

## **CITY COUNCIL PROCEEDINGS**

### **DECEMBER 12, 2018**

The Bagley City Council met in regular session on December 12, 2018 at 5:30 in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers John Sutherland, Dennis Merschman, Chad Bonik and Jon Brovold, City Clerk Faye Jacobs and Deputy Clerk Priscilla Johnson.

Also present: Street/Utility Supt. Bill Masterson, Fire Chief John Gerbracht, Police Chief Renee Benson, Liquor Store Manager Chris Arnold, Matt Upgren and Eric Weller from Karvakko Engineering, Jeremy Hadrava with MNDot and Brett Carter, Farmers Ind.

Motion was made by Merschman to approve the minutes of the Nov. 9<sup>th</sup> and Nov. 14<sup>th</sup>, 2018 meetings. Seconded by Sutherland, motion carried.

Jeremy Hadrava and Matt Upgren spoke at length with the Council about the upcoming Hwy. 2 project focusing on the bike trail and relocation of several street lights. Discussion was also held on the frontage road and turn lane by Bagley Motor Sports. Hadrava and Upgren will attend future meetings with more information and breakdown of costs. A public meeting on the project will be scheduled in January or February.

November City receipts of \$216,135.91 were reviewed.

November City budgets reports were reviewed. City expenses for the month were \$143,065.13.

November Profit and loss and budget reports for Liquor Store were reviewed.

Motion was made by Brovold to approve all November checks written for the City and Liquor Store. Seconded by Sutherland, motion carried.

### **6:00 P.M. TRUTH IN TAXATION PUBLIC HEARING**

Called to order

Brovold asked if anyone knew the method used at the county level to determine the property tax. A brief discussion was held. Mayor will speak with the Auditor and Assessor to see if he can get any answers

Truth in Taxation Public Hearing was closed by the Mayor at 6:04.

The regular City Council meeting was reopened;

Motion was made by Bonik to approve the payment of outstanding bills for the City and Liquor Store. Seconded by Sutherland, motion carried.

Department reports were heard and discussions were held on several issues.

Motion was made by Merschman for the purchase of a new computer with added security features for the liquor store. Seconded by Brovold, motion carried.

Motion was made by Brovold to accept the resignation of Shane Auginaush effective December 18<sup>th</sup> pending Chief Bensons approval. Seconded by Merschman, motion carried.

Jacobs introduced new Deputy Clerk Priscilla Johnson, she comes to the city with a lot of experience in accounting and payroll systems and is a much welcomed addition to the office staff.

Motion to approve 2019 City Budget was made by Bonik. Seconded by Brovold, motion carried.

Motion to approve 2019 City Levy was made by Brovold. Seconded by Sutherland, motion carried.

Motion to approve 2019 Liquor Store Budget was made by Merschman. Seconded by Bonik, motion carried.

Merschman requested \$9000.00 to pay an outstanding loan for the Rural Housing Authority (Parks View Apartments) using funds from the account that the City Council de-state-ized in March. Motion was made by Sutherland to use the funds to pay the loan. Seconded by Brovold, motion carried.

Motion was made by Bonik to transfer \$200,000.00 to pay off Midi loan for Hwy 92 Project to Public Utilities from Designated Funds as follows: \$23,794.50 from Small City Road Construction Aid,\$61,763.15 from Future Street Projects, \$107,226.53 from 2018 Street Project, \$493.00 from Roads & Bridges-Potholes and the remaining \$6722.82 from the Economic Development Fund. Seconded by Sutherland, motion carried.

Motion was made by Brovold to allow Farm by the Lake to use the Community Room for Story Telling varies Sundays in January, February and March. Seconded by Sutherland, motion carried.

Benson requested unclaimed bicycles that the Police Department has in its possession be donated to someone that will fix them and put them to use. The council agreed they should be donated. Benson will take care of the paperwork.

Motion was made by Brovold for City Council Meetings for 2019 to be held the 2<sup>nd</sup> Wednesday of each month and Work Sessions the 4<sup>th</sup> Wednesday, meetings to start at 5:30 p.m. Seconded by Bonik, motion carried.

Motion was made by Merschman to approve Resolution 44-18 granting an Interim Permit to Tyler Neill. Seconded by Bonik, motion carried.

Motion was made by Merschman to approve Resolution 45-18 granting a Variance to Garden Valley for a sign. Seconded by Bonik, motion carried.

Motion was made by Brovold to approve Resolution 46-18 to Transfer \$350.00 from the Tjolson Library Fund to the Library Board. Seconded by Sutherland, motion carried.

Motion was made to approve Resolution 47-18 the Transfer of \$30,000.00 from the Liquor Store to the City by Brovold. Seconded by Sutherland, motion carried.

Motion was made by Bonik to advertise for gas bids for 2019. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve the Consent Adgenda for City Liquor, Dance, Wine & 3.2 and Sunday Licenses and Club Permit pending receipt of insurance and payments. Seconded by Bonik, motion carried.

Mayor Michel canceled Continuation Meeting for the Truth in Taxation Public Hearing scheduled for December 13<sup>th</sup>.

Motion was made by Brovold for early release (Noon) of city employees Christmas Eve Day, December 24<sup>th</sup>. Seconded by Sutherland, motion carried.

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

## **November 14, 2018**

The Bagley City Council met in regular session on November 14, 2018 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers John Sutherland, Dennis Merschman and Chad Bonik, City Clerk Faye Jacobs. Councilmember Jon Brovold was absent.

Also present: Street/Utility Supt. Bill Masterson, Zach Thoma, Ross Hendrickson, Brent Carter and Fire Chief John Gerbracht.

Motion was made by Merschman to approve the minutes of the October 10<sup>th</sup> meeting. Seconded by Sutherland. Motion carried.

Budget reports for the City were not complete for the month of October, the City Clerk will work on this and have ready by the next meeting.

Liquor Store budget and profit and loss for October were reviewed.

Motion was made by Sutherland to approve the October paid invoices for the City and Liquor Store. Seconded by Bonik, motion carried.

Motion was made by Sutherland to approve payment of the outstanding bills for the City including Rogers 2way and Liquor Store. Seconded by Bonik, motion carried.

Masterson requested the City buy a piece of land that the County has sold to individual, it is unbuildable. Merschman made a motion for the City to purchase the property. Seconded by Bonik, motion carried.

Department heads discussed recent activity within their departments.

A lengthy discussion was held between DOT representative Ross Hendrickson and the Council and Mayor.

Midi loan pay off was brought before the Council by Masterson, the Utility Commission has made the recommendation to pay the water and sewer portion of the Hwy 92 project. Motion was made by Sutherland to pay the water and sewer portion of the Midi loan. Seconded by Bonik, motion carried.

Masterson requested a sweeper for the Bobcat for snow removal. Motion was made by Merschman. Seconded by Sutherland, motion carried.

Fireworks will be ordered by Bonik- the total dollars in the Designated fund, 2018 budget and the amount that was generated by the Wine Tasting fund raising event, will exceed by far the amount needed to purchase them. Bonik recommended spending \$5876.00 on the 2019.

Motion to approve was made by Merschman. Seconded by Sutherland, motion carried.

Motion to approve Resolution 41-18, an amendment to the City Zoning Ordinance allowing Interim Use Permits, was made by Merschman. Seconded by Sutherland, motion carried.

Motion to approve Resolution 42-18, an amendment to rezone 914 Central Street W. Lots 1, 2, 3 and 4 from Industrial/Manufacturing to B-1, was made by Merschman. Seconded by Sutherland, motion carried.

Motion to approve Resolution 43-18, transfer of Designated Funds, was made by Merschman. Seconded by Sutherland, motion carried.

Motion to certify Public Utilities Resolution 04-2018 was made by Merschman. Seconded by Sutherland, motion carried.

Motion to certify Public Utilities Resolution 05-2018 was made by Merschman. Seconded by Sutherland, motion carried.

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

## **November 9, 2018**

The Bagley City Council met on November 9, 2018 at 7:45 a.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers John Sutherland, Dennis Merschman, Jon Brovold, City Clerk Faye Jacobs. Councilmember Chad Bonik was absent.

2018 Election Canvass was completed. Motion was made by Brovold to accept results of the boards canvass. Seconded by Merschman. Motion carried.

### **October 24, 2018**

The City Council met October 24, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson.

Motion was made by Merschman to approve the minutes of the October 10<sup>th</sup> meeting. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve Resolution #40-18, a variance permit for Terry & Terri Knutson for a garage. Seconded by Brovold, motion carried.

Merschman and Brovold shared information they gathered from their meeting with Todd Hagen from Ehlers on paying down of the Liquor Store Bond.

Jacobs asked for approval to pay Karvakko Engineering and Fahrner Asphalt Sealers for work done at the airport so she can apply for State Funding. Motion was made by Brovold to pay the bills. Seconded by Sutherland; Nay-Merschman. Motion carried.

Mayor Michel asked approval to attend the Coalition of Greater Minnesota Cities 2018 Fall Conference in Alexandria on November 15<sup>th</sup>. Motion as made by Brovold for the Mayor Michel to attend. Seconded by Sutherland, motion carried.

Election canvass board is set to be held on November 9<sup>th</sup> at 7:45 a.m. in council chambers.

Bill will be sending Dusty Gilbertson and Greg Christianson to Boyer Trucks in Rogers to look at and possibly purchase 2000 Sterling. Bill has already looked at it and feels it is the best truck to purchase at this time. Motion to approve purchase was made by Merschman, Seconded by Bonik, motion carries.

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

### **OCTOBER 10, 2018**

The Bagley City Council met in regular session on October 10, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Street/Utility Supt. Bill Masterson, Police Chief Renee Benson, Fire Chief John Gerbracht, Liquor Store Manager Chris Arnold, Ross Hendrickson, Zach Thoma, Vickie Fletcher, Steve Cairns, Wendy Fultz, Lynn Eaton, Angie Staples, Monica Olson, Trudy Olson, Kelly Olson and Troy Strasberg.

Motion was made by Merschman to approve the meeting minutes of Sept. 12, 19, 26 and Oct. 2<sup>nd</sup> and 5<sup>th</sup>. Seconded by Sutherland, motion carried.

Bagley High School Principal Steve Cairns and School Board Member Wendy Fultz were present to speak with the Council about a 2 acre parcel of property which the City currently leases to the school. They are requesting the Council to look at either deeding the land to the school or selling it to the school. Clerk was asked to check with the City Attorney on what needs to be done. The School Board is willing to pay the admin or title fees.

Lynn Eaton, WSN, was present to speak with the Council on the Hwy 92 project. Concerns on a sewer line were covered. There is a warranty period to Sept. 30, 2019. Video the line at that time or sooner. Masterson stated that Johnson Jetline has videoed the line and told him that there will be a lot more maintenance if left as it is. Eaton does not believe it would be problematic and the utilities dept. should know in the first year if there are issues and suggests to have it video in the first year. Masterson talked about other issues with the main lines.

Discussion also held on the Pond known as the "Cease lot". There is more fill there than expected. Kimberly Horn designed the area. Masterson said the fill needs to be moved. The catch basin is on top of a hill so no water will be caught. Engineers signed off on the plans. Merschman stated that the engineers should pay to have the fill removed. Inspectors on site made some adjustments. 2,600 yards of fill needs to come out. Merschman stated WSN and Kimberly Horn need to get together and pay for the removal.

Ross Hendrickson, DOT, stated that Hwy 92 is slowly getting done. Looking at 14 to 20 days to complete project if decent weather is had. Additional drain tile was put in by the city park.

City September receipts in the amount of \$216,698.47 were reviewed.

City September budget reports were reviewed. Total expenses for September were \$115,435.26.

Liquor Store & Golf Course Liquor profit and loss for September were reviewed.

Motion was made by Brovold to approve the September paid invoices for the City and Liquor Store. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve payment of the outstanding bills for the City and Liquor Store. Seconded by Merschman, motion carried.

Department reports: Chief Gerbracht stated that the company that gave them a quote on a fire truck would allow the city to use their paper work if they want to go out on bids.

Liquor Store: Manager Arnold brought before the Council information on a new camera system for the store. Motion to approve purchase of the cameras was made by Merschman. Seconded by Sutherland, motion carried. Information was also given to the Council on a new phone system. Motion was made by Merschman to purchase the new phone system. Seconded by Brovold, motion carried.

Parks & Recreation: Clerk reported that Doug Lindgren has retired off the Park & Rec Board so new members are being looked for. Council members thanked Lindgren for his time on the Board. Discussion was held on whether or not to keep the board or to pass everything onto the Council. Brovold stated that this would need to be talked about over the next few months. Park Attendants Ken & Kelly Haugen will not be coming back for the summer of 2019. Brovold asked that the ad put in the paper for Park Board Members is advertised as a paid position.

Roads & Bridges: Masterson got quotes on two different plow trucks. Nuss Trucking/2008 Freightliner/\$69,900. Boyer trucking/2000 Sterling/\$39,900. Masterson will look into these further or a new truck.

Public Utilities: Masterson reported on activities of the employees and the Hwy 92 Street project.

City Hall: Clerk Lindgren updated the Council on the PFA Loan funds. Paper work must be into the State office by Monday Oct. 15<sup>th</sup>.

Zack Thoma, Karvacko Eng., updated the Council on the airport project bid opening. Bids will not be awarded until all numbers are calculated. Bids came in a little high with the removal of fencing the big one. Thoma will bring more information to the council at their next meeting.

Mayor Michel asked the clerk to check into a sound system through Marco.

Motion was made by Merschman to approve a Conditional Use Permit for Monica Olson. Seconded by Sutherland, motion carried. Resolution #38-18.

Motion was made by Merschman to approve a Zoning Amendment for Christopher Arnold. Seconded by Brovold, motion carried. Resolution #39-18.

Motion was made by Brovold to have the Mayor sign papers for the grant/loan application with the USDA for a Fire truck. Seconded by Sutherland, motion carried.

A 2020 Census Partnership meeting will be held at City Hall at 1 p.m. on Oct. 11<sup>th</sup>. Merschman, Brovold and Jacobs will be able to attend.

Motion was made by Brovold to set the Truth In Taxation meeting for December 12<sup>th</sup> at 6 p.m. with a continuation hearing to be held on December 13<sup>th</sup> at 6 p.m. if needed. Seconded by Merschman, motion carried.

Motion was made by Brovold to approve the Addendum to the Larson Purchase agreement. Seconded by Merschman, motion carried.

Motion was made by Brovold to approve Resolution #36-18 TRANSFER OF RESTRICTED FUNDS. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve Resolution #37-18 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, motion carried.

Motion was made by Brovold to promote Faye Jacobs to City Clerk Treasurer at step 6 on the pay scale, to begin October 16, 2018. Seconded by Sutherland, motion carried.

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

## **OCTOBER 5, 2018**

The Bagley City Council met in special session on October 5, 2018 at 7:45 a.m. in the City Council Chambers.

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

Motion was made by Brovold to approve passage of Resolution #35-18 A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BAGLEY, MINNESOTA, APPROVING THE ACQUISITION OF REAL PROPERTY IN BAGLEY, MINNESOTA, AND DISPENSING WITH REVIEW OF THE PURCHASE BY THE BAGLEY PLANNING COMMISSION, and to have Mayor Michel sign off on the purchase agreement. Seconded by Bonik, motion carried.

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

## **OCTOBER 2, 2018**

The Bagley City Council met in special session on October 2, 2018 at 6 p.m. in the City Council Chambers. Meeting was held with Township Officers.

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

Also present were Sue Sunderland, Jen Teige, Al Rasmussen, John Gerbracht, Jim Herman, Larry Olson, Clarence LaCroix and Tom Miller.



Councilman Brovold reviewed the 2019 Fire Dept. budget.

Discussion was held on the future purchase of a Fire Truck. Tom Miller and John Gerbracht explained the truck which they are looking at for purchase. Discussion was also held on the potential areas of funding.

Another meeting will be scheduled in December when more information on funding can be found.

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

### **September 26, 2018**

The Bagley City Council met on September 26, 2018 at 5:30 p.m. in the City Council Chambers

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

Mayor Michel and Councilman Brovold discussed a meeting they had with Kathy Luepke and Angie Bokovoy, from the USDA, on programs that are available. The one of interest is for a new Fire Truck; the purchase price is about \$400,000.00. The program will finance up to 20 years with 4% interest with available grant funds up to \$50,000.00, other grants may also be used to fund the Fire Truck purchase so the City would only have to barrow the amount necessary to make up the difference. Filing an application does not tie the City into a commitment, but it is necessary to get the application in soon.

Motion was made to file the application with the USDA for the financing on a Fire Truck by Councilman Brovold and seconded by Councilman Sutherland. Motion carried.

Mayor Michel called for a Closed Meeting at 5:40 p.m. Motion was made to close the meeting by Councilman Brovold, seconded by Councilman Sutherland. Motion carried.

Mayor Michel called to reopened the meeting at 6:06 p.m. Motion was made to reopen the City Council Meeting by Councilman Brovold. Seconded by Councilman Sutherland. Motion carried.

Motion was made by Councilman Bonik to make an offer to Arlen Larson of \$53,000.00 for the property located at 112 Main Ave. North with the agreement that Larson remove any necessary trees on the property. Seconded by Councilman Brovold. Motion carried.

Mayor Michel has spoken with Todd Hagen from Ehlers on paying down the liquor store bonds. Work will have to be done at Lester Liljedahl with First National Bank to except the payoff terms. The Clerk has not received any information on this yet.

Discussion was held on the problem with a car parked on the sidewalk, an amendment to the existing Ordinance will be written and the City Attorney asked to review it before the next meeting.

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

## **SEPTEMBER 19, 2018**

The Bagley City Council met on September 19, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Utilities/Street Supt. Bill Masterson and Police Chief Renee Benson.

Discussion held on the 2019 City Budget.

Motion was made by Merschman to approve the following proposed budget:

City Hall -----	\$239,771
Fire Dept. -----	\$ 74,010
Police Dept. -----	\$351,948
Street Dept. -----	\$379,150
Park Dept. -----	\$ 63,841
Cemetery -----	\$ 5,672
Animal Pound -----	\$ 14,081
Zoning -----	\$ 8,634
Community Service -----	\$ 2,400
Economic Development ---	\$ 38,505
Airport -----	\$ 15,924
Capital expenses -----	\$116,470
Other Expenses -----	\$125,954

Bonds -----\$172,357

Revolving Loan funds -----\$ 8,053

Seconded by Brovold motion carried.

Motion was made by Merschman to set the proposed levy at \$639,189. Seconded by Brovold, motion carried.

Discussion was held on the positions of City Clerk Treasurer and Deputy Clerk/Senior Accounting Clerk. Motion was made by Merschman to advertise for Deputy Clerk/Senior Accounting Clerk. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve the purchase of tasers for the Police Dept. Seconded by Bonik, motion carried.

Motion was made by Brovold to appoint Faye Jacobs as Cemetery Sexton beginning October 16, 2018. Seconded by Sutherland, motion carried.

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

## **SEPTEMBER 12, 2018**

The Bagley City Council met in regular session on September 12, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Melissa Kasell, Kayleb Kasell, Arlen Marshal, Erick & Andrea Olson, Amber & Kristean Marshal, Bill Masterson, Zach Thoma, Chief Renee Benson, Chris Arnold, and Doug Lindgren.

Motion was made by Merschman to approve the minutes of the June 27, August 8<sup>th</sup> and 22<sup>nd</sup> meetings. Seconded by Sutherland, motion carried.

Concerns about activities going on around the city were discussed. Mayor stated that the Police and City are working on a number of matters.

Melissa Kasell was present to speak with the Council concerning parking in the area around her home. Street Supt. Masterson is working on the issues.

Pastor Eric Olson was present on concerns with the Hwy 92 construction. Olson stated that the Java Wok business is struggling and they are hoping there is some kind of help whether it be Economic Development grant or low interest loans. Mayor will look into it further.

August City receipts in the amount of \$59,407.96 were reviewed.

August City budget reports were reviewed. Expenses for the month were \$95,964.16.

August Profit & Loss reports for the Liquor Store and Golf Course liquor were reviewed.

Motion was made by Brovold to approve the City and Liquor Store paid invoices for August. Seconded by Sutherland, motion carried.

Motion was made by Brovold to pay the outstanding bills for the City and Liquor Store. Seconded by Bonik, motion carried.

The 2018 League of MN Cities regional meeting will be held in Bemidji on October 17 with a cost of \$45 per person. Motion was made by Brovold to send up to two (2) people to the meeting. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve passage of Resolution #34-18 TRANSFER OF DESIGNATED FUNDS. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve AMENDMENT TO ORDINANCE #137 BAGLEY ZONING ORDINANCE. Seconded by Brovold, motion carried.

Department Reports: Fire Dept. Regional meeting to be held this Thursday. Clerk reported that a meeting with Townships on the Fire Contracts/2019 budget will be held on October 2<sup>nd</sup> at 6 p.m.

Liquor Store: Reuben Netland has returned to work. Letter of resignation was received from Peter Walchuk, effective 8/17/18. MMBA Regional meeting will be held on Sept. 19<sup>th</sup> at Fireside Grill. Arnold would like to send three (3) employees and Council is also invited. Cost is \$20 per person. Motion was made by Brovold to send up to 5 people to the conference. Seconded by Bonik, motion carried. Discussion held on Liquor at the Golf course. Arnold will be attending an event at the Paustis Winery on Sept. 26<sup>th</sup>, and he will be paying for his expenses.

Park Board: Members worked on the 2019 Budget and the road paving will be done yet this year. Seasonal sites lease agreements for 2019 have been sent out to the present leases.

Roads & Bridges: Masterson. Discussion held on the present Hwy. 92 project. League Insurance has now decided that they would pay the City for the 2009 Sterling, which will be \$140,000. Masterson would like to find two (2) used trucks.

Public Utilities: Employees have been working on the Hockey Building project and Potvin's Town Homes. Clyde Johnson will be coming to do cement work. Knife River will be paving the Beach Road, Seasonal Sites road and Pine Ave. BBI will be paving Galen's parking lot and Galli Furniture parking lot. Patching equipment should arrive the middle of this month. Boiler has been installed at the City Garage.

City Hall: Clerk Colleen Lindgren. Clerk reported that Missy Larson, Headwaters Intervention Domestic Abuse asked if it would be ok to have a Silent candlelight service in the park or a walk downtown. Walk would be fine. Event will be held on October 19<sup>th</sup> from 7 p.m. to 8 p.m. Clerk Lindgren gave the Council a letter of resignation/retiring from her

position as of October 15, 2018. Brovold will work with Lindgren to start the advertising process.

Discussion held on the Java Wok request.

The proposed 2019 budget was worked on. Council will meet on September 19<sup>th</sup> at 5:30 p.m. to work on the budget again.

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

## **AUGUST 22, 2018**

The Bagley City Council met on August 22, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Jordan Lee – WSN, Police Chief Benson, and Utilities Supt. Bill Masterson.

Motion was made by Sutherland to approve Resolution #31-18 BAGLEY FIREMENS GAMBLING PERMIT. Seconded by Brovold, motion carried.

Motion was made by Brovold to hire the two applicants to clean the Bagley Community Room and kitchen. Seconded by Merschman, motion carried.

Motion was made by Merschman to approve Resolution #32-18 RESOLUTION ACCEPTING THE OFFER OF THE MINNESOTA PUBLIC FACILITIES AUTHORITY TO PURCHASE A \$538,157 GENERAL OBLIGATION SEWER REVENUE NOTE OF 2018, PROVIDING FOR ITS ISSUANCE AND AUTHORIZING EXECUTION OF A BOND PURCHASE AND PROJECT LOAN AGREEMENT. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve Resolution #33-18 RESOLUTION ACCEPTING THE OFFER OF THE MINNESOTA PUBLIC FACILITIES AUTHORITY TO PURCHASE A \$490,913 GENERAL OBLIGATION WATER REVENUE NOTE OF 2018, PROVIDING FOR ITS ISSUANCE AND AUTHORIZING EXECUTION OF A BOND PURCHASE AND PROJECT LOAN AGREEMENT. Seconded by Sutherland, motion carried.

Mayor stated that Dennis Huwe is on hold at this time with his building of a hanger bay at the City Airport.

Clerk reviewed the proposed budget numbers for 2019. Police Dept.-Chief questioned what is covered under the Contracted services. Clerk stated it is supposed to be \$250 for dispatcher services and \$100 per month for filing fees. Brovold would like to see a written contract on what is covered under the agreement. Benson will check into the annual or one-time fee from Zircher for NCIC on their computers. Mayor asked about putting in a fourth officer. Benson agreed that she feels it will be needed. She will get a comparison

together for the Council of the number of calls per officer. Clerk was instructed to factor in another officer to the budget for discussion at the next budget meeting.

Street Dept. – Correction to be made in the area of clothing allowance and infrastructure maintenance for sidewalks.

Park – Raise port-a-potties dollar amount due to All School Reunion in 2019 and the park will be full of campers.

Pound – Members feel that part of the 2018 budget should be put into capital outlay for a future vehicle.

Zoning – Requested raise of \$100 per month was added into the Salaries.

Economic Development – put in \$4,500 for Fireworks, \$10,000 for street lights in the Kastner Addition.

Capital outlay – Mayor stated that a letter has been received from Kevin Smith, Bagley Coop Association asking the Council to consider putting in a road behind Cenex in the area by the school and industrial park. Mayor asked for suggestions from the Council. Fire Dept. request was for funds for a fire truck, turnout gear, lockers, air lines in shop, and ladders for two of the trucks. A microphone system for city hall will be looked into and \$5,000 will be put in for future squad car. \$1,000 to put in the Animal Pound for a future vehicle.

USDA will be contacted concerning Fire Truck financing.

Mayor discussed hiring incentives and payment of specialized training for Police Officers.

Being there was no further discussion on the 2019 Budget; motion to adjourn was made by Brovold. Seconded by Merschman, motion carried.

## **AUGUST 8, 2018**

The Bagley City Council met on August 8, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Chris Arnold, Chief Benson, Bill Masterson, Jeremy Hadrava, Zach Thoma, and Matt Upgren.

Motion was made by Merschman to approve the July 11, 2018 Council minutes. Seconded by Sutherland, motion carried.

Jeremy Hadrava, DOT, was present to update the Council on the Hwy 2 Project for 2020. He would like to get some ideas from the Council on what DOT is proposing. Must be ADA compliant and Public Hearings will be held. They are looking at “bump outs” for the

crossing areas. Suggested plans were handed out. Karvakko Engineering will be the engineers on the project. DOT will be interested in listening to anyone who has a question or concern on the project. Meeting will be held on August 23<sup>rd</sup> after the Hwy 92 project meeting. Discussion to be held on street lights (some to be relocated) and a bike trail from Dairy Land to Team Industries. Hadrava stated a public hearing will be held and the Council has to approve or not approve the project. Final plan needs to be into DOT by late Sept. from Karvakko.

Matt Upgren, Karvakko Eng., reviewed Task Order #3 Access Road to taxi lane conversion, #4 – Bagley Municipal Airport obstruction removal, and #5 Airport on-call general services. Bids are to be asked for on these projects in order to get requests for funds into the state by Oct. 15<sup>th</sup>. Motion was made by Brovold to approve Task Order #3, #4 and #5. Seconded by Sutherland. For: Brovold, Sutherland, Bonik, Michel. Against: Merschman. Motion carried.

Hanger Lease agreement for Dennis Huwe was discussed. Huwe will not accept paying 25 cents per sq. foot but he would up to 15 cents. Brovold asked Huwe to get all of his cost figures together and bring back to the Council's work session meeting on August 22<sup>nd</sup>.

Clerk was asked to speak with the Townships on Fire Protection meeting for October. Council will set a date at their work session.

Motion was made by Brovold to approve joining the Coalition of Greater MN Cities for another year. Seconded by Bonik, motion carried. The 2019 Voluntary Assessment for Environmental Action Fund will be given to the Public Utilities for action by their board.

July City receipts in the amount of \$277,908.39 were reviewed.

July City expenses in the amount of \$207,589.32 were reviewed.

July Liquor Store Profit & Loss was reviewed.

Motion was made by Sutherland to approve July bills payable for the City and Liquor Store. Seconded by Bonik, motion carried.

Clerk was asked to have someone from Roger's Two Way Radio attend a City Council meeting to explain their bill. Billing was tabled at this time.

Motion was made by Brovold to approve payment of the outstanding bills for the City in the amount of \$34,160.85 and the outstanding bills for the Liquor Store in the amount of \$67,514.51. Seconded by Merschman, motion carried.

Department Reports: Fire Dept. Two members have retired from the department.

Police Dept. - Chief Benson reported the new Officer is working out well. He has been receiving training by other Officers. Chief has been working on equipment issues. One ordinance was submitted to the County Attorney that has fees connected to it.

Park & Recreation – Dock is in at the Seasonal Sites.

Liquor Store – Manager was contacted by Kevin Olson, Cenex, about sharing the use of a 48 foot billboard west of town. Manager was asked to check into it further and bring back to the Council.

Roads & Bridges – Still waiting to receive the pot hole patcher which was ordered. Shop boiler is being worked on. Waiting for the insurance company to decide on what to do with the Sterling truck.

Public Utilities – Working on the Hwy 92 project with DOT. Have had issues with the storm sewer and sanitary sewer part of the project. MMPA-Minkota is restructuring rates so may save some money for the City.

City Hall – A payment in the amount of \$18,500 was received as a payment back on the Small Cities Grant Program. Clerk will check on what funds can and cannot be used for. Garden Valley Telephone Annual report will be located in City Hall. City received notice that they are in compliance with Pay Equity.

Clerk brought before the Council applications for someone to clean the Community Room & Kitchen at the Public Library. Tabled until the Council work session.

Masterson brought before the Council quotes for four (4) paving projects he would like done in the City. Northern Paving - \$63,925; Bemidji Bituminous - \$66,025; Knife River Materials - \$58,467. Motion was made by Merschman to accept the low bid of Knife River Materials in the amount of \$58,467. Seconded by Sutherland, motion carried.

Ordinance book update quote – tabled until zoning meets and gets some of their ordinance put in.

Liability coverage – waiver form: Motion was made by Brovold to sign the waiver form that the City does not waive the monetary limits on municipal tort liability established by MN Stat. Sec. 466.04. Seconded by Sutherland, motion carried.

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

## **JULY 25, 2018**

The Bagley City Council met on July 25, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Zach Thoma, Police Chief Benson, Stuart Lien, Bill Masterson, Chris Arnold, Curt Meyer, Dennis Huwe, Vicky Fletcher, Tom Lillegaard, and Hwy 92 Project Manager Ross Hendrickson.

WSN Engineer Curt Meyer was present to speak with the Council about the PFA funding. Rural Water Funding was received earlier and a 50% payment has been given to



MnDOT. PFA dollars will be around \$999,000, plus 5% contingency and 16% design and engineer costs. PFA loan will be a 20 year loan with interest rate around 1%.

Ross Hendrickson was present to answer any questions the Council has on the Hwy 92 Project. Some of the paving areas need to be redone/fixed. Masterson & Meyer will be working with BBI on this along with the contractor. Hendrickson explained there will be one more lift to be put on the north road. Compaction tests were ok. MNDOT is working with BBI also.

Zach Thoma, Karvakko Eng, spoke on the two proposed airport projects. There is fencing and gates added with a proposed alternate of putting up more fencing as needed if we have the funds. Renter of the airport land property will be notified of the changes. Motion was made by Sutherland to approve both projects to be constructed. Seconded by Brovold. For: Sutherland, Brovold, Michel. Opposed: Merschman. Motion carried. Task orders were given to the Clerk for the Council to review.

Dennis Huwe was present to speak with the Council on a hanger bay he would like to construct at the City airport. Description of building: 12 foot sidewalls, 60 feet wide, and 50 feet deep with one large door. Approximate cost is \$74,500 which does not include site prep. Location was discussed by the members. Huwe also needs to get approval from FFA. He would not be able to start construction until spring 2019. His thoughts would be to pay a lease amount of 10-12 cents per square foot with a 5 to 10 year lease. Brovold asked Huwe to get all his expenses together and when he figures out what he can pay, bring this information back to the Council.

Hwy 92 Project Eng. Ross Hendrickson reported that a meeting with business owners was held. The plans are to combine Phase 2 & 3. He had only one person reach out to him and that was the Ambulance director. Hopefully the project will be completely done by September 15<sup>th</sup>. General consensus is to get the project done as fast as possible. Combining the phases will put less time on the project.

Motion was made by Merschman to pass Resolution #30-18 RESOLUTION OPPOSING THE CONCEPT OF ALLOWING STRONG BEER, SPIRITS & WINE TO BE SOLD, FOR OFF PREMISE CONSUMPTION, AT ANY OUTLET OTHER THAN THE MUNICIPAL LIQUOR STORE. Seconded by Sutherland, motion carried.

Discussion held on the lot across from Cease Funeral Home. Kelly Cease Bowman wants to purchase the lot for more parking for the funeral home. Motion was made by Brovold to sell the lot to the Cease Funeral Home for the price of \$500 plus closing fees and the City to retain utility easements. Seconded by Sutherland, motion carried.

Task orders from Karvakko Engineering were discussed which were for the airport projects. Clerk will hold the information for the council to review when possible.

Mayor talked about a recruitment incentive for City Employees.

Clerk reported that a homeowner that had taken advantage of the Small Cities Grant Program has sold his home and the City will receive funds back from the grant. Clerk will look into what the funds can be used for.

Budget meetings will be held on August 22<sup>nd</sup>, August 29<sup>th</sup> and Sept. 12<sup>th</sup>. Meetings will be held at 5:30 p.m. in the City Council Chambers.

Annual performance reviews will be worked on by Dept. Heads.

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

## **JULY 11, 2018**

The Bagley City Council met in regular session on July 11, 2018 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 Deputy Clerk Faye Jacobs. Clerk Lindgren was absent.

Also present: Chris Arnold, Miriam Klemme, Amy Merschman, Kari Gerbracht, Bill Masterson, Zach Thoma, Dennis Huwe, and John Gerbracht.

Motion was made by Merschman to approve the minutes from the June 13, 2018 meeting as corrected. Seconded by Brovold, motion carried.

Mayor called upon Miriam Klemme. Klemme voiced concerns on all the noise which takes place in the city. Would like to encourage the investment of high quality pagers for the Fire Dept. Bonik addressed the fact of pager use.

Mayor called upon members of the 2019 All School Reunion Committee. Reunion is set for July 3-7, 2019. Committee members reported on the activities that are planned so far for the reunion. Picnic shelters will be reserved for different events.

Zach Thoma, Karvakko Eng., was present to speak with the Council on Municipal Airport Projects. Projects are the Obstruction Removal project and the Access Road Conversion. Karvakko Eng. would prepare plans and bid out the projects. Funding would be 95% from Aeronautics and 5% from the City. Brovold asked if fencing was included on the project. Thoma does not think it would be included. Mayor asked Thoma to check on the fencing for the next meeting. Discussion on fueling system at the airport was held. State funds would come in at 70% and City 30% which would be approximately a \$12,000 cost to the city. Discussion was held on hanger construction. Funding of 80% is the approximate amount the State would kick in on costs. Signing off on the projects will be discussed further at the Council's July 25<sup>th</sup> meeting.

Dennis Huwe was present to speak with the Council about building a hanger bay at the City Airport. He does not agree with the 25 cents per square foot charge. He will be keeping the hanger he has.

Motion was made by Bonik to approve the parade application for the Bagley High School Student Council, Homecoming Parade to be held on Sept. 21, 2018. Seconded by Merschman, motion carried.

June City receipts in the amount of \$746,661.08 were reviewed.

June City budget reports were reviewed. Expenses for June totaled \$175,708.65.

June Liquor Store profit & loss was reviewed.

Motion was made by Brovold to approve invoices paid in June for the City and the Municipal Liquor Store. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve payment of the outstanding bills for the City and the Municipal Liquor Store. Seconded by Sutherland, motion carried.

Department reports: Fire Dept. Chief John Gerbracht. A battery operated Jaws, spreader and hydraulic ram, a windshield cutting tool and a combo tool have been ordered and will be paid for by the money raised at the Firemen's Ball. Bagley Fire Dept. will be hosting the Northern Region meeting on September 13<sup>th</sup> at the America Legion in Bagley. Rescue drill will be done in Itasca Park on July 21<sup>st</sup>, with a number of departments, from 8 a.m. to 1 p.m. Gerbracht would like to increase the whole fire dept. budget to cover more costs.

Liquor Store Manager Chris Arnold. Arnold reviewed the sales for the month of June. Arnold discussed a proposed resolution concerning the sale of liquors for off premise consumption. Will be discussed further at the July 25<sup>th</sup> Council meeting. MMBA Attorneys prepared the resolution.

Park & Rec Board – Masterson reported that the area in the seasonal sites, where the dock is located, was sprayed for weeds.

Zoning – Masterson. Clean up on a house located on Brown Ave. is being done. The Potvin housing units are going up.

Roads & Bridges – Masterson. New mowers are working good. Hwy 2 intersection will be closed beginning tomorrow for construction, and should take 14 days. Old Mercantile will be taken down next week.

Public Utilities – A new bucket truck is on order. Should take 6 to 8 weeks to get it. Masterson will be meeting with Eng. Curt Meyer and inspectors on the Hwy 92 project and side streets. State will be watching quantities and compaction tests.

Brady Fredrickson gave Masterson a quote to seal coat the lot around city hall. Quote came in at \$2,000 for all of it.

Cease Funeral Home parking to the west. Price from BBI to remove the grass, put in gravel, and pave a 20' west and 120' long has been gotten. Cease will pay for the construction. Members will check on a lease of the property as it is legally the cities property. Mayor will call the City Attorney and Masterson will speak with Cease.

Bonik told the Street Dept. thank you for all their help with the area to let off Fire Works.

Motion was made by Brovold to approve the Consent Agenda: Resolution #27-18 ACCEPTANCE OF DONATION, Resolution #28-18 ACCEPTANCE OF DONATION, Resolution #29-18 ACCEPTANCE OF FUNDS. Seconded by Sutherland, motion carried.

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

## **JUNE 27, 2018**

The Bagley City Council met on June 27, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson and Annie Kerr.

Board of Adjustment reviewed the variance application of Todd & Brenda Gabrelcik to construct a garage. Motion was made by Brovold to approve Resolution #26-18 CITY OF BAGLEY BOARD OF ADJUSTMENT. Seconded by Sutherland. Motion carried.

Annie Kerr was present to ask permission to use the property and shed south of Galli Furniture for the Farmers Market. Motion was made by Merschman to allow. Seconded by Sutherland, motion carried.

Clerk reported that a representative from the Coalition of Greater MN Cities would like to meet with council members. July 1<sup>st</sup> or 2<sup>nd</sup> will be set up to meet.

Clerk stated that contact has been made with the American Legion about repairs to be done to the legion stand in the City Cemetery. Gambling funds will be given to the City for the project and Legion members will do the work. Motion was made by Merschman to approve this project. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve the sale of two (2) City lots to Klay Thompson, with stipulations. Thompson to pay \$500 plus all legal costs. Stipulations would be for stock piling of material only with no chemicals, no contaminated soil, and no fuel tanks. Seconded by Bonik, motion carried.

Motion was made by Sutherland to approve the Tax Increment Financing agreement with Allen Potvin – Potvin Townhomes. Seconded by Bonik, motion carried.

Motion was made by Brovold to put the Revolving Loan Funds, which were approved by the Minnesota Investment Fund, into the Economic Development Designated funds. Seconded by Sutherland, motion carried.

Discussion was held on projects proposed for the Bagley Municipal Airport. State needs to have an answer back from the City by June 30<sup>th</sup> on whether or not the City plans on going ahead with proposed projects. Projects are covered 95% by the State and the City share would be approximately \$8,200. Motion was made by Sutherland to approve the projects and to send a letter to the state on this. Seconded by Bonik. For: Sutherland, Bonik, Brovold, Michel. Against: Merschman. Motion carried.

Discussion was held on airport hangar bays and a fuel station. Brovold informed the Council that Dennis Huwe hopes to build a 50X72 foot hanger. Motion was made by Merschman to lease the land to Huwe at a cost of 25 cents per sq. foot for him to have a building on the City property. Seconded by Bonik. Motion carried. After further discussion, Merschman amended his motion to include a 2% per year raise in price, airplane materials only can be in the building, non-transferable 10 year lease, and all buildings need to be approved by the Council before construction. Seconded by Bonik, motion carried. Fueling station will be looked into further for 2020.

Airport Commission – will be researched further.

Hwy 92 project. State is requesting payment on the project. PFA funds have not been received as of yet. Clerk was instructed to hold off on payment at this time.

Wage discussion – Motion was made by Brovold to raise Masterson and Ekre wages by 2% beginning July 1, 2018, part time police officer – raise to step #3. Seconded by Merschman. For: Brovold, Merschman, Bonik, Michel. Abstain: Sutherland. Motion carried.

Masterson brought forward costs of a boiler system for the City shop. Insurance company will cover the boiler due to the fire. Dicks Plumbing: \$19,779 and Naylor's: \$23,833. After discussion motion was made by Sutherland to approve the purchase of a new boiler system from Naylor's. Seconded by Bonik, motion carried.

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

## **JUNE 13, 2018**

The Bagley City Council met in regular session on June 13, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Jason Murray, Chris Arnold, Bill Masterson, John Gerbracht, Renee Benson, and Brett Carter.

Motion was made by Merschman to approve the minutes of the May 9<sup>th</sup>, 23<sup>rd</sup> and June 8<sup>th</sup> meetings. Seconded by Brovold, motion carried.

City May receipts in the amount of \$145,374.88 were reviewed.

City budget reports for May were reviewed. Expenses totaled \$212,313.05.

Liquor Store May profit & loss was reviewed.

Motion was made by Brovold to approve the payment of checks written in May for the City and the Liquor Store. Seconded by Merschman, motion carried.

Motion was made by Bonik to approve payment of the outstanding bills for the City and the Liquor Store. Seconded by Sutherland, motion carried.

Department reports: Liquor Store-Manager Chris Arnold. Arnold reviewed the profit & loss for the Month. Fireworks fundraiser is this coming Friday.

Police Dept.- Chief Renee Benson. Motion was made by Brovold to accept the donation of the OfferUp program equipment. Seconded by Bonik, motion carried. Potential new officer is being looked into and background check being done. Motion was made by Brovold to approve two Officers to attend the Leadership Thru Understanding Human Behavior training to be held in Grand Forks on June 26-28. Seconded by Merschman, motion carried.

Fire Dept.-Fire Chief John Gerbracht. Gerbracht has been contacted by Fire Safety USA to discuss the purchase of a new pumper truck for the fire dept. A price will be coming on a truck that was looked at earlier. The finance company associated with the company works with cities to purchase trucks. Their interest rates are quite cheap compared to banks. They would finance a truck up to 5 years. Any money put down on the truck when ordered, will earn interest at 3%. Gerbracht will keep Council updated on what prices would be. Sirens are still being worked on. Clerk reported that Brant Melbo and Dan Hecht have retired from the Fire Dept. Members voted in Matt Hoie, pending back ground check.

Park Dept. – Board is working on misc upkeep of the park. They are also working on what to do with the \$5,000 donation they received. There are three seasonal sites open.

Zoning- Masterson. Town Houses are being constructed near the nursing home. A Public Hearing will be held on June 25<sup>th</sup> for a Variance application put in by Todd & Brenda Gabrelcik.

Street Dept.-Masterson. Seasonal sites dock is being worked on. Hot patch machine is on order. Busy with construction, mowing, etc.

Public Utilities-Masterson. More solid numbers on PFA funds have been gotten. City share - \$180,000 approximately. Public Utilities share approximately for water \$485,837 plus \$45,000 for additional work. Sewer – approximately \$460,781 plus \$8,000 for alley behind City Hall. Masterson gave an update on the Hwy 92 project and bike trail. The purchase of a bucket truck is being looked into. Prices are being gotten on the Red Lake Ave. construction.

City Hall-Clerk Lindgren. Prices were gotten for a new copier for City Hall. Color copier - \$6,033.03 with \$500 trade in. Blk/wh copier - \$5,137.30 with \$500 trade in. Motion was made by Bonik to purchase the color copier from Marco for \$5,533.03 with trade in. Seconded by Brovold, motion carried. Revolving Loan Fund update: application has been put in for de-stateizing these funds. Should hear back within a week if the application is approved. Clerk asked if the Council would consider seal coating the parking lot around City Hall when the construction project is going on. Masterson to get a price on this.

Masterson reported that the airport project has been completed. The tower is in progress of going up. Masterson also reported that Klay Thompson would like to buy a small parcel of

property by his property on the south edge of the City. Value of the 2 – 25 foot lots is \$500. Mayor would like to see what the Co-Op paid for the lots the City sold to them before any decision is made. Will be discussed further at the end of the month.

Jason Murray from David Drown Associates updated the Council on the TIF agreement with Allen Potvin. The City Attorney is working on it and should be ready soon. Murray spoke with the Council on bonding, PFA loans, Midi Loans, fees and schedules.

Clerk reported that WSN Eng. Benji H. told her that the water report for the PFA paper work has been completed by Dennis Danielson, and sent in. A pay application will be received from the State soon to be paid. Clerk asked for a breakdown of expenses. PFA funds should be available the middle of July.

Motion was made by Merschman to accept the 2017 City Audit as presented by Auditors Brady Martz. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve AMENDMENT TO ORDINANCE #137 BAGLEY ZONING ORDINANCE. Seconded by Brovold, passed unanimously.

A letter has been received from the MN Dept. of Transportation Aeronautics – State FY19 Grants. If the Council wants to proceed with listed projects for the next fiscal year they must let the state know in writing by June 30<sup>th</sup>. Tabled until the June 27<sup>th</sup> Council meeting.

Motion was made by Bonik to approve the Application and Permit for a Temporary On-Sale Liquor License, for the Bagley American Legion to have a beer tent at the Clearwater County Fair August 2-5, 2018. Seconded by Merschman, motion carried.

Motion was made by Bonik to approve Resolution #22-18 AMERICAN LEGION POST #16 BINGO PERMIT. Seconded by Merschman, motion carried.

Motion was made by Bonik to approve Resolution #23-18 ACCEPTANCE OF DONATION. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve Resolution #24-18 ACCEPTANCE OF DONATION. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve Resolution #25-18 ACCEPTANCE OF DONATION. Seconded by Brovold, motion carried.

Brovold brought before the Council a temp-plate for an ANNUAL PERFORMANCE EVALUATION for employees. Members were asked to review the form and discuss at a future meeting.

Brovold reviewed the step table for wages of City Employees. Motion was made by Merschman to set a new Patrolman wages at step 3 on the scale. Seconded by Bonik, motion carried.

Motion was made by Sutherland to approve the Pay Scale with a 2% increase for City Employees. Seconded by Merschman, motion carried.

Bonik reported that Fireworks will be let off over Lake Lomond on July 4<sup>th</sup> at dusk. Rain date will be July 6<sup>th</sup>.

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

## **JUNE 8, 2018**

The Bagley City Council and the Bagley Public Utilities Commission met in a joint meeting on Friday, June 08, 2018 at 8 a.m. in the City Council Chambers.

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

Present for the P.U. Commission: Stuart Lien, Tom Lillegaard and Dennis Merschman.

Also present: Bill Masterson, Vicky Fletcher, Chris Arnold, Todd Hagen (Ehlers), and Traci Bruggeman (Brady Martz).

Auditor Bruggeman reviewed the Public Utilities 2017 Audit. They found no instance of non-compliance.

Motion to adjourn the Utilities Commission at 8:15 a.m. was made by Lien. Seconded by Merschman, passed unanimously.

Auditor Bruggeman reviewed the City of Bagley 2017 Audit. No instances of non-compliance were found. Recommendation of establishing fund accounting was discussed. Brovold asked if Bruggeman's company would help set it up or who? She stated that they could help or the company which we purchased the software from should be able to do it. Clerk reported that she had spoken to Brady Martz employees that would be able to help the Deputy Clerk set this up. Segregation of duties was discussed. Park camping receipts were reviewed and will be set up differently. Payroll hours paid and estimated was discussed and the new payroll dates will begin in July of this year. Special assessments for the 2012 bonding were discussed. There are a number of deferred assessments on this project as of yet. Liquor Store margin has gone down by .74% from last year.

At this time Auditor Bruggemen left the meeting.

Discussion was held on special assessments from 2012. Hagen stated that instead of doing a levy to cover the deferred assessments, funds from the Public Utilities could be transferred into the City accounts being it was a sewer & water project. Brovold stated that the cleanest way would be to take it from a utility fund/enterprise fund.

Discussion was held on costs for present and future construction projects. Masterson stated that costs for overlay, sidewalks and side streets will be approximately \$325-\$350,000. Mayor would like to include other projects if the Council decides to bond. Projects such as a connection road in the Industrial Park which is approximately \$225,000 or a Police Dept. He asked how far does the Council want to go.



Brovold asked when the permanent dollar numbers will be known and what is the date that we need the bond by? Discussion was held on PFA funds, Midi Loan and bonding.

Hagen stated to get a bond rating it costs about \$9,000. To bond, they would look at how the City could pay for it and year terms. Merschman asked Hagen what he could figure up on what the City can afford to pay. Hagen will see what the City can afford now and what kind of wish list the Council has and if it can be afforded. Brovold would like to see the designated funds that the City has set aside, used to cover the Hwy 92 project.

Hagen would like to do a financial management plan for the City. This would get updated each year. Hagen would need the City and Public Utilities audit reports to work with. Analysts from Ehlers would give the City a proposal to do this long range plan as it takes a while to put this plan together.

Council members agreed to talk more on this project at the next meeting, on what is needed and what to do.

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

## **MAY 23, 2018**

The Bagley City Council met on May 23, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present were Julie Jenson, Utilities/Street Supt. Bill Masterson, Fire Chief John Gerbracht and Dennis Huwe.

Julie Jenson was present to speak with the Council on concerns she has about stuff floating in the lake and in front of her home by the lake. She was concerned on where it is coming from. Two members of the Council stated they live on the lake also and it is parts of bogs floating.

Motion was made by Bonik to appoint Mark Edevold as Election Judge. Seconded by Brovold, motion carried.

Motion was made by Merschman to hire Mona Rae and Jason Swenson as temporary Park Attendants with a wage of \$100 per day for the two. Seconded by Bonik, motion carried.

Discussion was held on a vehicle for the Fire Chief. Chief Gerbracht has looked into vehicles such as SUV or pickup. The ones he found have 100,000 miles on them but are all set up with light bars, radios, etc., around the price of \$14,000 to \$20,000. This vehicle would be one the Chief would drive all the time. Clearbrook Chief has a vehicle that he drives all the time but it is unknown how it is covered by the City. Clerk was asked to check with the City of Clearbrook to see how they budget for the vehicle and to check on city insurance to cover such vehicle. Gerbracht stated there is a lot of running around that the Chief does and he

has used his vehicle for this. Mayor Michel likes the idea but Merschman stated he does not agree with it. Mayor feels the wage for the Chief should be increased if no vehicle is gotten. More discussion will be held at the next Council meeting.

Clerk brought before the council a request of a Small Cities Grant recipient. Satisfaction of the loan was discussed.

Mayor brought up discussion on the fact of building a road from the Industrial Park across to the area behind Cenex and coming out to Hwy 2. Concerns on traffic in the Industrial Park have been heard. A dirt road could be put in instead of a paved road. Mayor feels funds could be borrowed for this along with funds needed for the Hwy 92 project. Karvakko Eng. has done some preliminary plans. Mayor will check into this further.

Mayor has been contacted by Dennis Huwe, who would like to build a new hanger bay at the City airport. He would like to know a price on what the City would charge for a lease. Mayor stated the running amount is 10 to 12 cents per square foot. Huwe would be building the hanger for his personal planes. Huwe also talked about putting in a fueling system. Is it possible for Huwe to do this and sell fuel to other pilots? Clerk stated that the City of Fosston has told her that they sell approximately 3,500 to 4,000 gallons of fuel per year. Bemidji Airport charges 20-25 cents per square foot for a heated hanger. Building would be 50X80 in size. Members agreed lease agreements should be for five (5) years and no longer. Brovold would like to get Huwe's actual plan before anything is set up. Matter was tabled at this time until more information can be gotten.

Discussion held on bonding for City projects. Masterson stated that a definite dollar amount has not been received on the Hwy 92 project. Mayor stated it takes around two (2) months to get bonding done. Members agreed that better numbers are needed before any decision is made.

Dennis Huwe entered the meeting at this time. Huwe has three requests. One would be putting fuel at the airport. He would like to do this and he would like to know what he would have to do to put it in and what costs would he have with the City. Second one if he could put a hanger in but with fuel. Third would be to build a 3,000 to 4,000 square foot building, (approximately 50X80). He would like to know the cost of a lease before he does anything. He would hopefully just store airplanes. His preference would be that the City put in fuel and he put in a hanger to lease out. There is a list of people looking for hanger space.

Date set to meet with the City Auditors on the City and Public Utilities Audits is set for Friday June 8<sup>th</sup> at 8 a.m.

Discussion held on decisions to be made on the Hwy 92 project. Masterson was given authority to do so unless it is a major expense.

Bonik set up a Zoning meeting for June 1<sup>st</sup> at 8 a.m. Discussion will be held on administrative fines.

Masterson discussed the demo of two mowers for the street dept. Cost is \$9,000 for the Altos machine. Willbergs Auto has two for a cost of \$9,000 and \$9,600. All have the same warranty. Masterson will check with Willbergs to see if he could demo theirs.

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

## **MAY 9, 2018**

The Bagley City Council met on May 9, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson, Police Chief Renee Benson, Officer Shane Auginaush, Zach Toma, Brett Carter, Fire Chief John Gerbracht, and Chris Arnold.

Motion was made by Merschman to approve the minutes of the April 11<sup>th</sup>, 19<sup>th</sup> and the 27<sup>th</sup> meetings. Seconded by Brovold, motion carried.

April City receipts in the amount of \$50,653.16 were reviewed.

April City Budget reports were reviewed. Expenses for April totaled \$94,253.00.

April Liquor Store Profit & Loss was reviewed.

Motion was made by Brovold to approve the list of paid invoices for the month of April. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to pay the outstanding bills for the Liquor Store and the City of Bagley. Seconded by Bonik, motion carried.

Department Reports: Bagley Industrial Development Corporation. Board is working on the sale of six lots in the Industrial park.

Liquor Store: Manager Chris Arnold. Arnold reported on the conference he attended and activity at the Liquor Store. Update on the bar at the Golf Course. The Twin Pines Board would like to have the bar open at the tournaments and may not allow players to bring in their own liquor. Motion was made by Merschman to move forward on being open for tournaments. Seconded by Brovold, motion carried.

Police Department: Chief Benson. Officers will be going to the tour at Enbridge in Clearbrook. May 11<sup>th</sup> there will be a Naloxone Training open to everyone at the Bagley Community Room. Interview will be done at 9 a.m. on Saturday for a full time officer.

Fire Dept.: Chief Gerbracht. DNR Grant is open again with a 50/50 match. This would be to purchase equipment of all sorts. Grant is for \$10,000 with City putting in \$5,000 and DNR \$5,000. Hydrant is being looked into at the corner of the Fire Hall during construction on the street. Gerbracht would like to see a raise in the Fire Chief's wages or a vehicle for the Chief. Gerbracht is looking at stepping down as Chief before long and is looking for incentives to get someone interested in being Chief. Clerk was asked to look into insurance for a vehicle and more discussion will be held at the end of the month work session.

Bonik reported that the Fire Sirens are still not in working order. Chief will check into this further with Emergency Management at the County.

Park Board: New Attendants have started at the park. Next meeting of the Board will be at the City Park to do a walk-through of the park.

Zoning: Bill Masterson. Board is working on a fee schedule for clean-up and other zoning issues. Only a few small permits have been done. One large application will be coming in soon.

Roads & Bridges: Masterson. Clean-up has been done. The Patcher has arrived but has not been used yet. Gilbertson returned from his training and stated that it was very informative.

Public Utilities: Masterson. Crews are working on moving fiber & power, along with putting underground in the area by JAG Auto Body. New gas lines are needed to build up pressure if more building goes on in the City.

City Hall: Clerk Lindgren. DOT meeting at City Hall was cancelled due to a mix up of dates by DOT. Jeremy Hadrava, DOT, would like the Council to appoint a work group to discuss any issues or desired outcomes for the 2020 project. Hadrava will be attending the May 23<sup>rd</sup> meeting for more discussion on this.

Chief Benson reported on the Safe Exchange Spot which is located by the Police/Fire Hall. Equipment was a donation so Benson will find the paperwork for the next meeting.

Motion was made by Brovold to appoint the following as Election Judges for 2018: Alice Gunderson & Kay Peterson as Head Judges; Lorraine Brustad, Lou Ellen Christensen, Jeanne Davis, Sylvia Larson, Susan Melbo, Kathy Roy and JoAnn Steindl. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to pass Resolution #20-18 A RESOLUTION APPOINTING A COMMISSIONER TO FILL AN UNEXPIRED TERM TO THE BAGLEY HOUSING AND REDEVELOPMENT AUTHORITY. Seconded by Bonik, motion carried.

Motion was made by Sutherland to pass Resolution #21-18 A RESOLUTION APPOINTING A COMMISSIONER TO THE BAGLEY HOUSING AND REDEVELOPMENT AUTHORITY. Seconded by Bonik. For: Sutherland, Bonik, Brovold, Michel. Merschman abstained. Motion carried.

Merschman reported that Park View Housing now has a new Manager, who is James O'Bryan. He is now in training for the HUD paper work and board members are helping him get accustomed to the position.

Motion was made by Bonik to hire Chastine Walker as call in worker for the Bagley Liquor Store. Wage to be at \$9.68 per hour as per schedule. Seconded by Sutherland, motion carried.

Council was given a letter from the Bagley Art in the Park Committee. Assistance was asked for to put up banners, barricades, move tables, and for shelter reservations for 2019. Motion to approve was made by Brovold. Seconded by Sutherland, motion carried.

Motion was made by Brovold to have Bonded Lock & Key replace the locks with restricted keys and install a Panic Bar on the front door at the public library. Seconded by Bonik, motion carried.

Motion was made by Brovold to send up to 10 people to the Naloxone Training at a cost of \$25 per person. Seconded by Bonik, motion carried.

Mayor Michel asked all members to start reviewing the paper work they were given for loans and bonding needed for city projects.

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

## **APRIL 27, 2018**

The Bagley City Council met on April 27, 2018 at 7 a.m. in the City Council Chambers.

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

Motion was made by Brovold to approve signage of the Separation & Release Agreement between City of Bagley, Teamsters, Local No. 346, and Chester Carlson. Seconded by Merschman, motion carried.

Masterson reported that he will be having a pot hole patcher at the shop and he would like to know if the Council would approve purchase. A used 2017 machine is \$36,000 with all the options on it. A new one cost \$40,000 under state bid. Motion was made by Sutherland for Masterson to negotiate the best price and purchase. Seconded by Bonik, motion carried.

Discussion held on the easements in place on Allen Potvin's parcels where he plans on building a townhouse. Masterson stated that there are easements on record for the entire section.

The Zoning Commission has approved a Conditional Use Permit for Allen Potvin to construct town homes in a residential Dist. and recommend the City Council approve the permit. Motion was made by Brovold to approve the Conditional Use Permit for Allen Potvin. Seconded by Bonik, motion carried.

Discussion was held on the preliminary development agreement terms for the Potvin Townhome Development. Project is located in TIF District 2-1. Agreement is stated to be a Pay-as-you-go basis with TIF assistance equal to 90% of the increment generated by the project for fifteen (15) years or \$249,000, whichever occurs sooner, to reimburse the Developer for documented eligible expenses. Payments to the developer will be made annually, on or before commencing in December 31, 2020, and ending December 31, 2034, or until payments total \$249,000. The note shall bear no interest. Motion was made by Bonik to approve development of the TIF agreement between the City of Bagley and Allen Potvin with the before mentioned terms. Seconded by Brovold, motion carried.

Motion was made by Bonik to hire Ken & Kelly Haugen as Park Attendants for 2018. Seconded by Sutherland, motion carried.

Mayor talked about the starting wage for a part-time worker for the Police Dept. Brovold is working on the step schedules for employees. Employee Health insurance will also be looked into. Motion was made by Merschman to move ahead with the proposal of wages per wage equity lawyer. Seconded by Sutherland, motion carried.

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

## **APRIL 19, 2018**

The Bagley City Council met on April 19, 2018 at 6 p.m. in the Bagley City Council Chambers.

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

Also present: Bill Masterson, Jason Murray, Allen Potvin, and Greg Leintz.

Allen Potvin presented the Council with a plan for an 8 unit townhouse which he is proposing to build. All surveying is not done yet. There is city sewer and water going across an area of which he plans to build on. Masterson has found the easements for the property. Six units will be 2 bedrooms and two will be one bedroom, roof covered patio, full kitchen, garage, etc. It will be designed for the older population. Lay out of the units is still in the planning process. Price per unit is not set in stone yet.

Jason Murray, David Drown Associates stated that the proposed project is located in Housing TIF Dist. 2-1. This would be a 15 year TIF which would generate approximately \$16,000 of TIF dollars which would come to be \$249,000. 90% of the dollars would go back to the developer and 10% would stay in the city for admin fees. This is up to the discretion of the city council. Development agreement would be done by the City Attorney. Discussion was held on other similar facilities in the City. No decision was made by the Council at this time until the Zoning Public Hearing which will be held on April 23<sup>rd</sup>.

Discussion was held on the proposed TIF District #2-5 (Galen's Redevelopment Project). Agreement is for \$130,000 & 15 years. Motion was made by Merschman to pass Resolution #16-18 A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BAGLEY, MINNESOTA, APPROVING TAX INCREMENT DEVELOPMENT AGREEMENT. Seconded by Brovold, passed unanimously.

Motion was made by Brovold to offer the position to Gregory Christianson for the Street Dept. crew, with starting wage according to pay scale, and contingent to passing the background check, and drug & alcohol testing. Seconded by Bonik, passed unanimously.

Discussion was held on costs of street repair during the 2018 Hwy. 92 Project. Masterson cannot give an exact dollar amount as these figures have not been gotten from the

engineers. Mayor would like the Council to start thinking about funds needed if bonding is to be done.

Discussion was held on the Hwy 2 striping project which DOT asked the Council to table. Mayor asked if the Council wants to send a letter to DOT about not wanting the project as he has had people asking about it. Bonik said that at the last meeting with DOT they said the project has died, nothing is going to happen and not to worry about it but on the radio it sounded completely different and that it did not die. He feels they have not been truthful in what they are saying. He also feels the Council is done looking at it. Brovold stated that the Council needs to get why they did not want the Council to vote. There are people who are for the project. Mayor is going to speak with the DOT to get a better answer for the next Council meeting.

Park Attendant position: Advertising is being done, one couple backed out on the position due to personal reasons. Brovold stated that after meeting with the couple, and more discussion, it was thought that the wages should be increased. Position includes host site, internet, phone, use of the park facilities and \$2,000 per month. Motion was made by Bonik to approve the use of site, internet, phone, facilities and \$2000 in wage per month for park attendants. Seconded by Merschman, motion carried.

Discussion held on the Library Door problem. A quote was received from Bonded Lock & Key for lock replacements. Clerk was asked to get a second opinion and to see what cameras would cost to put in.

Labor & Employee Relations seminar will be held in Detroit Lakes on June 14<sup>th</sup>. Will be brought up at the next regular meeting to see if anyone is able to attend.

Mayor asked if the Council would be able to meet on Friday April 27<sup>th</sup> at 7 a.m. to discuss separation agreement of Police Officer Carlson. Council meeting of April 25<sup>th</sup> will be cancelled.

Brovold stated that he is getting together wage information for City employees and benefit information.

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

## **APRIL 11, 2018**

The Bagley City Council met in regular session on April 11, 2018 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. 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: Allen Paulson, Chris Arnold, Bill Masterson, Renee Benson, Zack Toma, Shane Auginaush, Troy Jesness, Jeremy Hadrava, John Gerbracht, and Brady Fredrickson.

Motion was made by Sutherland to approve the minutes of the March 14<sup>th</sup> and 28<sup>th</sup> as written. Seconded by Bonik, motion carried.

Allen Paulson asked permission for a gambling permit for the Clearwater County Agriculture Society. Motion was made by Bonik to pass Resolution #19-18 CLEARWATER COUNTY AGRICULTURE SOCIETY GAMBLING PERMIT. Seconded by Brovold, motion carried.

Jeremy Hadrava, DOT, asked the Council to table the matter of the restriping project and not vote on it. After all comments were heard, DOT has decided not to move forward on the restriping project. The main project on Hwy 2 will go forward in 2020. Karvakko Engineering is engineering the 2020 project. There are 12 light poles which will need to be moved and a trail from Dairy Land to Park Ave. will be on the plans. Letting of the project will be in November 2019 with construction in spring of 2020.

March City receipts in the amount of \$61,610.51 were reviewed.

March City budget reports were reviewed. City expenses for the month were \$70,339.08.

March Profit & Loss for the municipal liquor store was reviewed.

Motion was made by Brovold to approve the list of paid bills for the City and Liquor Store during March. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve payment of the outstanding bills for the City and the Liquor Store. Seconded by Sutherland, motion carried.

Department reports: Minutes of the last Park & Recreation Board meeting were reviewed.

Police Dept.: Chief Benson stated that she has gotten six (6) applications after advertising for help. Advertising is still open. Brovold and Sutherland will go through the applications.

Liquor Store Manager Chris Arnold updated the Council on activities at the liquor store.

Fire Dept. Chief John Gerbracht. An air compressor has been purchased. The Firemen's Ball went over well. ISO report was done recently; last time was five (5) years ago. ISO rating is better than last time.

Zoning: Bill Masterson. Construction of an 8 unit townhome is being considered. A public hearing on the project will be held on April 23<sup>rd</sup> at 6:30 p.m.

Roads & Bridges: Bill Masterson. Two quotes were received for a skid steer track loader. Bobcat - \$57,440 with one year warranty. Ziegler - \$58,630 with a three (3) year warranty. Motion was made by Brovold to approve the purchase of a bobcat from Ziegler for the amount of \$58,630. Seconded by Bonik, motion carried.

Masterson stated another piece of equipment which is needed is a Pothole patching machine. A demo machine will be looked at and tried.

Spring clean-up will be set for May 7<sup>th</sup> and 9<sup>th</sup>.



Accepting applications for the Street Crew worker position has closed. Brovold and Masterson will go through the applications and set up interviews.

Masterson got a quote to put three (3) inches of bituminous from BBI on Pine Ave. Masterson will get one more quote on this, hoping to do the work this summer. No utilities will need to be moved.

Public Utilities: Masterson. Quotes are also being gotten for equipment for this department.

It takes 8 to 10 months to get a new utility truck.

City Hall: Clerk Lindgren reported on a Road use Agreement from Enbridge. Agreement will not be signed at this time due to errors found in the agreement. Hourly pay scale for city employees will be worked on. Clerk discussed the fact that the City Auditors would like to see the pay date be changed to a few days after the final work day so timecards would correspond with actual days worked. Employees should be given notice at least two (2) to three (3) months ahead of time. Motion was made by Bonik to have work days as semi-monthly with pay days to be by the 5<sup>th</sup> and the 20<sup>th</sup> of each month. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve the 2018 Township Fire Contracts. Seconded by Sutherland, motion carried.

Motion was made by Brovold to advertise for Election Judges with wages at \$15/hour and provide 2 meals during the day. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve Resolution #15-18 BAGLEY ROTARY CLUB GAMBLING PERMIT. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve Resolution #17-18 NORTHERN MUNICIPAL POWER AGENCY DIRECTOR, appointing Bill Masterson. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve Resolution #18-18 NORTHERN MUNICIPAL POWER AGENCY ADVISOR, appointing Dennis Merschman. Seconded by Brovold, motion carried.

Mayor asked that all Council Members look over a sample ordinance on Administrative Citations.

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

## **MARCH 28, 2018**

The Bagley City Council met on March 28, 2018 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmen Chad Bonik, John Sutherland, Dennis Merschman (via Skype), and City Clerk Treasurer Colleen R. Lindgren. Councilman Jon Brovold was absent.

Also present: Bill Masterson, Brady Fredrickson, Chris Arnold, Neal Illies, Justin Netland, Billie Logan and John Gerbracht.

Liquor Store Manager Chris Arnold was present to ask the Council if they want to open the Liquor Area at the Twin Pines Golf Course again this summer. If so bartenders will need to be advertised for. Arnold has not met with the Golf Course Board. Members would like him to meet with them and bring information back to the Council.

Jeremy Hadrava, DOT, was present to update the Council on the Hwy 92 project. Bid prices came in higher than expected. For the cooperative agreement with the City the cost has gone up approximately \$160,000. This is due to the cost of copper and sanitary sewer & water pipe prices. Only three contractors bid the project. Bid will not be awarded for another three (3) weeks. On the restriping of Hwy 2 through the City, the Council will need to make a decision by April 11<sup>th</sup>. Neal Illies asked if the Council turned the project down, DOT can still pass it through. Where does the DOT stand on the project? Hadrava stated the DOT will probably follow what the City Council says. An open meeting will be held on March 29<sup>th</sup> to discuss the HWY 92 project with all interested. Hadrava will attend the April 11<sup>th</sup> meeting with more specs on the Hwy 92 project.

Clerk brought before the Council a Business Subsidy Application put in by Allen Potvin to construct an 8 unit townhome. More information will be brought before the Council on April 11<sup>th</sup>. Jason Murray, David Drown Associates, will be working with Potvin as this will be in a TIF District.

Clerk reported that a new easement contract has been received from Enbridge, to go across the City airport. All information has been forwarded to City Attorney Chris Hood.

Motion was made by Bonik to approve the purchase of a used light bar for the Police Squad car. Seconded by Merschman, motion carried.

Masterson stated that the Sterling truck is still being worked on. Ins. managers want to swap out the cab on the truck due to the smell in it from the fire. Discussion was held on the fix of the truck and the insurance company's responses. Mayor will speak with the insurance company along with Masterson. Boiler in the City Street Shop is going to be replaced.

Clerk brought before the Council a matter with the Small Cities Grant Program where one of the people who received the grant, are in the process of refinancing their home. City is presently at second mortgage and Council needs to make a decision on whether or not to stay as second mortgage or make the people pay back the grant. Motion was made by Sutherland to approve the refinancing and stay as second mortgage. Seconded by Bonik, motion carried.

More discussion was held on the Hwy 2 project concerning the ADA regulations.

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

## **TAX INCREMENT FINANCING**

## **PUBLIC HEARING ON DISTRICT 2-5**

**MARCH 14, 2018**

The Bagley City Council held a Public Hearing on March 14, 2018 in the Bagley City Council Chambers to hear discussion on a proposed TIF District for redevelopment and assist Galen's Supermarket with a new facility.

Present at the hearing: Vice Mayor John Sutherland, Councilmen Chad Bonik, Jon Brovold and Dennis Merschman (via Skype), Colleen Lindgren, Faye Jacobs, Keith Kubiak, Renee Benson, Chris Arnold, Bill Masterson, Ed & Betty Rasmussen, Curt Meyer, Ciera Jobgren, Greg Leintz, Jason Murray, and Aaron Lentz.

Vice Mayor Sutherland opened the Public Hearing.

Jason Murray, David Drown Associates was present to explain the project. Hearing is being held to hear public comment on the proposed development of a Tax Increment District #2-5. This would be a redevelopment district on two parcels of property. Building must be found substandard which it has been by an inspector. Greg Leintz is proposing to demolish the main section of the Bagley Mercantile, putting in a parking lot at the that spot and using the south half of that building as an addition to his Supermarket. Vice Mayor Sutherland asked for any comments from the audience.

Keith Kubiak spoke on the use of tax increment stating that obviously this is what TIF can be used for. When he built he did not ask to use TIF. Plus he had special assessments of \$67,000, all of which he took on the costs. To him it feels it gives a competitive advantage to someone else. Brovold asked Kubiak if he had looked into TIF dollars and which he stated he did not go that way due to being a competitive business.

Greg Leintz feels that redevelopment funds are out there to help with the redevelopment of the community. He is willing to step up to the plate to do that.

Ed Rasmussen feels this would be a great improvement to the community and the downtown area.

Leintz explained the process of his application to DOT for a parking lot and soften the radius of the corner by the stoplight. The alley will be widened to 25 feet and the access to his lot will be from the alley but exit by the south end of the parking lot at the stop lights.

Councilman Merschman asked Kubiak to again state his concerns. Kubiak stated TIF does give his direct competitor an advantage by getting tax dollars. This has been brought up before with a competing business.

Merschman stated his feeling is that this will not be giving dollars for construction but for the demolition of the building.

Bonik stated that if the Council can redevelop and clean up the City, getting things in motion helps. The City would need to clean up this area eventually in the future but this program is available to help with redevelopment.

Murray ended by saying competition is always hard when it comes to TIF Districts. This program removes a blighted business and brings in tax dollars.

Vice Mayor Sutherland closed the public hearing at 5:53 p.m.

\*\*\*\*\*

## **BAGLEY CITY COUNCIL PROCEEDINGS**

### **MARCH 14, 2018**

Vice Mayor John Sutherland opened the meeting at 5:54 p.m.

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

Also present: Bill Masterson, Chris Arnold, Curt Meyer, Jason Murray, Ciera Jobgren, Greg Leintz, Aaron Leintz, Renee Benson, and Tiffany Fettig.

Motion was made by Brovold to approve the minutes of February 14<sup>th</sup>, 21<sup>st</sup>, and 28<sup>th</sup> as presented. Seconded by Merschman, motion carried.

Discussion was held on the Public Hearing held directly before the Council meeting. Jason Murray explained that the first part is for the Council to pass a resolution to create a TIF District and approve a TIF plan. Second part is to do the terms of the project between the City and the developer. Merschman stated he understands that it would be a project amount of \$130,000 cap. Leintz stated that he appreciates the help he has gotten and would appreciate any help the City can put in with the TIF and of course he would like more but he understands where the City stands. Merschman feels that he is set at the \$130,000 cap and this is as fair the Council can be without stepping on other businesses. Motion was made by Brovold to approve Resolution #11-18 APPROVING THE CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 2-5 WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. 2 AND ADOPTION OF THE TAX INCREMENT FINANCING PLAN RELATING THERETO. Seconded by Bonik, motion carried.

Murray stated that the County will be setting the value on the project. He stated that he did figure numbers on the \$130,000 at 15 years as he had heard. The sooner the better that the Council figure up the terms so Leintz can move forward. Leintz stated that if the Council feels to vote tonight on the \$130,000 he would be fine with that so he can move forward with his project. A formal development agreement would be drawn up by bond council and attorney which take about two weeks. Motion was made by Merschman to approve the \$130,000 for the TIF District and be listed at 15 year term. Seconded by Brovold, motion carried. Agreement will be brought before the Council at the March 28<sup>th</sup> meeting.

Curt Meyer was present to update the Council on the Hwy 92 project loan funds. The following resolutions are part of the PFA application process. Numbers are estimated and will not be final until bids are received. Application for funds is due by March 30, 2018.

Motion was made by Brovold to pass Resolution #12-18 APPLICATION APPROVAL TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY CLEAN WATER REVOLVING FUND. Seconded by Bonik, motion carried.

Motion was made by Brovold to pass Resolution #13-18 APPLICATION APPROVAL TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY DRINKING WATER REVOLVING FUND. Seconded by Bonik, motion carried.

Motion was made by Brovold to pass Resolution #14-18 APPROVAL OF MINNESOTA PUBLIC FACILITIES AUTHORITY FUNDS TO BAGLEY PUBLIC UTILITIES. Seconded by Bonik, motion carried.

February City receipts in the amount of \$13,939.24 were reviewed.

City Budget reports for February were reviewed. Total expenses for February are \$106,648.61.

February Liquor Store profit & loss was reviewed.

Motion was made by Brovold to approve the February paid invoices for the City and Liquor Store. Seconded by Bonik, motion carried.

Outstanding invoices for the City and Liquor Store were reviewed. Bonik asked that one additional bill be added to the City bills and this is for 2 docks to be purchased from Justin & Tanya Netland for the seasonal sites. Motion was made by Bonik to approve payment of the outstanding bills for the City and Liquor Store. Seconded by Brovold, motion carried.

Tiffany Fettig, Headwaters Regional Finance Corp. was present to speak with the Council on the State Revolving Loan Funds which the City is holding. Cities have the option of de-state-izing the funds. Deadline to do so is June 1<sup>st</sup>. There are presently two borrowers using state MIF funds. The City could offer them an early buy out of their loans, giving them a discount. If the City were to elect to de-state-ize the funds, they would pay the State back 20% of the cash balance in the accounts and then would be able to keep the rest and use as they see fit in the city. Fettig stated this is a onetime offer and not typically done by the State. Restrictions on the use of the funds are very liberal. Motion was made by Brovold to offer the two borrowers, Greater Bemidji and Duane Lewis, a 12% discount on the payback of their balances owed. Seconded by Bonik, motion carried.

Department reports: Fire Dept. Payment to Active911 is due in the amount of \$282. Motion to pay was made by Brovold. Seconded by Bonik, motion carried. Firemen's Ball is scheduled for April 7<sup>th</sup> at Timbers Event Center.

Police Dept. Chief Benson reported that advertising is being done for a Police Officer position. There is someone looking at doing a drug/non can training. Will be checked into further with more info to come.

Liquor Store. Arnold reported on Legislative Days which he attended. Senator Utke does not see any problem with the legislation that he put through on Liquor Stores. Arnold will be speaking to Rep. Grosell soon. Big topic at the state is wine in grocery stores. Credit card machines are in and running. Arnold asked permission to send one employee to the 2018 MMBA Annual Conference at Arrowwood Resort/Alexandria on April 28-May 1st. Cost

to be \$655. Arnold's costs are covered by MMBA. Motion was made by Brovold to send one liquor store employee to the conference. Seconded by Bonik, motion carried.

Parks & Recreation: Board ordered a Spinami for the playground in one of the parks. Docks are planned for the seasonal sites. Four spots are left to be filled in the seasonal area. One job application has been received for the park attendant position.

Zoning: A number of construction projects for the summer have been talked about but no applications have been received as of yet.

Roads & Bridges: Equipment is being purchased for the City garage. Sterling truck is still being worked on. Quotes are being gotten to take out the wiring harnesses as they might be the smell problem. One quote has been gotten for a bobcat. Grapple for the bucket on the loader has been put on hold.

Public Utilities: Frozen storm drains are being worked on. An upgrade to City power is being done. Fiber move for Hwy 92 project is being worked on. Only one contractor has picked up information to move the gas line.

Masterson asked the Council if they want stamped concrete or non-stamped when the Hwy 92 construction goes in. Brovold asked Masterson to get a cost estimate on this and bring it back to the Council at the next meeting.

City Hall: Clerk Lindgren reported that the Bagley Dental Office has asked for a handicap parking spot in front of their building. It is up to the City to allow this. Masterson did not feel it would be an issue. This will be incorporated into the Hwy 92 plans.

Clerk reported that Mayor Michel has asked if the time for the Hwy 92 Construction meeting on March 29<sup>th</sup> could be held later in the day due to a number of business's have stated it would be easier for them to attend if it was held later in the day. DOT has agreed to hold the 29<sup>th</sup> meeting at 5 p.m. to 7 p.m. at City Hall. Also, another meeting for the Hwy 2 striping project could be held on March 26<sup>th</sup> if the Council wants another one. Members agreed on the 29<sup>th</sup> meeting to be held at 5 to 7 and to hold another meeting for the striping project on Monday March 26<sup>th</sup> at 5:30 to 7. A letter was received from Dave Lee rescinding his earlier letter supporting the 3-lane Hwy 2 project.

Motion was made by Brovold to hire Joan Gray as Park Janitor for the 2018 Season following the wage step for the position. Seconded by Bonik, motion carried.

Police Chief Benson reviewed the LAW ENFORCEMENT MUTUAL AID AGREEMENT, stating at this time she is in favor of the Resolution to enter into this agreement. Motion was made by Bonik to pass Resolution #10-18 RESOLUTION AUTHORIZING CITY OF BAGLEY TO ENTER INTO LAW ENFORCEMENT MUTUAL AID AGREEMENT. Seconded by Brovold, motion carried.

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

**FEBRUARY 28, 2018**

The Bagley City Council met on February 28, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson, Chris Arnold, Dan Sauve, Kenny Larson, Morgan Larson, Travis Cleveland, Shane & Jo Auginaush, and Renee Benson.

County Engineer Dan Sauve presented to the Council an Agreement between Clearwater County and the City of Bagley. During the 2018 Street Project work will be done on 4th Street for sidewalk and storm sewer, which is a County State Aid Road. Work will be paid for by State aid and then through the agreement the City will take care of any maintenance. Motion was made by Brovold to approve Agreement #2018-01 between Clearwater County and the City. Seconded by Sutherland, motion carried.

Motion was made by Brovold to sign a letter of support for an entrance to be constructed for the parking lot which Galen's Supermarket is proposing.

Discussion was held on a LAW ENFORCEMENT MUTUAL AID AGREEMENT which was brought forward by Police Chief Benson. Members agreed to table the agreement until all could go through it and check into the verbiage of some items.

Kenny Larson was present to voice concerns on recent burglaries in the City. He would like to know why the Council has gone from four (4) Officers down to two (2). He voiced that he feels, and many other people in the City feel also that the Sheriff's Dept. and the Police Dept. are getting their wires crossed and something needs to be done. Councilmembers stated they are working on it and something will be done soon.

There will be an Open House meeting on March 8th, 11 a.m. to 2 p.m., at the City Council Chambers concerning the Striping Project which is to be done this fall. Council received a letter from business owner David Lee, voicing his concerns on the proposed bike lane to go with the project.

Discussion held on the PFA loan for the Hwy 92 project. Motion was made by Bonik to approve the Mayor to sign "Form 5 – compliance with Federal and State Laws, Rules, Regulations" and "Form 6 – Fair Share Statement, Disadvantages Business enterprise (DBE) Certification Required DBE Procurement and Contract Conditions." Seconded by Sutherland, motion carried.

A conference on TIF, Tax Abatements & Bond Issues will be held by David Drown Associates. Motion was made by Brovold to approve sending up to three people to the conference. Seconded by Sutherland, motion carried.

Liquor Store Manager Chris Arnold spoke on the fact that a bill has gone before the State Legislature & Senate allowing a Liquor store to be built in Akeley which will only be 1000 feet or less from the Municipal Liquor Store. This is not supposed to be allowed by MMBA rules. Some of the Cities will be sending in letters against the bill. Motion was made by Bonik to get a letter sent to St. Paul stating the City of Bagley's opposition to the bill. Seconded by Brovold, motion carried.

Police Chief Benson talked on the fact of posting a job position for the Police Department. She would like to create a pool of applications. Motion was made by Brovold to approve advertising for Police Officer position. Seconded by Bonik, motion carried. Benson will bring more information to the next council meeting.

Street/Utilities Supt. Bill Masterson would like to hire another employee for the summer and possibly turn to full time. Brovold thinks it would be important to get someone in now. Masterson feels he could use a full timer. Motion was made by Bonik to advertise for a full time position with the City Street Dept. Seconded by Brovold, motion carried.

Masterson asked permission to send employee Dusty Gilbertson to Waco, Texas on the training of the use and maintenance of the new street sweeper. All expenses would be paid by the company. Only cost to the city would be wages. Motion was made by Brovold to send one Street crew worker to the training if it works out with the Superintendent. Seconded by Sutherland, motion carried.

Masterson asked about purchasing a Bobcat due to the fact only one loader is tough to get the work done. There are funds in the restricted equipment funds. Masterson will get quotes and bring back to the Council 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, motion carried.

## **FEBRUARY 21, 2018**

The Bagley City Council met with Township Officials on February 21, 2018 at 6 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmen John Sutherland, Jon Brovold, Chad Bonik, and Clerk Treasurer Colleen Lindgren.

Also present: Fire Chief John Gerbracht and three (3) Township Officials.

Councilman Brovold reviewed the amount in the truck/equipment fund savings account.

City is still looking for grant funds for a fire truck.

2017 final budget was reviewed along with the 2018 budget.

Council is also looking into raising the yearly stipend for the Fire Dept. Officers.

Chief Gerbracht stated the Firemen's Ball will be held on April 7th at Timbers Event Center. Funds raised will go towards a battery operated Jaws of Life.

Being there was no further business to discuss; motion to adjourn was made by Brovold. Seconded by Sutherland, motion carried.



## **FEBRUARY 14, 2018**

The Bagley City Council met on February 14, 2018 at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson, Curt Meyer, Jordan Lee, Jeremy Hadrava, Jason Murray, Chris Arnold, Renee Benson, Shane Auginaush, Vicki Fletcher, and Ciera Jobgren.

Motion was made by Brovold to approve the minutes of the Jan. 10, 24, 30, & Feb. 9th meetings as written. Seconded by Bonik, motion carried.

Dan Hecht was present to speak with the Council about Firemen's Relief. Hecht reviewed the 2017 annual report. The FR Board is asking that the benefit be raised from \$1,600 to \$1,800 per year. Motion was made by Brovold to approve the amendment to the Firemen's Relief By-laws as presented by Hecht. Seconded by Merschman, motion carried.

Jeremy Hadrava, DOT, brought in the final cooperation agreement/contract for the 2018 project. City total is approximately \$1,093,711.31 with reconstruction and utilities. Resolution #9-18 AGREEMENT BETWEEN THE CITY OF BAGLEY AND MINNESOTA DEPARTMENT OF TRANSPORTATION was reviewed. Curt Meyer stated that he had no issues with the agreement. Information was been given to MN Rural Water and PFA on the project. His latest thought on the amount the City should see from PFA is \$750,000 to \$800,000. The city will need approximately \$300,000 in non PFA funds. Formal request to PFA is due on March 30th. City will need to decide on how to fund the other \$300,000 needed. The Midi loan is a three year temporary loan. This is to cover costs for when the project starts and payments will be needed for MNDOT. County Eng. will be involved with the streets that are County State Aid. An agreement will be brought before the Council at their next meeting. Motion was made by Brovold to approve Resolution #9-18. Seconded by Bonik, motion carried.

Jason Murray, David Drown Asso. Discussion held on the temporary loan for the 2018 street project. It is a three year midi loan for flexibility on paying, which will be paid back by the utility dept. 3.35% interest rate. Motion was made by Bonik to pass Resolution #6-19 RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF A \$837,000 TEMPORARY GENERAL OBLIGATION UTILITY REVENUE NOTE, SERIES 2018A. Seconded by Brovold, motion carried.

Discussion was held on TIF District #5 for Galen's Super Market. Murray explained that all info has been sent to the School District and the County. March 14th will be the Public Hearing. The document that is prepared is what the Council decides on to create the TIF Dist. Council decision on the district is not completed until after the Public Hearing.

Jordan Lee spoke on the PFA funds. There will be three (3) resolutions for the Council at the March meeting.

Motion was made by Bonik to approve the bid of Bagley CoOp Association's for gas at the pumps. Seconded by Sutherland, motion carried.

Final 2017 City Budgets were reviewed. Motion was made by Brovold to approve the Clerks Recommendations on Transfer of 2017 Budget funds. Seconded by Sutherland, motion carried.

The 2017 Final Budget for the Municipal Liquor Store was reviewed.

January 2018 City receipts in the amount of \$101,083.70 were reviewed.

January 2018 City Expenses in the amount of \$264,638.59 were reviewed.

January 2018 Liquor Store Profit & Loss was reviewed.

Motion was made by Brovold to approve the January paid invoices for the City and Liquor Store. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve the outstanding bills for the City and Liquor Store, holding the payment to Ross Lewis Sign Co. until the sign is completely done. Seconded by Brovold, motion carried.

League of MN Cities 2018 Safety & Loss Control workshop will be held in Bemidji on March 27th. No one to attend at this time.

Department Reports: Liquor Store-Manager Chris Arnold. New sign is working great and is rotated every two weeks. Software and terminals for the credit card process are being looked into. Motion was made by Brovold to approve the estimate of Zabinski Business Services, Inc. for the upgrade to the computers for credit cards, to be paid upon completion. Seconded by Bonik, motion carried.

Fire Dept.-Chad Bonik. Firemen's Ball will be held on April 7th at Timbers Convention Center. Raffle is in progress and funds raised will go towards a battery operated JAWS.

Police Dept.: Chief Renee Benson. The power supply is out on the desk top computer and cannot be fixed. Information was retrieved.

Park & Rec Board: Board meeting minutes were in council packets. A dock is being looked into for the seasonal sites. Members are also looking into more playground equipment. Four Seasonal sites are still open. Job description for the part attendant has been updated. Advertising is being done.

Zoning-Bill Masterson. The Hockey Arena is looking at adding on.

Roads & Bridges-Bill Masterson. Boiler at the City Shop is still not functioning right and will be worked on. Sterling Plow Truck – Ozone machine was purchased and has been used on the truck. Chemical testing by the Safety Officer will be done again. Issue will still be worked on.

Public Utilities-Bill Masterson. Auto readers are being put in. Working on the Hwy 92 street projects. A four (4) inch gas line by the park will need to be moved and prices are being gotten for expanding the gas lines. Masterson would like to put more street lights in on 4th Street when the 92 project is happening.

City Hall-Colleen Lindgren, Clerk. Council was given the 2017 Annual Report for Zoning. Motion was made by Brovold to swap two trucks between the City and the Public Utilities. Seconded by Bonik, motion carried.

Motion was made by Bonik to approve the Liquor License name change request by Amanda Grover from Grover Properties to DaRoo's Pizza of Bagley, Inc. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve final payment of \$750.00 to Fahrner Asphalt for the 2017 Sealcoating project. Seconded by Sutherland, motion carried.

Clerk will not be attending the Clerks Conference in March.

Motion was made by Brovold to send two (2) people to the Administrative Professionals day conference on April 25. Seconded by Sutherland, motion carried.

Fishing Pier discussion. Project tabled at this time.

Motion was made by Bonik to approve Resolution #7-18 RESOLUTION ADOPTING RULES OF COGENERATION AND SMALL POWER PRODUCTION FACILITIES. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve Resolution #8-18 NMPA PARTICIPANT, GOVERNING BODY REOLUTION APPROVING WAIVER PETITION WITH THE NORTHERN MUNICIPAL POWER AGENCY FOR QUALIFYING FACILITIES. Seconded by Brovold, motion carried.

Discussion held on the State Revolving Loan Funds held by the City. Clerk will set up a meeting with HRFC/Sarah Linda.

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

The Bagley City Council met in special session on **February 9, 2018** at 7 a.m. in the City Council Chambers.

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

Also present was Attorney Brandon Fitzsimmons (via skype).

RE: Pending Litigation – Teamsters, Local No. 346 Labor Contract Grievance.

Motion was made by Sutherland to close the meeting at 7:12 a.m.

Mayor Michel reopened the meeting at 7:52 a.m.

Motion was made by Brovold to adjourn the meeting. Seconded by Sutherland, motion carried.

The Bagley City Council met in special session on **January 30, 2018** at 8 a.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmen John Sutherland, Dennis Merschman (via Skype), and City Clerk Treasurer Colleen R. Lindgren.

Absent: Councilmen Chad Bonik and Jon Brovold.

Motion was made by Sutherland to approve the 2018 Pay Equity Report as completed by Attorney's Flaherty & Hood. Seconded by Merschman, motion carried.

Motion was made by Sutherland for Councilmembers & Mayor not to be paid per diem for the meeting. Seconded by Merschman, motion carried.

Motion to adjourn was made by Sutherland. Seconded by Merschman, motion carried.

The Bagley City Council met on **January 24, 2018** at 5:30 p.m. in the City Council Chambers.

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

Also present: Dan Hecht, Bill Masterson and Jeremy Hadrava.

Dan Hecht was present to ask for permission to hold the annual fund raiser for the Firemen's Relief Raffle at the Firemen's Ball. Ball will be held at Timbers Event Center. Goal is to raise funds for the Jaws of Life. 10% of the funds raised go into the Relief Association. Motion was made by Sutherland to approve Resolution #5-18 BAGLEY FIREMENS RELIEF GAMBLING PERMIT. Seconded by Brovold, motion carried. Members of the Relief Association are discussing a raise in benefits. Hecht will come back to the Council on this at the next meeting.

Discussion was held on the end of the year budget report for the Fire Department. Motion was made by Brovold to transfer the remaining 2017 budget dollars into the Fire Dept. Equipment savings account. Seconded by Sutherland, motion carried.

Discussion was held on the wages for Firemen. Motion was made by Sutherland to raise the firemen pay to \$10.00 per call. Seconded by Brovold, motion carried. Discussion was held also on raises for the Officers. More discussion will be held at the meeting with the Townships on Feb. 21st.

Jeremy Hadrava was present to speak on the striping project to be done in the City. Plan sheets were shown to the Council. There are two ways to handle it. The Council can hold a hearing with a 30 day comment period with a 90 day waiting period. Or the Council can wave the municipal consent. Mayor stated the Council does have some questions on the project. Members stated they would like to go through with the process so if people and

Council have questions they would be able to ask and get answers before the project is done. Letting date would be changed if Hadrava gets Municipal consent. Council agreed to go through with the process. A public meeting will be held on February 20th from 4 to 6 p.m. in the City Council Chambers. Highway 92 projects will now have a March letting due to some changes in the construction.

Clerk informed the Council that Park Attendants Mike & Elaine Brustad will not be returning this summer. Motion was made by Brovold to advertise for Park Attendants. Seconded by Sutherland, motion carried.

Discussion was held on funding for a fishing pier. Park Board asked if the Council would be willing to look into applying for a 50% matching grant. Applications are due March 30th. Clerk contacted HRDC and they do have someone who would be able to help with the application. Approximate cost is unknown at this time. More information will be brought to the February Council meeting.

Motion was made by Brovold to sign the construction papers for the 2018 Airport project. Total project cost is \$200,000 with a city share of \$10,300. Seconded by Sutherland. For: Brovold, Sutherland, Bonik, Michel. Opposed: Merschman. Motion carried.

Discussion was held on the proposed TIF Dist. 2-5 for Galen's Super Market. Numbers were reviewed on percentages and years. Merschman has spoken with Jason Murray from David Drown Associates on the project.

Councilman Brovold brought up some issues on zoning in the city. There have been letters sent out by Zoning Officer Masterson. There are also homeowners in the city that should have fines but nothing has been done that is known. Mayor will speak with the Police Chief to see what has been done on this.

Masterson reported on the issue of the boiler at the city shop. It has not been working correctly. Boiler may need to be replaced. The Sterling truck also is having more issues. The insurance company wants Masterson to buy an ozone unit and put that in the cab. The City Safety Officer has been contacted and will be doing some testing on the truck also. Mayor stated that an ozone tester should not be used on a truck. Masterson will move forward on the vehicle as needed. Masterson reported that Luckens Trucks has a '98 truck for the cost of around \$45,000. He will look into this further.

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

The Bagley City Council met in regular session on **January 10, 2018** at 5:30 p.m. in the City Council Chambers.

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

Also present: Bill Masterson, Keith Kubiak, Tom Lillegaard, Curt Meyer, John Gerbracht, Chris Arnold, Greg Lentz, Aaron Lentz, Kyle Crist, Vickie Fletcher, Jason Murray and Jeremy Hadrava.

Motion was made by Councilman Brovold to approve the minutes of the December 9th & 13th, 2017 meetings. Seconded by Sutherland, motion carried.

Mayor Michel called upon Curt Meyer, WSN. The first step for the PFA funding is being done. Plans have been sent to MPCA and the MN Health Dept. for their review. Funding applications for PFA are due the end of March. One extra step is the use of the Mini-intern program. The City will pay the contractor and PFA will repay the city. Council needs to approve contacting MN Rural Water on loan funds. Jordan Lee will attend the February meeting to update the Council more on the funding. Motion was made by Sutherland to approve Jordan Lee to contact MN Rural Water on the loan funds and to start the process on the project. Seconded by Brovold, motion carried. Starting date of the 2018 Street project should be May 1st.

Jason Murray from David Drown Association was present to talk with the Council about a new TIF Dist. Greg Leintz gave an update on his project of expanding the current Galen's Super Market. He discussed the proposed access to Hwy 92 and hooking up to the storm sewer system. Murray stated that the proposed TIF District would be a Redevelopment District. It is a 60 day process and he would propose a March 14th public hearing. Project does meet the criteria for the District. A resolution is needed for the calling of a public hearing. Brovold asked for some numbers which the council can study for the project. TIF Dist. would run about \$175,000 for payments. The Developer has deposited \$9,000 with the City Clerk to set up the district. Resolution would be to start the process of setting up the district but council still needs to approve the TIF District after the hearing. Murray will draw up a plan, notifications will go out to the county and school district and then the Public Hearing is held. The Council will not be locked into anything by passing the Resolution. Motion was made by Merschman to approve Resolution #4-18 NOTICE OF PUBLIC HEARING ON THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 2-5 WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. 2. Seconded by Bonik, motion carried. Murray will put numbers together and send to the Clerk for the Council.

Jeremy Hadrava updated the Council on the chip seal and re-stripping of Hwy 2. Project will be let in March 2018. Will take place at the end of the 2018 Hwy 92 project which should be around August 18th. To change the driving lanes in the City, DOT must have municipal consent. This is just a trial project. If it does not work, then in 2020 it would be changed back to a four lane road. Motion was made by Brovold to give Hadrava verbal consent at this time to move forward on the project. Seconded by Sutherland, motion carried. DOT will be having either a mailer or brochure that will go out to the public.

Hadrava stated the Hwy 92 project will tentatively begin on May 8th with an August 14th completion date. Project will be let on February 23rd.

Motion was made by Brovold to approve the Consent Agenda. Seconded by Bonik, motion carried. Includes: 1) 2018 Zoning Board Appointments: Chad Bonik, Bill Masterson, Kraig Fontaine, Jackie Merschman and Mayor Sidney F. Michel. 2) 2018 Library Board appointments: Kathy Steinmetz, Cassie Dahl, Sarah Schwegel, Tarah Hoyt, and Terri Knutson; 3) 2018 City Attorney appointment: Chris Hood of Flaherty, Hood P.A.; 4) 2018 contract with County Attorney for Prosecution Services; 5) advertise for gas at the pumps;

6) Resolution #1-18 OFFICIAL NEWS PAPER; 7) Resolution #2-18 OFFICIAL DEPOSITORIES; 8) Resolution #3-18 TRANSFER OF DESIGNATED FUNDS.

Mayor Michel appointed John Sutherland as Vice-Mayor for 2018.

December City receipts in the amount of \$725,133.92 were reviewed.

December City budget reports were reviewed. Total expenses for the month were \$369,990.80.

December Liquor Store Profit & Loss was reviewed.

Motion was made by Brovold to transfer the Liquor store depreciation dollars of \$28,998.00 to the liquor store checking to cover the purchase of the sign and the difference of \$5,316.97 back into the Liquor Store savings account. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve the December payments for both the City and the Liquor Store. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve payment of the outstanding bills for both the City and the Liquor Store. Seconded by Bonik, motion carried.

Department Reports: Fire Chief John Gerbracht. Chief asked the Council about the increase in Firemen wages. Topic will be put on the Council work session. The DAC has also contacted the Chief about cleaning the fire hall. Clerk will work with the DAC to do the cleaning. Deputy Clerk was asked to give the Fire Dept. Secretary a quarterly report on what funds are sent in for payment to the Fire Dept. for fires. Secretary will also be asked to give the Clerk a quarterly report on billings that she sends out.

No report from the Police Dept.

Liquor Store-Manager Chris Arnold. Arnold reported on the Liquor Store activities for the month. Arnold also reported on the use of the new sign.

Park & Recreation – Annual report was given to the Council on what the Park Board accomplished during the year. Clerk was asked to put the policy change about park camping reservations on the city web site, newspaper and reunion site.

Zoning-Bill Masterson. The Railroad is proposing to build a 140 foot tower on the south side of the City. New carwash will be opened soon.

Public Utilities-Bill Masterson. Power outage was reported recently and also an internet outage. Re-transmission agreements have been completed.

Street Department-Bill Masterson. The Sterling truck has been received back after it was cleaned and repaired. There is still a smell in it but will be watched. Couple repairs still need to be done. Shop boiler needs to be repaired and checked over as this may be fire related. Masterson has found a light dump truck for sale from Lucken Truck Sales. Cost is \$29,000 plus tax. A second truck which is a little larger will be coming in next

week. Motion was made by Brovold to purchase the truck. Seconded by Sutherland, motion carried.

City Hall- Clerk Treasurer Colleen Lindgren. Clerk read a thank you note to the Council from Enbridge. Motion was made by Brovold to approve the Clerk to attend the Clerks & Finance Officers conference in Bloomington March 20-23. Seconded by Sutherland, motion carried.

Motion was made by Brovold to meet with Townships on Fire Protection Contracts, on February 21, 2018 at 6 p.m. Seconded by Bonik, motion carried.

Clerk opened the bids on the equipment for sale. 1) Ron Johnson/snow blower/\$530. 2) Joel Stenseng/snow blower \$555 and 4 in 1 bucket \$850. Motion was made by Bonik to accept the bids of Joel Stenseng. Seconded by Brovold, motion carried.

Disclosure reports were received from Ehlers and David Drown Associates.

Further business? Bonik asked that a Thank you letter be written to JAG Auto Body and the City of Clearbrook for the use of their buildings and plow while the City went through the fire of the City Shop. Clerk to do so.

Clerk reported that at the Council work session on January 24th, the Pay Equity report will be on the agenda.

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