \$29,810.26. Total expenses with depreciation = \$23,342.62 for a net income of \$6,467.64. Total net income for Jan-May 2015 is \$6,121.20.

Motion was made by Brovold to approve the outstanding bills for the Municipal Liquor Store in the amount of \$42,884.63 and the City outstanding bills in the amount of \$30,206.23. Seconded by Sutherland, passed unanimously.

Department Reports: Chris Arnold, Liquor Store Manager. Liquor training will be done the last Sunday in July. Golf Course liquor is open. Credit card setup will be done at the golf course for sales.

Arnold reported that the contract for the City emails will expire on June 11th. Cost is \$9.99 per month. Motion was made by Brovold to renew the contract for one year. Seconded by Bonik, passed unanimously.

Mayor Michel talked about the ability to use credit cards at the city office. Jacobs is working on this. Heather Loos will be asked to attend the next City Council meeting to set this up.

Zoning Commission – Bill Masterson. Three land use permits were approved. A board meeting will be set up for a variance discussion.

Police Dept. – Chief Larry Peterson. Monthly activity report was reviewed. New patrol car has arrived.

Fire Dept. Motion was made by Brovold to pay \$461.86 to get the oven in the Fire Hall repaired. Seconded by Merschman. For: Brovold, Merschman, Sutherland, Michel. Abstained: Bonik. Motion carried. Fireworks have been ordered and some trees need to be trimmed before the 4th. Fireworks to be let off on July 4th but if it rains they will be let off the 5th.

Public Utilities – Manager Mike Jenson. Activities for the month were reviewed.

Roads & Bridges – Supt. Bill Masterson. Two (2) quotes were asked for to put gutters on the fire hall. ABC Seamless put in a quote of \$1,125. A second quote was not received. Motion was made by Bonik to approve the purchase of gutters from ABC Seamless. Seconded by Merschman, passed unanimously.

Cemetery Policy concerning time allowed to leave flowers on the graves will be looked into.

Insulating the water & sewer line at the library was discussed. Masterson got a quote on this project and cost is \$3,899 to insulate the water only or \$6,411 to insulate both lines. After discussion motion was made by Merschman to hire Darin Lindgren to insulate both lines at a cost of \$6,411. Seconded by Bonik, passed unanimously. Funds to come out of the sale of the old library building. Approximate cost to black top the area is around \$1,600.

City Hall – Clerk Treasurer Colleen Lindgren. The Bagley Garden Club is unable to take care of one of the flower beds in the city park and are wondering if the City could help. They have gotten a quote of \$1,000 from Lester Beck to dig out the bed and redo it with new plants. The Garden Club has \$500 and they have asked if the Council would be willing to contribute \$500. Motion was made by Bonik to contribute \$500 towards the flower bed project. Seconded by Merschman, passed unanimously.

Clerk reported that the MN Management & Budget has approved to extend the date to comply with the pay equity report to December 31, 2015.

Present leases for the airport hangar bay land were discussed. These will be worked on later in the year and Clerk was asked to send notice to the owners of the hanger bays that the Council is looking into them closer.

Bid opening for the airport crack sealing project was held on June 8th. Selina Gilbertson, Karvakko Eng., was present to update the Council on the project. No bids were received on the project. Karvakko Eng. reopened the project today and bids will now be accepted until June 30th when a second bid opening is scheduled.

Seth Traum would like to meet with the Council and Masterson, at the hospital on Tuesday June 16th at 1 p.m. to discuss the area where the helicopter lands.

Information was received from Attorney Hood concerning new liquor laws. Clerk was instructed to work with Attorney Hood to get the City ordinance up to date. Motion to proceed was made by Brovold.

Seconded by Sutherland, passed unanimously. Arnold stated that a meeting will be held in Bagley with the MN Municipal Beverage Association. Council members will be invited to the meeting.

City Auditors will be at the July 8th Council Meeting to go over the 2014 Audits of the City and Public Utilities. Meeting to begin at 5 p.m. with Council meeting following.

Motion was made by Bonik to pass Resolution #21-15 ACCEPTANCE OF DONATION. Seconded by Brovold, passed unanimously. (Acceptance of donation to purchase flowers for the planters and hanging flower pots.)

Motion was made by Merschman to pass Resolution #22-15 RESTRICTED FUND TRANSER. Seconded by Bonik, passed unanimously. (Cemetery fund transfer.)

Motion was made by Bonik to pass Resolution #23-15 RESTRICTED FUND TRANSER. Seconded by Sutherland, passed unanimously. (Park Upgrades fund transfer.)

Chief Peterson stated that the COPS grant needs to be run out to the end. If you were to apply for another grant the City would need to hire a 5th Officer. Mayor would like the Department Heads to start working on their budgets for 2016. He would also like to move ahead with getting credit card machines for the Park and the City Hall.

In August Council should be working on the rewording of the Fire Dept. Contracts.

Mayor reported on an Emergency Plan which is being done with the County. A separate emergency plan for the USDA Loan will need to be done.

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

June 24th, 2015

The Bagley City Council met on June 24, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs. Councilman Chad Bonik was absent.

Also present: Police Chief Larry Peterson, Street Supt. Bill Masterson, and Tiffany Fettig, Tim Flathers and Ryan Zemek from HRDC.

Street Supt. Bill Masterson talked about the ordinance pertaining to chickens being allowed in the City. Matter was tabled until the Zoning Board meets the following week.

Police Chief Larry Peterson was present to speak with the Council concerning ATV's in the city. Peterson was asked to check with Bemidji and see what they have in their Ordinance's concerning ATV's.

Masterson said that the Co-Op is putting up a building on bids. Building is 32X80. There is a company in Cass Lake area that moves buildings and they told Masterson that it would cost around \$20,000 to move. Brovold asked that a meeting be called when the building is advertised and the Council will talk about it then.

Chief Peterson asked about the 2016 budgets and what does the Council want to do after the COPS Grant program is concluded. Squad car computers must be upgraded. Cost is approximately \$2,400 per squad for each computer plus other equipment needed would be about \$3,000 per car. Brovold stated that Peterson should figure in 4 officers for the budget along with the systems.

Mayor called upon members of the HRDC to speak to the council on an EDA for the City. Flathers stated there are organizational options. What can an EDA do for the City? What does the City want to accomplish. Brovold asked what the Council can do and what are the powers of an EDA? Flathers stated that an EDA can bond/TIF/eminent domain/power to borrow money but can they pay it back? Backing would probably come from the City and is the Council willing to take the risk of building where a private developer does not. An EDA is tax exempt and you need a solid project to get backing. Revolving Loan funds cannot be used by the City on a city owned building. The HRA Board is supposed to meet with the Council annually. Flathers and others could meet with them on what they should be doing. Mayor asked the Council if they want to put the idea of an EDA aside and just work with the HRA Board. Merschman stated that he does not see the City getting into the housing business. He would like to put the EDA aside

right now and just work with the HRA Board.

A meeting will be set up with the Coalition of Greater MN Cities for July 7th in the morning.

June 25th Inter-County Community Council will be having a meeting in the City Park. Council members are invited to attend.

Michel and Merschman met with a number of people at the Heliport by the hospital to talk about what needs to be done for the helicopters to land safely.

Being there was no further business to come before the Council; motion to adjourn was made by Merschman. Seconded by Brovold. Passed unanimously.

July 8th, 2015

The Bagley City Council met in regular session on July 8, 2015 at 5:00 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Chad Bonik, and Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: City Auditor Sandy Nelson, Mike Jensen, Stuart Lien, Vicky Fletcher, Tom Lillegaard, Chris Arnold, Bill Masterson, Mike & Elaine Brustad, Laura Dropps, Heather Loos, Selina Gilbertson, Chief Larry Peterson, and Doug Lindgren.

Auditor Sandy Nelson went over the Public Utilities 2014 Audit. All is fairly stated in the audit and no Non-Compliance items were found. Net income for the year was found to be \$67,417. Letters to the Council and Commissioners were reviewed.

Auditor Nelson then reviewed the City Audit with the Council. There were no Non-Compliance items found and there were no failures to comply.

5:30 p.m. Mayor Michel called the regular meeting of the council to order..

Motion was made by Merschman to approve the minutes of the June 10, 2015 meeting. Seconded by Sutherland, passed unanimously.

Motion was made by Merschman to accept the 2014 City Audit as presented. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to approve the Parade Application for the Bagley Jr. Sr. High School Homecoming Parade. Seconded by Merschman, passed unanimously.

June City receipts were reviewed in the amount of \$441,027.89.

June City budget reports were reviewed. City expenses for the month were \$142,467.67.

The Profit & Loss report for the Liquor at the Golf Course was reviewed. For the month of June net profit is (\$41.82), largely due to the inventory to stock it.

The Profit & Loss report for the Municipal Liquor Store was reviewed. Gross profit = \$27,975.49. Expenses = \$23,129.65 for a net profit of \$4,845.84.

Mayor called upon Heather Loos to answer any questions on setting up credit card machines in the City Park, City Hall and the Public Utilities. Three accounts would need to be set up. Terminal would cost \$275. Loos will get together with Fletcher, Jacobs and Laura Dropps who does the city web site to set up the system.

Motion was made by Brovold to approve payment of the outstanding bills for the City in the amount of

\$35,460.05 and the Liquor Store bills in the amount of \$37,217.74. Seconded by Merschman, passed unanimously.

Motion was made by Brovold to approve the application for payment from Northern Contracting, Inc. in the amount of \$6,220.10 for construction on the Airport Access Road & Parking Lot. Seconded by Sutherland, passed unanimously.

Discussion was held on the Crack sealing for the Airport project. No bids were received again on the project. Karvakko Eng. recommends the Council rebid the project again in January or so of 2016. The State Dept. of Aeronautics has told Karvakko Eng. that the money will be held for the project for one more year. Motion was made by Brovold to rebid the project in January, upon advisement from Karvakko Eng. Seconded by Bonik, passed unanimously.

Department Reports: Police Chief Larry Peterson went over the Department Activity Log. New squad car is being equipped for use.

Liquor Store – Manager Chris Arnold. Arnold reported on the sales of the store. Dram Shop training will be held in Bagley on August 2nd.

Zoning – Bill Masterson. Public Hearing will be held on July 20th for a fencing Variance. Wind Ordinance has not been approved by the Board yet. Cenex is going to be paving a large area at their new location so storm sewers in the area may need to be worked on.

Park Board Chairman Doug Lindgren. New dock is in. Playground equipment was donated to the Park Board by Allen Potvin and was put in the small park on Spruce Ave. MN Limited donated pipe for Fire Rings in the park and the Street Dept. will be making these. Mayor Michel would like to see the Park Board put a policy in place for the picnic shelters. Also that whoever uses the shelter should clean it up after the use of the shelter. Masterson brought up the fact that the DOT has sent notice that the Park Signs along Hwy 2 have reached their maximum life. Cost to have them replace the signs is \$550. Masterson is not allowed to do this himself and have signs made through M&R Signs. If the fee is not paid the signs will be taken down. D. Lindgren said that he would speak with the State Reps from the area. Due to lack of a motion, agreement was not approved.

Public Utilities – Mike Jenson, Manager. Jenson reported on the activities of the utilities department.

Street Dept. Supt. Bill Masterson. Discussion held on a cross walk across Hwy 2 by First National Bank. City will be receiving \$20,170 from the State as small cities assistance for road construction.

Budget work dates will be set as follows: July 22nd Dept. Heads will bring their "wish lists" to the Council, July 29th, August 24th, and Sept 2nd, all at 5:30 p.m. in the Council Chambers.

Motion was made by Merschman to approve signing the form that the City does not waive the monetary limits on municipal tort liability established by MN Statutes, Sec. 466.04. Seconded by Bonik, passed unanimously.

Discussion was held on a letter received from Clearwater County Land Commissioner Bruce Cox concerning tax forfeited lands in the City. Clerk was asked to check into the special assessments on each property. Motion was made by Bonik to approve Clearwater County selling the tax forfeited lands and the Clerk to check into the handling of the special assessments on the parcels. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to pass Resolution #25-15 ACCEPTANCE OF DONATION. Seconded by Bonik, passed unanimously.

Motion was made by Merschman to pass Resolution #26-15 TRANSFER OF RESTRICTED FUNDS. Seconded by Bonik, passed unanimously.

Motion was made by Merschman to pass Resolution #27-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Bonik, passed unanimously.

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

July 22nd, 2015

The Bagley City Council met in work session on July 22, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Chad Bonik was absent.

Also present: Street Supt. Bill Masterson, Police Chief Larry Peterson, and Randy & Pat Moberg.

Motion was made by Merschman to approve the minutes of the June 24th and July 8th meetings. Seconded by Brovold, passed unanimously.

Motion was made by Brovold to approve a Temporary On-Sale Liquor License for the American Legion to have a beer tent at the Legion Ball Games on July 25th & 26th. Seconded by Sutherland, passed unanimously.

Motion was made by Merschman to approve passage of Resolution #28-15 CITY OF BAGLEY BOARD OF ADJUSTMENT, approved a variance for Randy Moberg. Seconded by Brovold, passed unanimously.

Clerk was asked to reschedule the meeting with Elizabeth Wefel representing the Coalition of Greater MN Cities and email time and date to Council. Meeting will be posted.

Motion was made by Sutherland to approve Resolution #29-15 VULNERABILITY & EMERGENCY RESPONSE PLANS. Seconded by Merschman, passed unanimously.

Discussion was held on a proposed ordinance concerning alternative energy in the City. Motion was made by Sutherland to approve Ordinance #175 AN ORDINANCE PERTAINING TO ALTERNATIVE ENERGY SYSTEMS IN ALL ZONING DISTRICTS. Seconded by Merschman, passed unanimously.

Discussion was held on the keeping of chickens and animals within the City. Motion was made by Merschman to pass Ordinance #176 AN ORDINANCE AMENDING CHAPTER 90 OF THE CODE RELATING TO KEEPING OF ANIMALS IN THE CITY. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to approve payment of \$460.36 to Heather Loos for the credit card machines for City Hall and the City Park. Seconded by Sutherland, passed unanimously.

Discussion was held on the 2016 Budgets for the City. Police Chief Larry Peterson asked about the hiring of a fourth officer for 2016, three card readers, PC, Printer and installing of equipment and funds for a future squad car. Investigation hours were also discussed.

Street Dept. - Bill Masterson discussed the construction of a cold storage building, \$15,000, 32X50, cement floor approximately \$9,000. A track bob cat for \$45,000 will also be asked for. Discussion was held on a road being constructed from the Industrial Park.

Mayor Michel talked about a joint venture on a new Fire Hall. No word has been heard on the grant application for a new fire truck.

Airport: Clerk was asked to check on the price to have the zoning ordinance for the airport redone. Clerk will also check into the use of the airport, how many airplanes use it over a year.

Park: Park Board members would like to put funds in the fishing pier fund and into a fund for the construction on new lots. Ditch in the park also needs to be cleaned out.

Clerk asked to put \$4,000 in the flower funds.

Clerk informed the Council that she was contacted by the Beltrami HRA on housing issues. Clerk is to contact Bagley HRA to get a copy of their financials and set up a meeting between the HRA Board and the Council.

Clerk is to check on the rules and regulations for the Bagley City Cemetery; a sign needs to be posted on when flowers and other items must be removed from grave sites and how other cities are working with rental properties.

Masterson will be getting a quote on the spraying of weeds. FAA wants to put a system up at the airport, which will come from Bemidji. They will need an 8X8 area and area besides the AD building for a tower. Masterson will work with FAA on this and bring back to the Council. A lease agreement will be looked into. This will be done at no cost to the City.

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

August 5th, 2015

The Bagley City Council met in special session on August 5, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Councilmembers John Sutherland, Dennis Merschman, Jon Brovold, and Chad Bonik, Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Police Chief Larry Peterson, Liquor Store Manager Chris Arnold, Fire Chief John Gerbracht, and Allen Paulson.

Mayor Michel called upon A. Paulson. Paulson discussed issues concerning the Clearwater County Fair. The fair has free gate and free parking with 26,600 people coming to the fair last year from all over the region. It takes lots of volunteers to put the fair on. The Bagley Fire Dept. has always been there to help and is very much appreciated. The City could put in a bill for their help but it is unknown whether it would get paid due to the fair not having funds. The public utilities will help out with the watering down for dust. Clearbrook Fire Dept. is available for the tractor pull and demo. Chad Bonik stated that the Bagley Fire Dept. can cover it and to send some people down from other cities if great. The City of Bagley does benefit from the Fair. He feels that the Fair board should not have to worry about it. Paulson does not want any bad feelings with the Fire Dept. and he appreciates all they do for the fair. Brovold stated that the costs could be addressed when the meetings are held with the Townships.

Budget discussion: Fire Dept. Clerk was instructed to add onto the 2016 budget the amount that was an expense overage in 2015. New payment schedule form will be worked on along with the budget paper work.

City Hall: Clerk reported that she had put a 2% increase in wages for all departments, for July – December, just as a place holder. Misc. expenses were lowered due to the sale of lots in the Kastner Division and special assessments went with the lots. \$4,000 was put in the City Wide Improvement and \$1,000 was put into the Historical Structure repair.

Fire Dept.: Chief Gerbracht discussed some badly needed repairs on the #2 truck. Approximate cost is \$4,500. An air compressor/hoses and piping into the building was added under capital outlay at a budget of \$6,000. Clerk increased the salaries budget by \$3,340, along with an increase in supplies and a deduction in the other expense by moving the fireworks budget into Economic Development.

Police Dept.: Numbers were put in the wage department for the 4th Officer according to the COPS grant. Chief Peterson asked that an increase be put in the Legal Services/Family advocacy. Discussion was held on the 911 funds, administrative tickets and Enbridge 901 funding. Mayor will check on the Enbridge

funding.

Roads & Bridges: Masterson added in weed spraying of \$2,500 under the infrastructure maintenance. Capital outlay - \$14,470 for the snow blower payment and \$10,000 to put towards a mower/tractor. Council would like to see dollar amounts for a trailer to haul the tractor & mower and numbers for a building to be built at the city garage.

Park Dept.: \$250 was added to the telephone budget for internet which will be needed for the credit card machine. Park Board would like to keep \$20,000 in the capital outlay for funds towards a fishing pier and \$15,000 towards lot expansions.

Cemetery: \$1000 was put into the budget for black dirt.

Animal Pound: No major changes. Discussion was held on the Police Dept. pickup being used for a pound vehicle. No capital outlay.

Zoning: Drop in insurance by \$103.00.

Community Service: no changes.

Economic Development: \$10,000 was put into the 2017 Street Project.

Airport: Utilities were lowered; \$5,000 was put in for weed spraying. Under capital outlay, projects were taken from the CIP which were: crack sealing - \$10,000; access road converted to taxi lane - \$50,000; fencing phase 1 - \$25,000; hanger site prep - \$25,000. State funding share would be \$89,000 and City share would be \$21,000.

Bonds: Bond payments will be in the amount of \$212,554.

Income for 2016 has not been finalized yet.

Next budget meeting is set for August 24th at 5:30 p.m.

Liquor Store Budget. Arnold figured up a proposed budget which the Clerk has not reviewed. In the 2015 repair funds, he would like to keep what is left for 2016. He also put \$6,000 in the repairs funds to fix the road and he would like to have a new sign. A 3X7 sign cost is around \$15,000 with a 5 year warranty. Merschman suggested putting away \$10,000 this year and \$10,000 the next year for the sign. He also would like to put a transfer to the City of \$25,000 for 2016. Further budget numbers will be available at the next meeting.

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

August 12th, 2015

The Bagley City Council met in regular session on August 12, 2015 at 5:30 p.m. in the Bagley City Council Chambers.

Present were Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Chad Bonik and Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Street Superintendent Bill Masterson, Utilities Manager Mike Jenson, Duane Mathison, Ciera Jobgren, and Park Board Chairman Doug Lindgren.

Motion was made by Merschman to approve the minutes of the July 22, 2015 meeting. Seconded by Sutherland, passed unanimously.

A written statement was received from Carrie Pickett, Team Industries, requesting approval to hold their 2nd Annual 5K run/walk on Sept 12th. Motion to approve was made by Sutherland. Seconded by Bonik, passed unanimously.

Duane Mathison was present to speak with the Council concerning large trees in his area. The City has no jurisdiction to go on private property.

Information was received from Kathy Raush, Clearwater SWCD, concerning the 2016 MN Clean Water Fund Grants. This grant would be to evaluate the current treatment functions of the storm water retention basins which were built in 2003. Raush would write the grant through the SWCD. Costs to the City would be some in-kind contributions and some minor admin. costs. Motion was made by Merschman to move forward with the grant project and to put funds of \$1,500 into the Economic Development 2016 budget for any associated costs. Seconded by Sutherland, passed unanimously.

Motion was made by Sutherland to send up to four people to the 2015 Regional Meeting in Crookston on Oct. 20th. Seconded by Brovold, passed unanimously.

July City receipts were reviewed, which totaled \$275,872.84.

July City Budget reports were reviewed. July expenses totaled \$105,367.98.

July Liquor Store budget reports were reviewed. Golf Course July net profit totaled \$235.35. The Municipal Store July gross profit was \$36,363.29. Expenses were \$25,020.49 for a net income of \$11,342.80.

Motion was made by Bonik to pay the outstanding bills for the City and the Liquor Store. Seconded by Sutherland, passed unanimously. City = \$33, 518.43. Liquor Store = \$21,832.61.

Department Reports: Fire Dept. Monthly Siren testing will be done on the first Wednesday of each month.

Liquor Store: One employee has reached his 100 hour call in step hours. Review will be done by Merschman and Arnold.

Park Department: There are trees which should be taken down in the park. Council would like to see more planted in the area. Park & Rec Chairman D. Lindgren reported that one raft has been taken out of the lake due to needed repairs.

Street Department: Supt. Bill Masterson has not gotten a quote on the building yet but should have one by the next budget meeting.

City Hall: Clerk Lindgren reported that the 2014 TIF District Reporting has been completed by David Drown Associates. Report is on file at City Hall. Councilmembers were given information concerning the Small Cities Assistance Program. A thank you card from the Bagley Art In The Park committee was read.

Lindgren reported that Utilities Supt. has spoken to Attorney Rasmussen concerning the Legal Services for the USDA Grant. Clerk will bring the paper work to Attorney Rasmussen, which needs to be sent to WSN.

Discussion was held on a comprehensive grant which would include a Small Cities Grant Project to go along with the USDA loan/grant for the utilities project. The Small Cities grant project would cover a large portion of the city and not just a small target area. Information was received from Kathy Sletto who works alongside WSN on these projects. Motion was made by Bonik to accept Sletto's proposal and move forward with the grant project. Seconded by Merschman, passed unanimously.

Motion was made by Bonik to pass Resolution #30-15 ACCEPTANCE OF DONATION. Seconded by Sutherland, passed unanimously.

Discussion was held on the contracts for rural fire protection. Members were asked to review the contract and bring back suggestions to the next budget meeting. Meeting will be set up with the Townships for October 7th at 6 p.m. in the Bagley Community Room.

Merschman reported that Seth Tramn has stated that the County Ambulance Building needs to be taken down in order to accommodate the helicopters landing behind the hospital. This is being looked into further.

Discussion was held on the Employee Handbook. Clerk has been working on getting the book updated with the changes that have been made over the years. Attorneys would like to see the handbook as they are working on the Pay Equity reports. Clerk was asked to send out all the material to Council Members for their review.

6:45 p.m. Mayor Michel closed the meeting for discussion on property sales.

7:04 p.m. meeting was reopened.

Motion was made by Merschman not to accept the offer put in for the sale of a City lot located in the Kastner Division. Seconded by Brovold, passed unanimously. Clerk was asked to contact Attorney Flairity & Hood concerning permanent foundations on homes and to set up a Zoning meeting, if needed.

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

August 26th, 2015

The Bagley City Council met in special session on August 26, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members Dennis Merschman, Jon Brovold, John Sutherland, Chad Bonik, and City Clerk Treasurer Colleen R. Lindgren.

Also present: Street Superintendent Bill Masterson and Police Chief Larry Peterson.

St. Supt. Masterson reported that Klay Thompson has taken approx. 5,000 yards of gravel off City property and hauled it to the new Cenex location. He would like to get more from the location and is interested in making it into Class 5 for the Cenex project at approx. 2,000 yards. Discussion was held on the location of the sand. Public Utilities Manager M. Jenson needs 500 yards of class 5 for the Lagoon road. Thompson would be willing to stock pile Class 5 for the City at a price of \$3.00 per yard if the City allows him to take more sand and make the Class 5 on the city property. Masterson would like to stock pile at least 1000 yards for the City. Motion was made by Merschman to accept the recommendation of Masterson to have Thompson stock pile up to 2000 yards of Class 5 for the City. Seconded by Sutherland, passed unanimously.

Discussion was held on the Kastner Addition and putting a covenant on the City owned lots. Council reviewed a proposed document and Clerk was instructed to have the City Attorney review it and bring back to the Council.

Discussion on City Budgets for 2016. Masterson showed prices on a Bobcat for his department. Cost is \$56,797. from Ziegler and Caterpillar 6 year lease is \$10,211.88 and a 5 year lease at \$12,036.50. Brovold would like to see a lease dollar amount put in the budget instead of the whole dollar amount. Members agreed to cut \$41,000 out of the Street Dept. capital outlay. Council reviewed the proposed 2016 budgets for all departments.

Clerk was asked to figure up what is needed in an account for employee retirements & vacations when leaving employment.

Dates when bonds are retired will be put on the bond budget page.

Council meeting for Sept. 2nd was cancelled.

Discussion held on the City Employee Handbook. Slight changes in wording will be done and then mailed off to Attorney Hood.

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

September 9th, 2015

The Bagley City Council met in regular session on September 9, 2015 at 5:30 p.m. in the Bagley City Council Chambers.

Present: Mayor Sidney Michel, Council Members Dennis Merschman, John Sutherland, Jon Brovold, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Police Chief Larry Peterson, Street Supt. Bill Masterson, and Liquor Store Manager Chris Arnold.

Motion was made by Merschman to approve the meeting minutes of August 5, 12, and 25th as written. Seconded by Sutherland, passed unanimously.

City receipts for the month of August in the amount of \$41,965.85 were reviewed.

City budget reports for the month of August were reviewed. Total expenses for the month were \$92,581.94.

Liquor Store P&L for August: Total gross profit was \$30,259.12; expenses including depreciation were \$25,783.95 for a net income of \$4,475.16. Year to date net income is \$26,785.00.

Liquor at the Golf Course: net profit for August was (\$165.02) for a yearly net profit of (\$9.49).

Motion was made by Bonik to pay the City outstanding bills in the amount of \$19,303.44 and the Liquor Store outstanding bills in the amount of \$29,640.73. Seconded by Brovold, passed unanimously.

Department reports: Liquor Store-Chris Arnold. Reported on the activities at the store. Arnold asked permission to attend the Wine & Liquor Show in Mpls. on Sept 16 & 17. Motion was made by Brovold to allow Arnold to attend the show and pay mileage. Seconded by Merschman, passed unanimously. Alcohol Training will be held on Sept. 20th at Fireside. Local establishments have been invited to attend.

Police Dept.: Chief Peterson reported on the activities of the police dept. Word has been received that the Bagley PD has received a grant to purchase bullet proof vests. ½ to be paid by the State and ½ by federal dollars. A "compliance review" was done by the MN Board of Peace Officer Standards & Training, and the dept. did pass the review.

Zoning: Bill Masterson. TEAM is going to be building and houses are going up in the Kastner Division.

Roads & Bridges: Bill Masterson. Beach area is now being closed down.

City Hall: Colleen Lindgren. A letter has been received from James Gallagher that he no longer wishes to purchase the lot in the Kastner Division. Lindgren asked permission for Deputy Clerk Jacobs to attend a workshop in Erskine on October 13th, covering ACA Healthcare Reporting. Motion was made by Brovold to approve Jacobs attending and pay mileage. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to send Chris Arnold, Bob Edevold, Reuben Netland, and Cory Oien to the MN Municipal Beverage Association meeting being held in Bemidji on October 28th and paying mileage. Seconded by Bonik, passed unanimously.

Motion was made by Brovold to approve payment of the dues to the Coalition of Greater MN Cities in the

amount of \$3,301. Seconded by Sutherland, passed unanimously.

Discussion was held on a letter received from the Northwest Service Cooperative asking for nominations of elected officials to the Northwest's Health Insurance Joint Powers Advisory Committee. Motion was made by Merschman to nominate Mayor Sid Michel to the board if he is so selected for the committee. Seconded by Bonik, passed unanimously.

Discussion was held on the 2016 City Proposed Budget. Motion was made by Bonik to approve the budget for each department as follows: Total Proposed income for 2016: \$1,478,522.00. City Hall - \$227,455; Fire Dept. - \$79,995; Police Dept. - \$318,264; Street Dept. - \$347,660; Park Dept. - \$45,911; Cemetery - \$4,868; Animal Pound - \$15,780; Zoning - \$7,106; Community Service - \$2,400; Economic Development - \$23,000; Airport - \$20,575; Bonds - \$212,554; Capital Expense - \$99,970. Total expenses equal \$1,478,522. Seconded by Sutherland, passed unanimously.

Motion was made by Bonik to approve the 2016 Proposed Levy in the amount of \$636,714. Seconded by Sutherland, passed unanimously. This is a 4.47% increase over last year.

Motion was made by Brovold to approve Resolution #31-15 ACCEPTANCE OF DONATION. Seconded by Sutherland, passed unanimously.

Motion was made by Brovold to approve Resolution #32-15 TRANSFER OF RESTRICTED FUNDS. Seconded by Merschman, passed unanimously.

Motion was made by Brovold to approve Resolution #33-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Bonik, passed unanimously.

Motion was made by Brovold to approve Resolution #34-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Bonik, passed unanimously. Clerk reported that the total cost of the flower planters to date was \$2,709.87 and donations received to date were \$1,457.50.

Mayor Michel brought before the Council a proposal from Flaherty, Hood Attorneys concerning the City personnel policies. The proposal would be to go over the handbook to make sure it is 100% right. Proposed cost would be \$1,150 to \$1,840 to do the handbook. Police Dept. would need to have a separate handbook. Motion was made by Brovold to accept the proposal of Flaherty Hood to work on the personnel policies handbook and make the necessary corrections. Seconded by Bonik, passed unanimously.

A conference call will be set up between the Mayor and the Attorneys on the Enbridge contracts.

Fire Contract meeting: Bonik asked Clerk to go back to year 2000 on the fire truck savings account to have a report for the townships. This is to be brought to the Sept 23rd Council meeting. Contracts will also be reviewed.

Masterson reported on the water & sewer project happening at the Library/Community Building. Expenses will be more due to more area needed to be dug up and the sidewalk was taken out. Asphalt will be completed when the tarring company is in the City working on the Cenex station.

Being there was no further business to come before the meeting; motion to adjourn was made by Brovold. Seconded by Merschman, passed unanimously.

September 23rd, 2015

The Bagley City Council met on September 23, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Chad Bonik was absent.

Also present were Police Chief Larry Peterson, Street Supt. Bill Masterson and Officer Renae Benson.

Masterson asked what the Council would like to do with the area around the library next to the building and the sidewalk. Masterson would like to put in rock which is less maintenance. Brovold stated rock would be easy to maintain. After discussion, motion was made by Sutherland to put rock in for landscaping. Seconded by Brovold, motion carried. Funds will be taken out of the sale of the old library.

Officer Renae Benson was present to speak with the Council on a grant pertaining to Sex/Human trafficking for an investigator. She has been working in this area for the past two years with the state and she has training in this area. The State has a surplus in funding for this project. Benson is the only Officer in the northwest region who has any of this training. Grant would be for \$25,000 up to \$75,000 per year for two years. The funds are to either supplement the department or to add an officer. She feels it would be very highly beneficial. She would train the Sheriff's Dept., Human Services, Red Lake Public Safety and the White Earth Mahnomen area. This would be no cost to the City of Bagley. After further discussion, motion was made by Brovold to approve Benson to put in for the grant. Seconded by Merschman. For: Brovold, Merschman, Michel. Sutherland abstained. Motion carried.

Clerk reviewed a proposed new ordinance for the City Cemetery on regulating the maintenance of use of the cemetery. Base for the head/foot stones will be set at four (4) inch minimum around the base of the stones. Motion was made by Merschman to approve Ordinance #177 MUNICIPAL CEMETERY AND REGULATION THE MAINATENANCE AND USE. Seconded by Sutherland, passed unanimously. All those who purchase a lot in the cemetery will be given a copy of the ordinance and a summary of the ordinance will also be published in the Farmers Independent. Masterson will order a sign to be put in the cemetery with rules on it.

Motion was made by Merschman to approve the request of the Bagley Library Board to use \$1,000 of the "Dorothy Funds" for Children's books and reading programs. Seconded by Brovold, passed unanimously.

Clerk brought before the Council a request of the Liquor Store Manager, to order calendars with the Liquor Store name on them. Council agreed with the purchase to be taken out of the advertising budget of the liquor store. Liquor Store employees attended a MMBA Server Training which was held on Sept. 20th in Bagley.

Discussion was held on the City/Township Fire Contract. New contracts were reviewed and a meeting has been set for October 7th in the Community Room at 6 p.m. Clerk reviewed with the Council reports that were generated. Clerk was instructed to put the City in the formula to figure out the amount each township and the city would pay compared to the old formula.

Enbridge contracts are proceeding.

Mayor will be checking into the wages and pay equity on the departments and get back to the Council on this at a later date.

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

October 7th, 2015

The Bagley City Council met in special session on October 7, 2015 at 6 p.m. in the Bagley Community Room of the Public Library.

Present: Mayor Sidney Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Popple Twp – Robert Dukek, Broce Sly, Rick Evermoen, Dianna Friborg, Don Friborg; Minerva Twp – Susan Sunderland; Copley Twp – Larry Olson, Clarence LaCroix, and Nora Twp – Garry Olson, and Fire Dept. members Amanda Brustad, Zach Waggoner and Dan Hecht.

Discussion was held on the Fire Contracts between the City and 8 of the Clearwater County Townships.

City Clerk Colleen Lindgren went over the paper work which was handed out. This included past and present budgets, new and old contracts, and the savings account budget.

Larry Olson spoke on the area of townships doing the billing to charge insurance companies for a fire to a structure or property. Discussion was held on who should be sending in bills for fires, whether the townships do it themselves or Brustad do it through the fire dept. Councilman Bonik stated, if someone from the fire dept. were to do it, there would be a cost. Is this what the Township want?

Fire Dept. Sec. Amanda Brustad will give the clerk a monthly breakdown of the Fire Dept. activities, which will be sent out to all Twp. Chairmen.

Questions were asked about billing the DNR for grass fires. Dan Hecht spoke for the fire dept. and stated they have not billed the DNR.

Some of the Township Officials would like to see a month by month breakdown of the fire dept.

This meeting is being held to lay the ground work for the future. Discussion was held on the Beltrami County Rural Fire Protection Board. Twp. Officials, Fire Dept. members and City Officials meet three (3) times a year to talk over issues that have developed and need to be discussed.

Olson stated that any equipment which is disbursed of should be bid out and funds put in the truck account.

Discussion was held on having an overage account of \$10,000 and put this on the budget for townships in case of an overage in the fire dept. budget spending.

Sunderland asked if the townships were able to bill for fires, who would want to do it? Bonik stated there is money to be collected and asked how we get it. Put someone on the fire dept. in charge of it? What would this person get paid because it would take a number of hours for someone to take the job on? And who wants to do it? Brovold stated that Solway Fire dept. tried it and it did not work. Brovold stated he would look into legalities of the billing of fires.

Members agreed that any funds left over in the budget should go into the truck account. Olson would like to see an itemized 2014 budget to see where the overage was.

When figuring up the yearly budget, it was agreed that the City would be put into the formula same as the townships.

The New contract will need to be worked on further.

LaCroix stated that he would find out the people to contact in Beltrami County and get those names to the City Clerk so she is able to get more information on the Beltrami County Rural Fire Protection Board.

Another meeting will be called when the next fire protection payment is due to the City.

Brustad reported the grant for a new fire truck is still being worked on.

Motion to adjourn the meeting was made by Merschman. Seconded by Brovold, passed unanimously.

October 14th, 2015

The Bagley City Council met on October 14, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Council Members Dennis Merschman and Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilmembers John Sutherland and Chad

Bonik were absent.

Also present: Police Chief Larry Peterson, Street Supt. Bill Masterson, Liquor Store Manager Chris Arnold, Utilities Manager Mike Jenson, Ceira Jobgren, and Carlos & Melanie Mendez.

Motion was made by Merschman to approve the minutes of the Sept. 9th, 23rd and October 7th Council meetings. Seconded by Brovold, motion carried.

Discussion was held on a project that TEAM Industries is proposing. They are building onto their facility and would like to work with the City on submitting an application to the MN Dept. of Employment & Economic Development for a grant under the MN Investment Fund (MIF) program. Motion was made by Merschman to hold a Public Hearing on October 28th at 5:30 p.m. in the City Council Chambers. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve the Bagley American Legion Post 16th's request to spend gambling funds on the Memorial Garden at the Ball Fields. Seconded by Brovold, motion carried.

Carlos & Melanie Mendez were present to discuss their lease with the City on the rental of the rooms at the Library Building. Motion was made by Brovold to firm up contract terms with Mendez's on their lease. Seconded by Merschman, passed unanimously.

City Receipts for the month of Sept. were reviewed. Receipts totaled \$20,724.16.

City expenses for the month of Sept. were reviewed. Expenses totaled \$77,736.04.

Golf Course Liquor report was reviewed. Total net profit through Sept. 30th is \$300.98.

Municipal Liquor Store report for the month of September 2015. Total Gross Profit was \$26,779.50; expenses were \$23,603.90 for a net income of \$3,175.60. Year todate income is \$29,960.60.

September outstanding bills for the City are \$95,829.79 and the outstanding September bills for the Liquor Store total \$81,520.20. Motion to pay the outstanding bills was made by Merschman. Seconded by Brovold, passed unanimously.

Motion was made by Merschman to accept the resignation of Tony Marty from the Street Department. Seconded by Brovold, passed unanimously. Mayor stated that he appreciated all the work Marty did for the Street Dept. and the Public Utilities over the years.

Motion was made by Brovold to pass Resolution #35-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Merschman, passed unanimously.

Department Report: Police Chief Larry Peterson reviewed the monthly activity report. Estimates for a computer system in the Police Station were received. Cost is \$800 but there is a lease program for the option of \$600 from Minkota Tech. Chief asked permission to send Officer Benson to a "First Witness Interviewing" training class on November 2-6 in Duluth. There is a scholarship program that would cover the tuition costs, if there is enough funding in the program for those that apply. Tuition cost is \$650 if scholarship is not gotten, rooms are \$79 per night and there would be meals needed. Motion was made by Brovold to approve the training, pending the Scholarship is gotten. Seconded by Merschman, passed unanimously.

Liquor Store Manager Chris Arnold reported on the September activities of the Liquor Store. MMBA Regional Meeting will be held in Bemidji the end of October.

Zoning – Bill Masterson. TEAM Industries is building onto their business and houses are going up in the Kastner Addition.

Roads & Bridges – Supt. Bill Masterson. Keith Baumann will again help with snow hauling this winter. Masterson would like to revisit the cost of a Street Digging permit. He would like to see the price raised due to size of excavation. Merschman would like to leave it as is. No action was taken at this time. City

Park will be closed down for the winter on Oct. 15th. New signage is being done in the NW area of the City. Construction contractors working on 3rd Street hit the new storm sewer and Masterson feels it must be replaced by them. This connects into the County lines and they want it replaced also. Council agreed that it is the contractor's responsibility.

Public Utilities – Manager Mike Jenson. Discussion is being held on the pond construction by the Tower Road, along with curb & gutter. Jenson reported on the activities of the Utilities Dept.

City Hall – Clerk Colleen Lindgren. On file at City Hall will be the Amendment to Permit and Drainage Rules of the Red Lake Watershed Dist. An article was recently written on the Bagley Airport for the Aeronautics FAA magazine naming the Bagley Airport as "Airport of the Month" for October. Declaration of Covenants for the Kastner Addition was reviewed by City Attorney Rasmussen and he said all looked fine with it. Clerk was asked to email the information to Council members to discuss at a later date.

Clerk reported on the proposed LDO discussion held with Tiffany Fettig, HRFC and Lesa Darges from DEED. This concerns the Federal Revolving Loan Funds. Clerk was asked to set up a meeting with Fettig. A local committee will need to be set up by the Council if the LDO is set up. Brovold asked if a contract would be set up between the City and the HRFC.

Discussion was held on the Bagley Housing Authority. Tim Flathers asked if the Council would like to set up a meeting between the BHA, Council, Clearwater County HRA and Beltrami HRA. Clerk will check into this further.

Upcoming meetings were discussed. Next regular meeting will be held on November 10, Tuesday instead on Wednesday November 11th due to the Veterans Day Holiday.

Mayor has met with some businesses and DOT about different things that may be done on Hwy 2 concerning turn lanes and such. An informational magazine will be sent out the end of November.

Mayor has also spoken to Karvako Eng. about a road from the City shop to McDougal Ave. Grant funds are being looked into on this.

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

October 28th, 2015

The Bagley City Council held a Public Hearing on October 28, 2015 at 5:30 p.m. in the City Council Chambers.

RE: MINNESOTA INVESTMENT PROGRAM

Jim Russ explained what the program would be used for. TEAM Industries is planning a 33,000 square foot expansion. It would be a separate facility from the other TEAM buildings. They would be doing prototyping for customers, expand the engineering, a small quality lab and a training area. In 1 to 2 years they plan on adding 10 new jobs. At the present time they employ 341 people.

David Hengel, HRFC, stated that this would be a great application for the Minnesota Investment Fund. The City would receive the funds of \$450,000, loan them to TEAM on a 10 year loan for the purchase of equipment. If the Council approves the application of TEAM, the City should know within a week on whether or not it is approved.

At this time Mayor Michel thanked TEAM Industries, the Ricke Family and HRDC for all they have done within the community of Bagley.

Public Hearing was closed at 5:37 p.m.

Mayor Michel opened the City Council Meeting at 5:40 p.m. Present were Mayor Sidney Michel, Council Members Jon Brovold, John Sutherland, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Dennis Merschman was absent.

Also present: Tiffany Fettig, David Hengel, Jim Russ, Police Chief Larry Peterson, Street Supt. Bill Masterson, Laura Straw, Tim Flathers, and Pound Master Dany Ekre.

Motion was made by Brovold to approve Resolution #36-15 MINNESOTA INVESTMENT PROGRAM. Seconded by Sutherland, motion carried.

Tiffany Fettig, HRFC, was present to discuss the \$140,000 in Federal Revolving Loan dollars. The HRFC is willing to do the administration of the federal dollars when putting them in the LDO. Fettig's recommendation is to loan the \$140,000 to TEAM Industries, who would create 4 jobs for persons with low to moderate income, which is a requirement. The loan would be a 10 year amortization at 1% interest rate. City would hold a lien on the equipment purchased. Approval is still needed from DEED on the whole process. Fettig asked that the Council also waive the 1% origination fee. Motion was made by Brovold to approve the Revolving Loan Funds for TEAM Industries as per the request of Fettig. Seconded by Sutherland, motion carried.

Discussion was held on the Local Development Organization (LDO). A resolution by the Council is needed; a public hearing and a board must be set up. The Council appoints the Board which would consist of at least one Council Member and one of the HRFC member plus others from the community. Council will hold a Public Hearing on November 10th, 2015 at 5:30 p.m. in the City Council Chambers. Once the funds are de-federalized they will be easier to use for other businesses.

Pound Master Dany Ekre was present to bring a quote to the Council for the installation of a two hole animal cage in the animal control truck, for \$2,400 from EvenAire System, Inc. Motion was made by Bonik to approve the quote of EvenAire. Seconded by Brovold, passed unanimously.

Street Supt. Bill Masterson spoke on the FAA Emergency System. They want to put up an antenna but their proposal is in the area where the future hanger bays are to be located. Their first choice of location is too close to the airport. The pole would be 30 feet tall but Masterson said that a lease is needed first before any final decisions are made. Room needed for the equipment would be a 6'X6' area. Clerk was instructed to contact FAA on the monthly rent price.

Mayor asked what the Council would want to set the monthly rate at for lease of land to have a hanger on. Nothing was decided at this time on a price. Leslie Bardwell is interested in constructing a hanger at the airport. Council would like to know the size, what type of hanger and where he would like to construct it at the airport.

Councilman Merschman entered the meeting at this time. Merschman informed the Council on the meeting he just came from with the County and members of the Housing and Redevelopment Authority of Bemidji.

Discussion was held on a grant funding for a washer/extractor to clean Turn Out Gear for firemen. Grant is for \$10,000 with a match of 10% from the City. Motion was made by Brovold to approve applying for the grant. Seconded by Sutherland, motion carried.

Police Chief Peterson talked to the Council on the Armor System/radio systems implemented by the State. It works like a call phone and will be used by the County Sheriff Dept., the ambulance service and the surrounding counties. Clearwater county has not committed to it yet. There is a grant that all departments could work on together. There is no cost to use the system at this point. It is owned by the State/MNDOT. The bigger the group that goes in on the system grants the smaller percentage of the grant that the City would need to match. This is a Fire Dept. grant. Cost is \$1,200 to apply for the grant and the cost would be split between all the groups. Matching amount for the Fire Dept. is 20% which is approximately \$2,500. Motion was made by Sutherland for the City Council to support the grant application and project. Seconded by Brovold, motion carried.

Mayor Michel set the Truth in Taxation Hearing to be at the regular City Council meeting on December 9th at 6 p.m. Continuation meeting to be held on December 16th at 6 p.m. if needed.

Clerk reported that she had been contacted by Todd Hagen from Ehlers, stating that the City could save up to \$32,341 by refunding our 2007A Improvement Bond. Clerk was asked to get more information or to see if Hagen could meet with the Council either by Skype or in person.

Tim Flathers and Laura Straw from the Bemidji Housing and Redevelopment entered the meeting. They were asked to attend to update the Council on the Housing Authority. Clearwater Co. Housing Authority administers the Section 8 program and the City Housing Authority oversees the Parkview Apts. Tom Derby, whose position is split between the County and the City, is retiring and they are unable to find someone to take over his position. These are two separate groups and they cannot share funds. The Section 8 Program cannot support itself. There are a number of things that both groups are out of compliance with and need to be corrected. If a management contract were to be done with the Bemidji Housing & Redevelopment, this would cost around \$4,000 to \$4,500 and HUD would pay this. Extensive discussion was held on the programs. There is presently a board with 5 members on the Housing Authority. One Council Member could be on the board as a liaison or a board could be made up of 7 members with one council member being a voting member.

Being there was no further business to come before the Council; motion to adjourn was made by Brovold. Seconded by Merschman, motion carried.

November 10th, 2015

The Bagley City Council met on November 10, 2015 at 5:30 p.m. in the City Council Chambers.

Mayor Michel opened the Public Hearing for discussion on a Local Development Organization. Tiffany Fettig, Headwaters Regional Finance Corporation went over what was involved in creating an LDO. The Council would be asked to turn over the Federal Revolving Loan Funds to the LDO, who in turn would loan out the funds to a business which qualifies for funding. At this time TEAM Industries wants to apply to borrow \$140,000 for their business expansion. When creating an LDO the revolving loan funds would be de-federalized and be open to just about any business that qualified for a project loan. Policies for the funds would be made and a Board would be set up by the City Council. Borrowers in the future will have fewer restrictions put on them in order to borrow the funds.

There were no comments or concerns from the audience.

Mayor Michel closed the Public Hearing at 5:37 p.m.

Mayor Michel opened the regular City Council meeting.

Present: Mayor Sidney F. Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Council member Chad Bonik was absent.

Also present: Tiffany Fettig, Bill Masterson, Chris Arnold, Selina Gilbertson, Sam Anderson, Mike Jenson, Judith Kiaye, Sierra Jobgren, Larry Peterson, and John Gerbracht.

Motion was made by Merschman to approve the minutes of the October 14, 2015. Seconded by Brovold, motion carried.

Discussion was held on the before mentioned public hearing. Motion was made by Merschman to pass Resolution #38-15 CITY OF BAGLEY REQUESTING DESIGNATION OF THE HEADWATERS REGIONAL FINANCE CORPORATION AS A LOCAL DEVELOPMENT ORGANIZATION. Seconded by Sutherland, motion carried.

Discussion was held on an AGREEMENT BETWEEN THE CITY OF BAGLEY AND THE HEADWATERS REGIONAL FINANCE CORPORATION to administer the LDO Program. Motion was made by Merschman to

approve the agreement. Seconded by Brovold, motion carried.

Karvakko Engineers were present to discuss issues at the City airport. We have someone who would like to build a hanger at the airport so the Engineer spoke on the best spot to put it according to the Airport Layout Plan. Discussion was held on where to put a hanger and the construction of roads and fence placement. Engineer Sam Anderson will look into the matter closer and discussion will be held with the potential builder. More information will be brought back to the Council at a later meeting.

October City receipts were reviewed in the amount of \$53,357.05.

October City budget reports were reviewed. October expenses totaled \$144,592.94.

October Liquor Store Profit & Loss was reviewed. Gross profit was \$27,562.62 with expenses of \$24,672.52, for a net income of \$2,890.10 for the month of October.

Motion was made by Brovold to approve payment of the City bills in the amount of \$10,421.50 and the Liquor Store bills in the amount of \$36,228.46. Seconded by Sutherland, motion carried.

Department reports: Fire Dept. Chief John Gerbracht. The truck grant paper work is all in along with a letter of support from White Earth Reservation. A grant request for a washer/extractor to wash Turn Out Gear should be heard on by Dec. 1st as to whether or not it is approved. A County Wide radio grant is being worked on. This is a grant to eliminate pagers and firemen will get notice on their cell phones, of a fire. The setup of the first 5 phones is free, and cost is \$12/year/device. This could be paid for out of the repairs budget. This is the Active 911 Service. Motion was made by Brovold to approve the process of getting the Active 911 Service for each fireman. Seconded by Sutherland, motion carried.

Police Chief Larry Peterson. Monthly activity report is not available due to one Officer not having his portion of the report in to Peterson. Peterson has been told that the Officer's Union would like to see the Investigator position posted when and if it is decided to have this position.

Chris Arnold, Liquor Store Manager reported on the stores monthly activities. There will be a Trade Show/Holiday Show in the Liquor Store on December 17th. Sales are up over last year at this time.

Park & Recreation – Bill Masterson. There was some minor damage done to the bathhouse that needed repair.

Public Utilities – Manager Mike Jenson reported on activities of the utilities department.

Roads & Bridges – Supt. Bill Masterson. Workers have been getting all the equipment ready for winter. Sweeping is almost done. Library lot is almost done.

Motion was made by Brovold to approve Resolution #36-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Merschman, motion carried.

Motion was made by Brovold to approve Resolution #37-15 TRANSFER OF DESIGNATED FUNDS. Seconded by Sutherland, motion carried.

Further business: Mayor asked Chief Peterson about the sale of the old squad car. Peterson would like to ask for bids on Craig's list and put it on the city web site. Mayor would like to put a minimum bid of \$500.

Chief is getting the decals removed from the dog pound truck. Cage is being put in the pick-up for use as the pound truck.

Merschman updated the Council on the Bagley HUD program. Beltrami HUD is working on this.

Pay Equity is being worked on by Mayor Michel and Councilman Brovold.

Karvakko Eng. is checking into grants for a new road through the Industrial Park and to widen out the present road.

Employee Handbook is being worked on by Attorney Flaherty & Hood, along with Mayor and Councilman Brovold and should be completed in the next 30 days.

Being there was no further business to come before the Council; motion to adjourn was made by Brovold. Seconded by Merschman, motion carried.

November 25th, 2015

The Bagley City Council met on November 25, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Councilmembers John Sutherland, Dennis Merschman, Jon Brovold, Chad Bonik, and Clerk Treasurer Colleen R. Lindgren.

Also present: Street Superintendent Bill Masterson and Police Chief Larry Peterson.

Motion was made by Merschman to approve the minutes of the October 28th and November 10th meetings. Seconded by Sutherland, motion carried.

Discussion was held on the Airport Capital Improvement Plan. Full crack filling, from 2015, will again be bid in January 2016. Masterson reported that the person who wants to build a hanger bay will wait until he hears what the Council decides to do at the airport but he is still interested in building. Motion was made by Bonik to approve the Capital Improvement Plan as recommended. Seconded by Brovold. Motion carried.

Discussion was held on the FAA putting a tower at the airport. Clerk reported that she has spoken to the person that does up the lease. FAA cannot be charged to put a tower at the airport but they can be charged for using the Arrival Departure building to put their equipment in. Clerk was told by the person forming the lease between the City and the FAA, that they will not pay over \$1,200 per year for the lease and they would like to have a 10 year lease. Council agreed that they do not want to give up space in the building in case they purchase a mower and equipment in the future, for the airport, and need the space for such. FAA's concern is that if the Council does more construction at the airport, that their lines could be damaged in some way. Motion was made by Bonik to put a monthly rent of \$200 on the space asked for due to the City would be losing space for equipment. Seconded by Brovold. Motion carried. Clerk was instructed to send out a letter according to the motion.

Brovold reported on the updating of the Township Fire contracts. Wordage was reviewed by the Council Members and clarifications were made.

Firemens wages for County Fair expense were reviewed. Motion was made by Merschman to keep the wages in the budget for County Fair expense help. Seconded by Brovold. Motion carried.

Clerk read a letter from the Office of Justice/MN Dept. of Public Safety regarding the recent application for the Sex Trafficking Investigations and Training grant program. The City application was not approved for grant funds.

Mayor & Council are invited to attend the North Country Food Bank town hall meeting on Dec. 7th.

Motion was made by Bonik to approve the closing of City Hall at noon on Christmas Eve day. Seconded by Sutherland. Motion carried.

Police Chief Larry Peterson reviewed the October activity report for the Police Officers.

Mayor reported that Karvacko Eng. has said there will be grant funds to help with the road in the Industrial Park. Easements would need to be gotten from landowners. Masterson reported that Karvacko would like to set up a meeting with the Council.

Masterson reported that he has spoken to someone who would like to buy lots in the Kastner Division along with the designated road area in the back. After discussion, the Council told Masterson that the lots are available as is but the road area is not for sale.

Being there was no further business to come before the Council; motion to adjourn was made by Brovold. Seconded by Sutherland. Motion carried.

December 9th, 2015

The Bagley City Council met on December 9, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Street Supt. Bill Masterson, Police Chief Larry Peterson, Liquor Store Manager Chris Arnold, Utilities Manager Mike Jenson, Fire Chief John Gerbracht, Troy Jesness and Cierra Jobgren.

Motion was made by Merschman to approve the minutes of the November 25, 2015 Council meeting. Seconded by Sutherland, motion carried.

City Web Master Laura Dropps gave the Council a report on the website traffic. Motion was made by Bonik to approve the 2016 contract with Laura Dropps to maintain the Bagley City website. Cost to be \$1,000 for the 2016 contract year. Seconded by Sutherland, motion carried.

Discussion held on the sale of the Kastner lots. The matter will be brought to the next meeting on Dec. 16th.

November City receipts in the amount of \$8,214.17 were reviewed.

November City budget reports were reviewed. Expenses totaled \$52,245.17.

November Liquor Store reports were reviewed. Total Gross profit for November was \$28,350.86; expenses were \$22,951.22 for a net income of \$5,399.64. Motion was made by Merschman to transfer the Liquor store depreciation funds for 2015 in the amount of \$18,865.00 into the Liquor Store savings account. Seconded by Bonik, motion carried.

Liquor at the Golf Course is a negative (\$143.02) due to 2016 fees being paid in 2015.

Motion to pay the City and Liquor Store bills for November was made by Brovold. Seconded by Bonik, motion carried. City bills totaled \$16,979.48 and Liquor bills totaled \$24,911.04.

Department reports: Police Dept.-Chief Larry Peterson. Activity log was reviewed. Computers in the office have been set up.

Fire Dept. – Officers were voted on with no changes. Clerk reported that the grant applied for on the turnout gear washer/extractor was not approved.

Park & Recreation – No meeting will be held in December. Masterson reported that the camper wash area/water lines will need a backflow device installed for a cost of approximately \$1,200. In the main bathhouse, women's restroom, two of the toilets are cracked and will need to be replaced.

Liquor Store: Manager Chris Arnold. Holiday Tasting is coming up on December 17th. Keith Kubiak will be

donating cheese trays. Permission was requested to order jackets for the employees through AmeriPride for a cost of \$41.00 each (6). Merschman made the motion to order 6 jackets from AmeriPride, one per employee. Seconded by Bonik, motion carried.

Roads & Bridges: Supt. Bill Masterson reported on the activities of his dept.

Public Utilities: Manager Mike Jenson reported on the activities of the utility workers.

6 P.M. Mayor Michel closed the council meeting and opened the Truth in Taxation Public Hearing.

John Gerbracht stated that his storage unit went up 190%. He was told by the County Assessor that the building was reevaluated. The County does all the assessments on properties, not the City. Gerbracht questioned if the City had any control over the amounts put on. He has checked into a number of properties within the City and what they were valued at. After discussion, he was told to contact the County further on his concern. Troy Jesness was also present to speak on his property and what he learned from the County Assessor. The County Truth in Taxation Public Hearing is on Dec. 15th, which the Council suggested they attend. Bonik would like to see the County Assessor attend the City Truth in Taxation Hearing each year. Mayor Michel stated that he would speak with the County Assessor on this matter.

No other City Residents were present to speak with the Council on the City budgets for 2016.

Mayor Michel closed the Public Hearing and re-opened the regular council meeting.

Clerk reviewed the 2016 proposed budget and proposed levy. Proposed levy is 4.7% over the 2015 levy. Brovold stated that the pay equity report should be received by the 16th and so he would like to hold off on doing anything on the budget. Budget and levy were tabled until the Council meets again on December 16th. Mayor cancelled the December 23rd work session for the Council.

Continuation of department reports: City Hall – Clerk Colleen Lindgren. The Bagley Dance Group is planning a raffle with a possible date of January 18, 2016. \$1,500 in prizes, 500 \$10 tickets will be sold and funds will be used in purchasing of costumes & equipment. They are looking for permission from the Council to hold the raffle. Motion was made by Merschman to approve the gambling permit for the Bagley Dance Group pending the receipt of all information. Seconded by Sutherland, motion carried.

Clerk brought before the Council a letter from Sheriff Halverson concerning a Public Employee Safety Training that the County is putting on. Clerk would like to send city employees when the class is officially set.

A letter was received from Midwest MN Community Development asking to meet with the Council if they are interested in any loan programs.

Discussion was held on a letter from the Coalition of Greater MN Cities on CGMC 2016 Wastewater Legal & Regulatory Program Voluntary Assessment. Clerk was asked to give the information to the Utilities Manager.

Motion was made by Bonik to approve the 2016 Club License, Sunday Liquor license, and dance permit for the Bagley American Legion. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve the 2016 Liquor License for Great Northern Bar & Grill. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve the 2016 3.2% beer license, Sunday License, and Wine License for Grover Properties/DaRoos Pizza. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve the 2016 Liquor License for Timbers Event Center. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve the 2016 Pawn Broker license for Bagley Motor Sports. Seconded

by Bonik, motion carried.

Motion was made by Brovold to approve the engagement letter with Miller McDonald to do the 2015 City and Liquor Store Audit. Seconded by Bonik, motion carried.

Motion was made by Brovold to pass Resolution #39-15 RESTRICTED FUND TRANSFER. Seconded by Bonik, motion carried. Fund transfer is for \$19,909.79 from the old library building sale to the City Hall 2015 library budget.

Being there was not further business to come before the Council; motion to adjourn was made by Merschman. Seconded by Sutherland, motion carried.

December 16th, 2015

The Bagley City Council met on December 16, 2015 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney Michel, Council Members John Sutherland, Dennis Merschman, Jon Brovold, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Police Chief Larry Peterson, Street Supt. Bill Masterson, John Renner, and Attorney Lucas Golliet via Skype.

John Renner was present to speak with the Council about the sale of lots in the Kastner Division. Renner would like to purchase three lots in the back area of Kastner Division. Extensive discussion was held and motion was made by Merschman to table the project until further study can be done. Seconded by Brovold, motion carried.

Discussion was held on the Pay Equity report which was done by Flaherty & Hood, P.A. Flaherty & Hood were hired to do the report after the first report which was sent in earlier this year, found the City in non-compliance. Brovold made the following motion: That the Flaherty & Hood Job Evaluation System is approved; the City of Bagley Job Evaluation Ratings for all positions effective December 16, 2015 be approved; and the Pay Equity Implementation Report and job class data Entry Verification list be approved, signed by the Mayor and submitted to the State of Minnesota. Motion was seconded by Sutherland, motion carried. (A copy of the City of Bagley Job Evaluation Ratings will be attached to the minutes.)

Motion was made by Bonik to approve the 2016 Liquor license, Sunday license and dance permit for Main Street Tavern. Seconded by Merschman, motion carried.

Motion was made by Bonik to approve the 2016 Liquor license and Sunday license for the Bowl Inn. Seconded by Merschman, motion carried.

Clerk reviewed a letter from the MN Dept. of Employment and Economic Development stating that the City's request to have the Headwaters Regional Finance Corporation designated as a Local Development Organization (LDO) has been approved.

Motion was made by Merschman to approve City Council meetings to be held on the 2nd Wednesday of each month and the 4th Wednesday of each month for work sessions. Seconded by Brovold, motion carried.

City was notified that the City received an insurance dividend on their property & casualty insurance in the amount of \$23,594.

Notification has been received that the application put in for funding for a fire dept. pumper truck has been turned down.

Motion was made by Brovold to appoint Dennis Merschman to the Public Utilities Commission, beginning

January 1, 2016. Motion was seconded by Bonik. For: Brovold, Bonik, Sutherland, Michel. Abstain: Merschman. Motion carried.

Discussion was held on the Annual wage for the Public Utilities Commissioners. Motion was made by Brovold to raise the Utilities Commissioners annual wage to \$1,500 per year and \$75 per special meeting for 2016. Seconded by Sutherland. For: Brovold, Sutherland, Bonik, Michel. Abstain: Merschman. Motion carried.

Discussion was held on wages for members of other boards covered by the City. Motion was made by Brovold to raise the Housing Authority Board to \$50 per meeting beginning January 1, 2016. Seconded by Sutherland. Merschman asked for discussion. He would like to see all the Boards: Housing, Park, and Zoning rose to \$40.00 per meeting. Brovold amended his motion to set the wages at \$40.00 per meeting for the Housing Authority Board, Park Board and the Zoning Board. Seconded by Sutherland, motion carried.

Discussion was held on the pay given to the Fire Dept. Secretary. Motion was made by Bonik to keep the pay for the Secretary at \$350 per year but to also pay \$25.00 per report done for the DNR on fires. Seconded by Merschman. Motion carried.

Motion was made by Brovold to transfer \$20,000 from the Liquor Store checking account to the City General fund checking account. Seconded by Bonik, motion carried.

Discussion was held on an earlier recommendation made by the City Auditors, to build up the Liquor Store savings account to \$100,000 for a month's worth of cash flow. Motion was made by Brovold to build up the savings account to \$100,000, and not use any of the funds unless this fund gets over \$100,000 except for emergencies. Seconded by Bonik, motion carried.

Discussion was held on the 2016 proposed budget for the liquor store. Clerk explained the difference between the budget she had done and the one Manager Arnold has done. Clerk figured in wage increases to be started in July 2016 same as City employees. Arnold had put in increases to begin Jan. 1, 2016. Depreciation dollar amount was gotten from the Auditors. Merschman disagreed with this number and would like an explanation from the Auditors. Motion was made by Merschman to accept Lindgren's proposed Liquor Store 2016 Budget pending getting an explanation from the auditors on the depreciation. Seconded by Bonik, motion carried.

Motion was made by Sutherland to approve the 2016 City budget as proposed. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve the 2016 Levy in the amount of \$636,714. Seconded by Sutherland, motion carried. This is a 4.47% increase over the 2015 Levy.

Clerk reviewed a letter received from the Attorney Chris Hood concerning the agreement with Enbridge. Mayor stated he would like to see the depth of the pipeline at 5 ½ feet and feels that this is a mandatory number. He will review this with the Attorney. Members agreed with the changes that the Attorney made and asked that it be sent forward.

Being there was no further business to come before the Council; motion to adjourn was made by Brovold. Seconded by Sutherland, motion carried.