

CITY COUNCIL PROCEEDINGS
JANUARY 6, 2021

The Bagley City Council met on January 6th, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also present: Vicky Fletcher, Ryan Zemek (via Skype) and Bill Palmer (via Skype).

Jacobs administrated the Oath of Office to Mayor Michel and Councilmembers Dennis Merschman and Jon Brovold.

Mayor Michel called the meeting to order at 5:30 p.m.

Palmer explained the Hockey Association's Bagley Youth Hockey Arena Improvements project is applying for funding through the Mighty Ducks Grant Program, the money is needed to eliminate the existing R-22 system as it has become obsolete and upgrading aging compressors, as well as other projects. The grant application requires local government involvement as the grant is funded by State Bonding. The Hockey Association is asking City Council to pass a resolution forming a partnership between the City and the Association to be eligible for the grant. The Hockey Association will be entirely responsible for all matching funds required.

Merschman made a motion to approve Resolution #1-21 establishing the partnership between the Hockey Association and the City for the purpose of eligibility to apply for the Mighty Ducks Grant. Seconded by Sutherland, motion carried.

Pay dates for City Employees was discussed. Payroll dates will remain the same for now.

Motion to was made by Merschman to approve a step raise for Street Crew worker Gilbertson as he tested for and received a license to apply pesticides. Seconded by Brovold, motion carried.

Motion was made by Bonik to set up a reserved account to meet requirements for the USDA fire truck loan with City funds and to label clearly that it is City money and not the townships funds establishing the line item. The money to be put back in the City's General Fund when the truck is paid for. Seconded by Sutherland, motion carried.

Township Fire Contract meeting is set for Wednesday February 17th, 2021 at 6:00 p.m.

Motion was made by Bonik to purchase 2 parcels of tax forfeited property from the County at the cost of \$200.00 per property and closing cost of 78.65 each. Seconded by Sutherland, motion carried.

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

JANUARY 13, 2021

The Bagley City Council met in regular session on January 13, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Renee Benson, Bill Masterson, Brett Carter.

Motion was made by Merschman to approve the minutes of December 9th and December 16th, 2020 and January 6th, 2021 as written. Seconded by Bonik, motion carried.

City receipts were reviewed with revenue of \$1,032,559.86.

Kathy Pavek, Joe Kramer and Patrick Conley joined the Council meeting at 5:35 via Zoom with a presentation for Respect Minnesota. Respect Minnesota is a pledge to honor and respect people and their opinions and to provide a safe

environment for everyone during the planning, permitting and construction of infrastructure projects, such as the Enbridge project. Respect Minnesota will be providing the city with some items such as buttons, bracelets and window clings for the public.

City Budget Reports for December were reviewed totaling \$118,599.59.

Motion to approve the checks written in December for the City and Liquor Store was made by Sutherland. Seconded by Bonik, motion carried.

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

Department reports were heard.

Mayor Michel asked Brovold to act as Vice-Mayor. Motion was made by Sutherland to appoint Brovold as Vice-Mayor. Seconded by Bonik, motion carried. Brovold abstained from the vote.

The Consent Agenda consisted of 7 items.

1. Resolution 2-21 for Official Newspaper
2. Resolution 3-21 for Official Depository
3. Resolution 4-21 Cost of Water and Wastewater Issues
4. Appointment of Library Board-Terri Knutson, Sara Schwegel, Tarah Hoyt and Cassie Dahl
5. Appointment of Planning and Zoning Commission-Chad Bonik, Sid Michel, Jacki Merschman, Bill Masterson and Kraig Fontaine
6. Appointment of Stuart Lien to the Public Utility Commission
7. Authorization of Mayor Michel and Councilmember Brovold to address personnel issues.

Motion to approve the Consent Agenda was made by Bonik. Seconded by Sutherland, motion carried.

Gas bids for 2021 for City vehicles and equipment was the next item on the agenda. Motion was made by Bonik to award the Bagley Co-op Association (the

only bid received) with a bid of .05 off the price of gasoline and diesel fuel to be adjusted on the monthly statement. Seconded by Brovold, motion carried.

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

JANUARY 27, 2020

The Bagley City Council met on January 27, 2020 at 5:30 p.m. in the Bagley City Council Chambers.

Present: Mayor Sidney Michel, Councilmembers John Sutherland, Jon Brovold, Chad Bonik and Dennis Merschman (via Skype) and City Clerk Faye Jacobs.

Also Present: Bill Masterson, Troy Jesness, Chris Arnold and Jason Murry (via Skype).

The meeting was called to order at 5:30 by Mayor Michel.

Jason Murry is with David Drown and Associates, the firm that oversees the cities Tax Increment Financing (TIF) districts. Murry joined the meeting to explain how the TIF districts benefit the city and how the taxes generated from the districts can be used by the city for infrastructure and other projects. The city currently has 5 such districts.

Motion was made by Brovold to approve an agreement between the City of Bagley and the Clearwater County Attorney's office to provide legal representation for 2021. Seconded by Bonik, motion carried.

Liquor Store Profit and Loss and budget reports for the Municipal Liquor Store were reviewed as well as the end of year report. Arnold provided bar graphs to show the growth of sales, comparing past years to present. The graphs show progressive growth in sales and income over the past several years.

Motion was made by Bonik to approve the Liquor Store budget for 2021. Seconded by Sutherland, motion carried.

Mayor Michel shared information from his zoom meeting with the Coalition of Greater Minnesota Cities.

Brovold was asked by the Park Board to update the Council on work in progress for a Fishing Pier. Park Board member Bill Prochaska has been working with the DNR to procure a 50-50 grant for the project. The Park Board wanted to be sure that the City Council is on board with pursuing funding for the Pier.

Fire Chief Jesness has received the updated by-laws for the Fire Department that the City Attorney updated and revised. It will be approved later after a thorough review.

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

FEBRUARY 10, 2021

The Bagley City Council met in regular session on February 10, 2021 at 5:30 p.m. in the City Council Chambers.

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

Councilmember John Sutherland was absent and Councilmember Bonik joined later in the meeting.

Also Present: Zach Thoma, Brett Carter and Troy Jesness also joined the meeting late.

Motion was made by Merschman to approve the minutes of the January 6th, 13th and 27th meetings as written. Seconded by Brovold, motion carried.

Zach Thoma with Karvakko Engineering was in attendance to give an update on Airport projects and progress with the USDA and PER application, funding for the upcoming Water and Sewer project.

It is necessary to rebid for the Taxiway/Apron Rehabilitation Project as all bids were rejected last summer. Motion for approval of the Task Order to bid the project was made by Brovold. Seconded by Merschman, motion carried.

Thoma is working with the USDA on the Water/Sewer Project. Because it is such a big project the USDA wants to split the funding in 3 to 4 phases. Thoma explained the first phase would start with priority areas in which the replacement was most needed.

City January receipts in the amount of \$11,805.37 were reviewed.

City January budget reports were reviewed. Total expenses were \$216,185.62.

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

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

American Legal Publishing, the company that redid the City Ordinance Book in 2009, contacted the Clerk to see if the City wanted the book updated. After a discussion it was agreed by the Council to table the issue for a later date.

Brovold made a motion to approve the Consent Agenda.

1. Approval of Pay Equity Implementation Report
2. Authorization for Mayor to sign the Pay Equity Report
3. Authorization for the Clerk to submit the Pay Equity Report
4. Resolution 5-21 Appointment to the Housing Board

Seconded by Merschman, motion carried.

Colleen Lindgren has volunteered to take care of the hanging flower baskets and planters for the 2021 season and asked permission to send letters to city businesses asking for donations. Brovold made a motion for Lindgren to pen letters to local business owners soliciting donations. Seconded by Merschman, motion carried.

Mayor Michel and Bill Masterson met with a representative from Enbridge. Mayor Michel gave a summary of the discussion.

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

FEBRUARY 17, 2021

A meeting was held on February 17, 2020 at 6:00 p.m. in the Community Room with members of the City Council, the Mayor and representatives from three townships.

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

Also Present: Susan Sunderland, Larry Olson, Dan LaVine, Kurt Wannabo, Clarence LaCroix and Paul Johnson.

Mayor Michel opened the meeting at 6:00 p.m.

Those in attendance were provided packets with the details on the financing of the new fire truck purchased in 2020, the savings account activity to date, final budget information for 2020, the 2021 Fire Department budget along with detailed account information from the City's general ledger for the Fire Department for 2020 and 2021.

The Clerk explained how the estimated market values on real property that she receives from the County Assessor yearly is used to figure each township's cost for fire protection.

The Council and Clerk answered questions on the provided materials and the Mayor addressed the on going search for grant money to help off set the fire truck payments and other expenses.

Bonik mentioned that the next vehicle the department may need to replace will be Unit #1 as it is used a lot and is 20 years old. He also pointed out that OSHA requires gear to be replaced every seven years which is a huge expense.

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

MARCH 10, 2021

The Bagley City Council met in regular session via Zoom on March 10, 2021.

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: Bill Masterson, Renee Benson, Troy Jesness, Justin Netland, Chris Arnold, Ron and Ethan Wendt, Zach Thoma and Brett Carter.

Mayor Michel called the meeting to order at 5:30 p.m.

Motion was made by Merschman to approve the minutes of the February 10th and 17th meetings as written. Seconded by Brovold, motion carried.

Motion was made by Sutherland to approve a Calendar Raffle that will be applied for by the Clearwater County Agriculture Society. Seconded by Brovold, motion carried.

The President of the Firemen's Relief Association Justin Netland requested approval of a \$100.00 increase in funding to the Relief Association. Motion was made by Merschman to approve the increase. Seconded by Brovold, motion carried.

City receipts were reviewed with revenue of \$20,177.33 for the month of February.

City budget reports were reviewed with expenses totaling \$63,526.96 for all departments.

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

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

Department reports were heard.

Jacobs asked permission to have a picture framed and matted for the Council Chambers at the cost of \$350.00. Motion to approve was made by Merschman, seconded by Brovold, motion carried.

The Park Board requested the appointment of Joseph Peasley and Carrie Schwegman-Norum to their board. Motion for the appointments was made by Sutherland. Seconded by Merschman, motion carried.

The City will hold a City-wide clean up this year. Masterson will coordinate with the County Environment Office and the date will be set later.

Zach Thoma with Karvakoo Engineering gave an update on the Airport bid opening which is set for April 14th. Thoma also reported on the progress of the PER application for USDA funding on the upcoming sewer and water project. He is looking into other grants as well, to help defray the cost of the project.

Boy Scout, Ethan Wendt, asked what the City Council does. Brovold explained the Council's role with decision making and a brief summary on how the budget for the City works and the Council's role in staying within that budget. Answering another question on how disagreements within the Council are resolved, the Mayor explained there would be a discussion and decisions are made by the majority vote.

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

MARCH 24, 2021

The Bagley City Council met on March 24, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Bill Masterson, Zach Thoma and Chris Arnold.

Mayor Michel called the Meeting to order at 5:30 p.m.

The Liquor Store Budget and Profit and Loss reports for January and February were reviewed. Arnold provided the Council with a bar graph comparing 6 years of gross profit and gross sales.

Arnold has been coordinating with the Bagley Area Chamber for the Annual Fireworks Fund Raiser. Arnold reported the Chamber is willing to put up donation boxes at local businesses and proposed the Liquor Store match donations. Motion was made by Sutherland to match donations up to \$2,500. Seconded by Brovold, motion carried.

Motion was made by Brovold to approve the Firemen Relief Association gambling application for a raffle to be held on June 19th, 2021. Seconded by Sutherland, motion carried.

Masterson reported he would like to set City-wide cleanup for May 3rd and 5th. Cleanup will begin on the South side of Hwy. 2 on Monday May 3rd, the North side on Wednesday May 5th. Motion was made by Sutherland to set May 3rd and 5th for City Wide Cleanup. Seconded by Bonik, motion carried.

Motion was made by Bonik to accept a proposal from Victor Johnson for \$3,325.00 to replace tile in both bathrooms at City Hall. Seconded by Sutherland, motion carried.

Motion was made by Merschman to accept an offer of \$6,000.0 plus closing costs from Chad Ramsrud for a City owned property on Red Lake Ave. Seconded by Bonik, motion carried.

A Public Hearing has been scheduled for April 13th from 6:00 p.m. to 7:30 p.m. for the proposed Wastewater and Water Replacement project.

Thoma with Karvakko Engineering supplied plans of the Wastewater and Water Replacement project. The maps will be on display and available at City Hall in the Council Chambers for the public.

A Zoning and Planning Commission meeting was set for April 2, 2021 at 8:30 a.m. in the Council Chambers.

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

APRIL 13, 2021

A Public Hearing for the upcoming Water and Wastewater Infrastructure Project was held on April 13, 2021.

Present: Mayor Sidney Michel, Councilmembers John Sutherland, Dennis Merschman and Jon Brovold, Public Utility Commissioners Stuart Lien and Tom Lillegaard, Utility Office Manager Vicky Fletcher, Utility and Street Superintendent Bill Masterson, City Clerk Faye Jacobs, Engineers for the project Mike Karvakko and Zach Thoma. Councilmember Chad Bonik was absent. No public was in attendance.

Mayor Michel opened the hearing at 6:00 p.m.

Karvakko and Thoma provided maps and printed material for the projected 3 phase project. Phase 1 will include areas in SW Bagley, Phase 2 in the NE area of town and finishing with Phase 3 in the NW area of the city limits.

Thoma provided information on the phased funding from the USDA and other funding that is available and will be or already has been applied for such PFA funding for both the water and wastewater portion of the project, available

through the Clean Water Revolving Loan Fund and the Drinking Water Revolving Loan Fund.

Michel asked what percentage of the project the USDA was proposing to cover. Thoma said the USDA had not released that information yet, but it should be available the first part of May.

Michel asked if funding would be available for property owners to replace old lines that may have lead or other contaminants. Thoma replied there may be some funding available through other sources for property owners, more information will be available in the future.

Merschman asked about the water tower, Thoma stated that paint, access road improvements and electrical upgrades for the tower are all included in the project.

A question on potential problems with easements was asked. Thoma said he has looked on the county web site and does not see any problems with the project as the proposed areas are all in public easements.

As there were no further question for the Karvakko engineers; motion to adjourn the hearing was made by Merschman. Seconded by Brovold, motion carried.

APRIL 14, 2021

The Bagley City Council met in regular session on April 14, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Bill Masterson, Chris Arnold, Zach Thoma and Brett Carter.

Mayor Michel called the meeting to order at 5:30 p.m.

Motion was made by Merschman to approve the minutes as written for March 10th and 24th, 2021. Seconded by Sutherland, motion carried.

March City receipts totaling \$30,157.70 were reviewed.

March City budgets were reviewed with total expenditures of \$111,310.53.

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

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

Department Reports were heard.

Brovold made a motion to approve Resolution #6-21 Acceptance of Donations. 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.

APRIL 28, 2021

The Bagley City Council met on April 29, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Bill Masterson, Chris Arnold, Zach Thoma, Jason Murray (via Zoom) and Kari Gerbracht.

Jason Murray with David Drown and Associates was in attendance via zoom to further explain how TIF funds can be used for projects such as home improvements and repairs to home owner residences. A sample of an application the City of Osakis uses was provided to the Council. Fund available have be

generated for such projects in TIF Dist. 2-1 and 2-2 and will need to be utilized by the city before 2035 and 2036.

Kari Gerbracht was in attendance to ask permission to hold a parade for the Bagley High School graduating class. Motion was made by Sutherland to approve holding a parade after the graduation ceremony on May 28, 2021 at approximately 8:45 p.m. Seconded by Bonik, motion carried.

Gerbracht also asked if the Utility employees, with Council approval, would be willing to hang banners of the graduating seniors on the city's light poles. Masterson will check on the fee that was charged in 2020. Motion was made by Brovold to approve hanging the banners. Seconded by Sutherland, motion carried.

The Liquor Store Budget and Profit and Loss reports for March were reviewed. Arnold provided the Council with a bar graph for gross profit and gross sales comparisons.

Brovold made a motion to approve the 2021 Township Fire Contracts. Seconded by Sutherland, motion carried.

Mayor Michel will contact Brandon Fitzsimmons with Flaherty and Hood to get quote for a job comparison study. Brovold asked that a City Administrator position also be included in the study.

Mayor Michel requested Department Heads to start employee reviews in May.

Zach Thoma with Karvakko Engineering gave an update on the PER application with the USDA. Thoma also reported the Airport project is on track.

Merschman made a motion to approve \$104,567.45 be added to the Restricted and Committed Funds per the City Clerks recommendations from the 2020 budget. Seconded by Bonik, motion carried.

Jacobs ask permission to use funds from the Economic Development Committed Fund to cover the cost of updates to the City Hall bathrooms. Motion was made

by Merschman to approve the use of the Committed Funds (Economic Development). Seconded by Bonik, 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.

MAY 12, 2021

The Bagley City Council met in regular session on May 12, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Bill Masterson, Chris Arnold, Zach Thoma, Robin and Hayden Schipper, Brett Carter and Renee Benson (via zoom).

Motion was made by Sutherland to approve the minutes from the April 13th, 14th and 28th meetings as written. Seconded by Brovold, motion carried.

Zach Thoma with Karvakko Engineering gave an update on the PER for the Water and Wastewater project.

The discussion on the Market Compensation Study to be completed by Flaherty & Hood was tabled for the next meeting.

Receipts for the month of April were reviewed. Total receipts for April were \$80,688.66.

April City budgets were reviewed. Expenses for all departments totaled \$113,137.24.

Motion was made by Brovold to approve checks written in April. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve payment of the outstanding invoices, except for \$1,800.00 to Flaherty & Hood for the Market Compensation Study. Seconded by Brovold, motion carried.

Motion was made Merschman to take the Fire Departments Unit #5 out of service. Seconded by Bonik, motion carried.

Motion was made by Merschman to sell city owned vehicles that are no longer used via bid, with June 22nd as the final day to receive bids. Seconded by Sutherland, motion carried.

Sutherland made a motion to hire Al Spring for summer help, matching the wage he makes working for the County. Seconded by Brovold, motion carried.

Motion was made by Bonik to approve the purchase of new software and equipment to upgrade the POS system at the Liquor Store. Seconded by Sutherland, motion carried.

Motion was made by Bonik to use Pound Vehicle Committed Funds to cover the cost of the new Pound vehicle, setup and licensing. Seconded by Sutherland, motion carried.

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

MAY 26, 2021

The Bagley City Council met on May 26, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Bill Masterson, Troy Jesness and Chris Arnold.

Troy Jesness reported the Fire Hall needs some repair work and maintenance, the Council gave its approval to go ahead with what is needed sending bids or quotes to Jacobs who will forward the information to the Council.

The Liquor Store Budget and Profit and Loss reports for April were reviewed. Arnold provided the Council with a bar graph for gross profit and gross sales comparisons.

Arnold would like to promote one of his part-time employees to full-time. Rueben Netland has been a part-time employee since 2011. Council requested hard numbers on the extra expenses and then will decide on what to do moving forward.

Motion was made by Brovold to approve the American Legion's application for a Temporary On-Sale License for the Clearwater County Fair. Seconded by Sutherland, motion carried.

Resolutions #'s 7-21 and 8-21 were tabled for the June City Council meeting.

Motion was made Sutherland to approve Resolution #9-21 Authorization to Execute Mn Dept. of Transportation Grant Agreement. Seconded by Bonik, motion carried.

Merschman made a motion to approve Resolution #10-21-Permit for the American Legion to conduct Bingo at the Clearwater County Fair. Seconded by Bonik, motion carried.

The Council gave the Clerk the go ahead to get quotes for fixing or replacing the air-conditioning unit for City Hall.

Masterson requested to start Summer Help higher than minimum wage. Merschman made a motion to raise summer help wage to \$11.14 per hour. 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.

JUNE 9, 2021

The Bagley City Council met in regular session on June 9, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Bill Masterson, Zach Thoma, Chris Arnold, Brett Carter, Renee Benson (via Zoom) and Troy Jesness.

Mayor Michel called the meeting to order at 5:30 p.m.

Motion was made by Merschman to approve the minutes as written for the May 12th and 26th meetings. Seconded by Sutherland, motion carried.

Zach Thoma with Karvakko Engineering reviewed the bids for the Airport Apron Rehabilitation Project. Knife River came in with the low bid. Motion was made by Brovold to award Knife River the contract contingent on receiving signed contracts from the MN Dept. of Aeronautics. Seconded by Sutherland, motion carried.

Brovold presented the Council with information from MNNCOR on a fishing pier the Park & Recreation Board have been looking into. Prochaska with the board has been working with the DNR that will provide a 50/50 grant if approved. Prochaska is looking for the Councils approval before moving ahead with the project. He believes with the 50/50 grant and donations from other sources the pier would be of no cost to the city.

May City receipts totaling \$41,539.35 were reviewed.

May City budgets for each department were reviewed with total expenditures of \$110,527.34.

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

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

Fire Chief Jesness was contacted by the State Fire Marshal on Sunday the 6th asking for the department to provide aid to Park Rapids to help with potential issues that could arise from the Line 3 protest scheduled in that area. Chief Jesness sent a trailer, however with the high risk of fire and shortage of manpower Jesness felt that was all he could send. He also received a request the following day to assist in Shevlin. Jesness asked guidance on who has the authority, in the future, to make judgement calls for requests similar in nature.

After discussion, a motion was made by Merschman giving Jesness the authority to make judgement calls for the Fire Department. Seconded by Sutherland, motion carried.

Fire Truck old unit #5 was not added to the equipment for sale by bid because it was not cleaned out. Motion was made by Brovold to put old unit #5 up for bid, deadline set for July 13th with opening to be held at the July 14th City Council meeting. Seconded by Bonik, motion carried.

The Police Department needs another patrol vehicle, Chief Benson was instructed to get quotes on a Tarsus and a Durango and have them for the June 23rd work session.

Masterson reported 2 full-time employees have been hired for the Public Utilities and the full-time position for the Street Dept. has been filled, as well as two summer help positions.

Arnold reported the Liquor Store is busy and he will be looking to hire another part-time employee.

Motion was made by Brovold to approve Resolution 7-21, appointment of NMPA Director. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve Resolution 8-21, appointment of NMPA Advisor. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve Resolution 11-21, approval to apply for ARPA funds. Seconded by Sutherland, motion carried.

Mayor Michel proposed adding an agenda item to new business, entitled “internal affairs data relating to allegations of law enforcement misconduct” and called for the Council meeting to be closed at 6:15 p.m.

Mayor Michel reopened the City Council meeting at 7:04 p.m.

Motion was made by Merschman to take formal action regarding the misconduct allegations. Seconded by Bonik, motion carried.

Mayor Michel stated let the minutes read that all have voted to go forward with formal action. Mayor Michel will inform the party involved of the Councils decision.

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

JUNE 23, 2021

The Bagley City Council met on June 23, 2021 at 5:00 p.m. in the Bagley City Council Chambers.

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

Also Present: Public Utility Commissioners Tom Lillegaard and Stuart Lien, Vicky Fletcher, Bill Masterson, Tracee Bruggeman, Zach Thoma, Mike Karvakko, Angela Bokovoy, Jason Murray (via zoom), Tonya Tix and Shirley Straub.

Mayor Michel called the meeting to order at 5:00 p.m.

Tracee Bruggeman, auditor with Brady Martz, the firm employed by the City of Bagley and Bagley Public Utilities to perform their yearly audits, presented the City Council and Utility Commission with results of the 2020 audit.

Angela Bokovoy, USDA representative, explained the letter of conditions presented to the Council and Commission from the USDA for financing on the upcoming Water and Wastewater project. After a lengthy discussion and several questions from the Council and Commission, it was decided that more investigation into the funding is necessary.

Jason Murray with David Drown and Associates was in attendance, via Zoom, to introduce a request for new Tax Increment Financing District No. 2-6. The Council did not approve the project but agreed to move forward if the party requesting set up of the TIF district will agree to revisions the Council is comfortable with. Murray will contact the owner of the property. To keep the project on track, if the owners agree to the revisions, a motion was made by Sutherland to pass Resolution 12-21 scheduling a Public Hearing to establish TIF Dist. 2-6 on August 11, 2021. Seconded by Bonik, motion carried.

Motion was made by Merschman to have a qualified building inspector conduct the required inspection of the property, contingent on the owners agreeing to the revised terms set forth by Council for TIF dist. 2-6. Seconded by Bonik, motion carried.

An email request by Melinda Sandwick was received requesting permission to operate a cart at the BFCG Hockey 6th Annual Golf Tournament selling alcoholic beverages to raise funds for the Hockey Association. Motion was made by Merschman denying the request. Seconded by Sutherland, motion carried.

Liquor Store Profit & Loss and Budget reports were reviewed along with a bar graph provided by Manager Arnold.

Annie Braught with the Bagley Area Farmers Market asked permission to hold the Market in the same location as last year. Motion was made by Brovold to approve the request. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve Resolution 13-21-Rotary raffle. Seconded by Merschman, motion carried.

Bids were opened for City and Utility owned vehicles. The Council was only able to accept bids on city vehicles, a bid on the 1992 Chevy WT 1500 4x4 was accepted in the amount of \$220.00. The other city owned vehicle the 2005 Chevy 25HD received one bid, that bid was rejected.

Bids on the Public Utility vehicles will be reviewed and accepted or rejected at their official meeting.

No action was taken on a request for Council to send a "Letter to the Editor" to 5 newspapers penned by a community representative with MN4L3

Tonya Tix and Shirley Straub, seasonal site renters, addressed problems with thief and vandalism at their sites and stated they were advised to attend a Council meeting by the Police Dept. Council assured them the city is aware of the problem and it is not only at the park. Council will have conversation with the Police Officers to see if they have any ideas to help solve the problem. Signage will also be investigated.

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

JUNE 28, 2021

The Bagley City Council met in special session on June 28, 2021 at 5:25 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers John Sutherland, Dennis Merschman, Chad Bonik and Jon Sutherland, City Clerk Faye Jacobs and Police Chief Renee Benson.

Agenda item: Internal affairs data relating to allegations of law enforcement misconduct.

Mayor Michel stated this portion of the meeting will be closed under Minnesota Statutes, section 13D.05, subdivision 2 (a)(2) and entertained a motion to go into closed session.

Motion was made by Brovold to close the open session at 5:28 p.m. Seconded by Sutherland, motion carried.

Mayor Michel called to re-open the closed session for internal affairs data relating to allegations of law enforcement misconduct at 5:57 p.m.

Mayor Michel stated that the Council will decide on specific formal action to be approved and that the mayor will submit notification to the proper parties consistent with the actions.

Motion was made by Merschman to go ahead with formal action in the form of a verbal reprimand in the matter of misconduct. Seconded by Bonik, motion carried.

Moving forward Sutherland will work as liaison between the Police Department and the Council to keep communication open and ongoing.

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

JULY 14, 2021

The Bagley City Council met in regular session on July 14th, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Mike Karvakko, Troy Jesness, Chris Arnold, Bill Masterson, Vicky Fletcher, Ryan and Robin Schipper, Brett Carter and Mike Jensen.

Merschman made a motion to approve the minutes as written for June 9th, 23rd and 28th. Seconded by Sutherland, motion carried.

Mike Jensen was in attendance to petition the for the closure of an alley located at 703 Main Ave. North. The part of the original alley was vacated, according to documents on file with Clearwater County. Jensen asked that the City consider the vacation of the rest of the alley which is totally enclosed on property owned by Grace Free Lutheran Church. Motion was made by Bonik to set a Public Hearing for August 11th for the vacation of the alley. Seconded by Sutherland, motion carried.

Mike Karvakko with Karvakko Engineering explained terms of a USDA funded loan verses a PFA funded loan to pay for the Water and Wastewater Project the city has been considering. He also explained that approving the resolutions for the USDA loan does not force the city to go with the USDA funding, but does tie up the interest rate and current terms the USDA has offered. The city will have 180 days to make the final discission.

Merschman made a motion to approve Resolutions #16-21 and #17-21 authorizing and providing for the incurrence of indebtedness with the USDA for the cities proposed Water/Wastewater project. Seconded by Sutherland, motion carried.

City receipts for June totaling \$508,546.54 were reviewed.

City Budget Reports for June were reviewed with expenditures totaling \$113,556.47 for all departments.

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

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

Department reports were heard.

Bonik made a motion to rescind a motion made on January 13th, authorizing Mayor Michel and Councilmember Brovold to address personnel issues. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve the Bagley High School Parade Permit. Seconded by Merschman, motion carried.

Motion was made by Bonik to approve Resolution #14-21 Acceptance of Donations for flowers. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve Resolution #15-21 Acceptance of Donation for the Fire Department. Seconded by Sutherland, motion carried.

Arnold presented the Council a resignation letter from Liquor Store Assistant Manager Robert Edevold, his last day of employment will be July 31st. Motion was made by Merschman to accept Edevold's resignation. Seconded by Bonik, motion carried.

Mayor Michel thanked Edevold for his years of service at the Municipal Liquor Store.

Arnold recommended promoting current employees, making Reuben Netland Assistant Manager and moving other employees up accordingly. Motion was

made by Merschman to promote within staff at the Liquor Store. Seconded by Bonik, motion carried.

Motion was made by Bonik to approve City Employees step raises effective July 1st, 2021. Seconded by Merschman, 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.

JULY 28, 2021

The Bagley City Council met on July 28, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Mike Karvakko, Vicky Fletcher, Tom Lillegaard, Bill Masterson and Chris Arnold.

Mayor Michel called the meeting to order at 5:30 p.m.

Vicky Fletcher presented a report outlining where the money to pay for the upcoming Water/Wastewater Project will potentially come from. Complete explanation of the project and funding will be available to the public at the Open House to be held at the Community Room on August 31st, from 2:00 p.m. to 7:00 p.m.

Motion to rescind Resolutions #16-21 and #17-21 regarding the USDA loan was made by Merschman. Seconded by Sutherland, motion carried.

Motion to approve the payment/application for Taxiway/Apron Rehabilitation Project was made by Sutherland. Seconded by Bonik, motion carried with a 3 to 1 vote, Merschman voted Nay.

Motion to rescind the motion to set a date for a Public Hearing for an alley vacation was made by Bonik. Seconded by Sutherland, motion carried.

JAG Auto Body stores vehicles that are confiscated or towed by the Bagley Police Department, John Gerbracht has asked to be paid \$100.00 per month storage fee. The Council agreed he should invoice the PD for these charges.

Liquor Store Profit & Loss and Budget reports were reviewed along with bar graphs provided by Manager Arnold.

One bid was received for the 1978 Pumper Truck. Motion to approve the bid of \$1850.00 from Jim LaFriniere was made by Merschman. Seconded by Bonik, motion carried.

Bonik made a motion to approve a requested raise in hourly fees of \$3.00 for the cleaning staff at the Library Building. Brovold seconded, motion carried.

A rough draft of the 2022 Budget was reviewed. With input gathered, more modifications will be made and ready for the August meeting.

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

AUGUST 2, 2021

The Bagley City Council met in special session on August 2, 2021.

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

Mayor Michel called the meeting to order at 1:13 p.m.

Mayor Michel read the requirements for the closed meeting pursuant to Minnesota Statutes, section 13D.05, subdivision 3 (b).

Motion was made by Merschman to close the City Council meeting at 1:15 p.m. Seconded by Sutherland, motion carried.

Mayor Michel reopened the meeting at 1:44 p.m.

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

AUGUST 11, 2021

The Bagley City Council met in regular session on August 11th, 2021 at 5:30 p.m. in the City Council Chambers.

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

Also Present: Mike Karvakko, Bill Masterson, Renee Benson, Vicky Fletcher, Ryan Schipper, Stuart Lien, Dennis Niswander, Jamie Freeman and Brett Carter.

Mayor Michel called the meeting to order at 5:30.

Merschman made a motion to approve the minutes as written for July 14th, 28th and August 2nd. Seconded by Sutherland, motion carried.

Dennis Niswander is interested in purchasing a lot the city owns on Hwy. 2. His proposal is tearing down the existing house and erecting an approximate 30 x 45 building to be utilized as office space. The Council will check with the county to be sure it won't interfere with any agreement the city has with the county.

Mike Karvakko gave an update on USDA and other funding options he is working on for the upcoming Water/Wastewater project. He is waiting to get answers for questions the Utility Commission has on details of funding. Fletcher and Masterson added that Minnesota Rural Water is aware of the project and has set aside funds that the city may need for interim financing.

Brovold made a motion to sign the agreement for Karvakko Engineering to proceed with phase one of the Water/Wastewater project. Seconded by Sutherland, motion carried.

City receipts for July totaling \$402,286.00 were reviewed.

City Budget Reports for July were reviewed with expenditures totaling \$381,029.71 for all departments.

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

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

Department reports were heard.

Discussion on the hiring of a new police officer was tabled until the Council Work Session, August 25th.

The Street Department needs a new street sweeper, Masterson presented quotes from Environmental Equipment & Services and Industrial Marketing & Consulting. Masterson prefers the sweeper from Environmental Equipment & Services as it has lower hours and miles and is also cheaper. Masterson will use money in the Roads & Bridges Equipment Fund (Committed Funds) for the purchase. Merschman made a motion to approve the purchase of the sweeper from Environmental Equipment. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve Resolution #16-21 Acceptance of Donation. Seconded by Bonik, motion carried.

Motion was made by Bonik to approve the request by Inter County Community Council to conduct the Head Start program at 15 Clearwater Avenue for the upcoming school year. Seconded by Sutherland, motion carried.

The "Special Assessments" on the Lomond properties were discussed. Further research with the county will be needed before any steps will be taken.

2022 proposed budgets for each department were reviewed.

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

AUGUST 25, 2021

The Bagley City Council met on August 25th, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Bill Masterson, Chris Arnold, Renee Benson, Ryan Schipper, Ken Olson, Cherie Keith and John Gerbracht.

July Budget and Profit & Loss reports for the Liquor Store were reviewed and Arnold presented the City Council with gross profit and sales comparison bar graphs.

Arnold asked the Councils approval to bring Liquor Store Clerk Corey Oien to the 2021 MMBA Annual Conference. Motion was made by Merschman to approve the request. Seconded by Bonik, motion carried.

Jacobs asked permission to use money from the Economic Development Committed Fund to pay for the Air Conditioner/Furnace replacement in the City Hall building. Motion was made by Bonik to approve use of the Committed Funds. Seconded by Sutherland, motion carried.

2022 proposed budgets with requested changes were reviewed and was tabled until the next meeting.

Brovold requested that a couple of Council members meet with Chief Benson and discuss concerns and needs of the Police Department and approach the County with questions and concerns. Brovold will set up the meeting.

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

SEPTEMBER 8, 2021

The Bagley City Council met on September 8, 2021 at 5:30 p.m. in the Bagley 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: Renee Benson, Ken Olson, Bill Masterson, Chris Arnold, Troy Jesness, Cherie Keith, Ryan Schipper, Wesley and Angela Edelman, John Gerbracht and Brett Carter.

Mayor Michel called the meeting to order at 5:30.

Merschman made a motion to approve the minutes from August 11th and 25th as written. Seconded by Sutherland, motion carried.

City receipts for August totaling \$40,299.89 were reviewed.

City Budget Reports for August were reviewed with expenditures totaling \$179,177.01 for all departments.

Motion was made by Sutherland to approve checks written in August for the City and Liquor Store. Seconded by Bonik, motion carried.

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

Department reports were heard.

Fire Chief Jesness ask that two Firemen be compensated for the use of their personal vehicles that responded to help Enbridge with protesters. At Jesness's

suggestion, motion was made by Bonik to pay DJ Ekre \$500.00 and Garrett Bitzer \$125.00, using money from the reimbursement received from Enbridge. Seconded by Merschman, motion carried.

Chief Benson provided the Council with an activity log for the month of August and a letter with concerns regarding her position and the Police Dept. Councilmember Bonik questioned asking assistance from the County for help with school traffic. Comments and concerns of police coverage were heard from some local business owners.

Liquor Store Manager Chris Arnold ask permission to re-hire Bob Edevold as part-time/call in position. Motion was made by Merschman to re-hire Edevold at his exiting hourly wage. Seconded by Sutherland, motion carried.

At 6:23 p.m. Mayor Michel called for a closed session-Pending Litigation-Law Enforcement Labor Services and City of Bagley, BMS Case No. 21PCE1554.

Motion was made by Merschman to close the City Council meeting. Seconded by Sutherland, motion carried.

Mayor Michel reopened the City Council meeting at 7:27 p.m.

Motion was made by Brovold to extend the meeting for 30 minutes. Seconded by Bonik, motion carried.

Councilmember Brovold shared talking points from the closed meeting.

Motion was made by Sutherland to start the process to hire a part-time Police Officer through the end of 2021. Seconded by Bonik, aye votes by Sutherland, Bonik and Brovold, Merschman opposed. Motion carried with majority vote.

The Council reviewed a proposal from Dennis Niswander to purchase city property located on Highway 2. Merschman made a motion to accept Niswander's proposal if he agrees to raise the bond amount from \$2,000.00 to \$10,000.00. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve the continued cleaning of headstones at the City Cemetery by students of Carol Bliss. Seconded by Bonik, motion carried.

The meeting with Townships that the Fire Department has Fire Contracts with is set for October 20th at 6:00 p.m. at City Hall.

Motion was made by Bonik to extend the City Council meeting for 15 minutes. Seconded by Sutherland, motion carried.

The 2022 Budget was reviewed. After discussion motion was made by Sutherland to approve the proposed 2022 budget using the police budget that included the 4th Officer. Seconded by Bonik, motion carried.

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

SEPTEMBER 22, 2021

The Bagley City Council met on September 22, 2021 at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Bill Masterson, Renee Benson, Chris Arnold, Ryan Schipper and Cherie Keith.

Mayor Michel called the meeting to order at 5:30 p.m.

The Liquor Store Profit & Loss report and Budget report for August were reviewed along with a bar graph of gross sales and profits provided by Arnold. Arnold asked permission to have Tom Beltz return to work as a part-time employee. Merschman made a motion to approve Beltz's return to work. Seconded by Brovold, motion carried.

Jacobs has been working with Tracee Bruggeman with Miller-McDonald (City Auditor) and Todd Hagen with Ehlers (Bond Council) to resolve a balance discrepancy in Bond Series 2014C. Jacobs explained that the problem started from the 1st payment made in 2014 using an incorrect amortization schedule. Motion was made by Sutherland to make an additional payment to correct the error. Seconded by Merschman, motion carried.

Motion was made by Merschman to renew Jeff Francis's land lease at the airport, with new terms of \$1,800 per year and a 5 year lease instead of 10. Seconded by Sutherland, motion carried.

Merschman provided a new agenda format he would like the Council to try for a while. The new agenda format would give citizens, not on the agenda but wanting to address the board, 5 minutes at the beginning of the meeting to state their business along with a few other changes. It was agreed to try it.

The Public Utilities Commission made a motion at their meeting to recommend to City Council to move forward with the Midi-Loan and interim financing for the Water/Wastewater project through Minnesota Rural Water using their Bond Council, David Drown and Associates. Merschman made a motion to go with the Utility Commissions recommendation for financing. Seconded by Brovold, motion carried.

The proposal Dennis Niswander made at a pervious meeting to purchase city owned property was be tabled until spring as he is not willing to increase the amount he is willing to up as a bond.

Benson presented the board with a Minnesota State Statute that states costs of certain medical expenses are to be paid by the County. Mayor Michel asked that Benson compile the bills for those expenses that the Police Department has paid to get reimbursement from the County.

The Co-op is against closing the railroad crossing on Clearwater Avenue. Masterson will do more investigating and update the Council at a future meeting.

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

SEPTEMBER 29, 2021

The Bagley City Council met in special session on September 29, 2021 at 5:30 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers Jon Brovold, Dennis Merschman, Chad Bonik and John Sutherland, City Clerk Faye Jacobs and Chad Arneson (via zoom).

Mayor Michel open the meeting at 5:30 stating “the agenda item is internal affairs data relating to allegations of law enforcement personnel misconduct. This portion of the meeting will be closed under Minnesota Statutes, section 13D.05, subdivision 2 (a)(2). I will now entertain a motion to close this portion of the meeting”.

Merschman made a motion to close the meeting at 5:30. Seconded by Brovold, motion carried.

Mayor Michel reopened the meeting at 6:11.

Merschman made a motion to hire a third party (Soldo Consulting PC) to investigate allegations of misconduct. Seconded by Brovold, motion carried.

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

SEPTEMBER 30, 2021

The Bagley City Council met in Special Session on September 30, 2021 at 7: 30 a.m. in the City Council Chambers.

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

Also Present: Bill Masterson

Mayor Michel called the meeting to order at 7:30 p.m.

Masterson asked approval to purchase 2 used plow trucks for the city. He will use funds from the Street Department 2021 Capital Outlay budget and Committed Funds set aside for equipment for the Street Dept.

A motion was made by Merschman for Masterson to spend up to \$185,000.00 from the Street Department Capital Outlay funds in the 2021 budget and the Committed Street Department Equipment Funds. Seconded by Brovold, motion carried.

Masterson also had concerns with the City Attorney, Flaherty & Hood, and the paperwork for the USDA regarding the Water/Wastewater Project. After a discussion it was the consensus of Council to continue with Flaherty and Hood and if it becomes a problem to address it at that time.

OCTOBER 13, 2021

The Bagley City Council met in regular session on October 13, 2021, at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Troy Jesness, Bill Masterson, Vicky Fletcher, Mike Karvakko, Chris Arnold, Renee Benson, Ken Olson, Ryan Schipper, Brent Carter, Darin Steindl and guests via Zoom were Loren Solberg, Tim Flathers and Levi Haar.

Mayor Michel call the meeting to order at 5:30 p.m.

Merschman made a motion to approve minutes as written for September 8th, 22nd, 29th and 30th. Seconded by Sutherland, motion carried.

After removal of one item (squad car) Merschman made a motion to approve the amended agenda. Seconded by Brovold, motion carried.

Mayor Michel invited Loren Solberg to speak with the Council about his experience working as a lobbyist since 2014 and the possibility of having him put together a proposal to lobby, at the state level, on behalf of the City of Bagley for funding for the upcoming Water/Wastewater project.

Mike Karvakko gave an update on the Water/Wastewater project. The deadline for USDA loan and grant paperwork and legal documents to be completed is Dec. 13th, to date, about 60% of that is completed. Karvakko is aiming for a March 8th bid opening.

Projects approved at the state level for the Municipal Airport are the Cracksealing and Obstruction Removal Projects both with a 95% payback. Motion to approve moving ahead with both projects was made by Sutherland. Seconded by Brovold, motion carried.

Bids for soil borings for the Phase 1 and Phase 2 of the Water/Wastewater project were received one for \$12,900 from NTI and \$15,500 from Braun. Motion was made by Merschman to accept the bid from NTI for \$12,900.00. Seconded by Sutherland, motion carried.

Tim Flathers and Levi Haar from the Headwater Regional Development Commission explained the SCDP Program that provides grant money to the city to make available to low- and moderate-income families for home improvement as well as other funding that may be available. As the deadline to apply for the SCDP program is November 17th, it was the consensus of the Council to wait until next year to apply.

Motion was made by Bonik to approve the Consent Agenda containing the City Receipts of \$307,655.70, City Budgets with expenses totaling \$158,226.45, approval of checks written in September for the City and Liquor Store and approval to pay outstanding invoices for the City and Liquor. Seconded by Sutherland, motion carried.

Department reports were heard.

Brovold made a motion to send Officer Ken Olson to Phlebotomy Training January 3rd to the 6th, 2022. Seconded by Sutherland, motion carried.

Motion was made by Bonik to approve Joel Melstrom with Ehlers to prepare the arbitrage monitoring report for the 2016A Bond. Seconded by Sutherland, motion carried.

A Procurement/Conflict of Interest Policy was given to the Council to review. It will be tabled for approval at a future meeting.

Motion was made by Sutherland to prepay \$3,500.00 for the 2022 fireworks. Seconded by Merschman, motion carried.

Motion to have a second Open House for the Water/Wastewater Project, scheduled for Tuesday November 2nd from 3:00 to 6:00 p.m. 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 Brovold, motion carried.

OCOTOBER 20, 2021

A meeting was held on October 20, 2021 at 6:00 p.m. in the City Council Chambers in City Hall.

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

Also Present: Fire Chief Troy Jesness, Larry Olson and Clarence LaCroix.

Those in attendance were provide packets that included the Fire Truck Savings Account activity, General Ledger information on the current year along with a spreadsheet that breaks that information down month by month, the 2022 proposed budget for the Fire Dept. and a break down of the yearly cost for 2022 for the townships based on the proposed budget.

Jacobs explained the provide information and pointed out the only line item in the 2021 budget that is in a deficit position is wages. The department was called

to assist with several fires this summer, which the city received reimbursement for. In the past all reimbursements made by the DNR or others have been put directly into the Fire Truck savings account, even though a portion of those reimbursements are directly billed as man hours. Moving forward the Clerk would like to apply the portion billed out for the wages directly against wages and the same as in the past, at the end of the year, all overages to the annual budget will go directly to the savings account.

The 2022 proposed budget was reviewed with increases to wages and benefits, telephone, utilities and repairs and maintenance totaling \$5,100.00.

Also discussed was the upcoming retirement of a long-time member of the department. He does a lot of the repair work free of charge. There will probably be a need to raise the repair and maintenance budget over the next few years to cover the added expense of having to hire someone.

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

OCTOBER 27, 2021

The Bagley City Council met on October 27, 2021 at 5:30 p.m. in the Bagley 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: Renee Benson, Bill Masterson, Mike Karvakko, Vicky Fletcher, Darin Steindl and Ryan Schipper.

Mayor Michel ask that the agenda be amended to add Masterson as #9 under new business and the 2013 squad car to unfinished business.

Motion was made by Brovold to approve the amended agenda. Seconded by Merschman, motion carried.

Motion to approve the consent agenda (move \$80,725.53 from Roads & Bridges Equipment Committed Fund to the General Fund and the Liquor Store Budget and Profit & Loss Report) was made by Sutherland. Seconded by Brovold, motion carried.

2 estimates were received to put a new engine in the 2013 Squad car. Bod Lowth Ford \$ 7,275.26 and Park Rapids Ford \$12,998.80. As the quotes are not accurate because of transmission issues, motion was made by Sutherland for Masterson to have the engine replaced, choosing the dealer at his discretion. Seconded by Merschman, motion carried.

Hiring a part-time Patrol Officer will be put on hold until Council can verify with the City Attorney if the psychological review of a potential employee can be viewed by Council.

Motion was made by Sutherland to pay the invoice for the 2021 Dodge Charger Squad car. Seconded by Bonik, motion carried.

Motion was made by Sutherland to approve the City of Bagley Procurement/Conflict of Interest Policy. Seconded by Brovold, motion carried.

Motion was made by Brovold to set the Truth in Taxation Public Hearing for December 8th at 6:00 p.m. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve Resolution #17-21 Acceptance of Donation for the Bagley City Park. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve Resolution #18-21, authorizing the issuance of \$536,000.00 temporary Revenue Note, Series 2021A. Seconded by Sutherland, motion carried.

Motion was made by Merschman giving permission for Mayor Michel and Clerk Jacobs to sign off on other paperwork necessary to complete Revenue Note, Series 2021A. Seconded by Bonik, motion carried.

Motion was made by Merschman to approve Resolution #19-21, Airport M&O Grant Contract. Seconded by Bonik, motion carried.

Motion was made by Merschman to approve the USDA form MN RUS 1780, Guide 34 "Authorization to Proceed with Design" for Karvakko Engineering. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve Resolution 20-21 authorizing the \$9,000,000 USDA loan for the Water/Wastewater project. Seconded by Sutherland, motion carried.

Motion was made by Merschman to approve Resolution 21-21 authorizing the \$2,929,000.00 USDA loan the Water/Wastewater project. Seconded by Sutherland, motion carried.

Motion was made by Brovold to approve mileage for Masterson for use of his personal vehicle traveling 602 miles to purchase 2 plow trucks for the city. Seconded by Sutherland, motion carried.

Karvakko gave an update on the Water/Wastewater project.

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

NOVEMBER 10, 2021

The Bagley City Council met in regular session on November 10, 2021, at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Troy Jesness, Brett Carter, Bill Masterson, Ryan Schipper and Chad Arneson (via zoom).

Mayor Michel call the meeting to order at 5:30 p.m.

Brovold made a motion to accept the agenda. Seconded by Merschman, motion carried.

Merschman made a motion to approve minutes as written for October 13th, 20th and 27th. Seconded by Merschman, motion carried.

Brovold made a motion to approve the Consent Agenda containing the City Receipts of \$131,842.86, City Budget reports, with expenses totaling \$314,528.67 for all departments, approval of checks written in October for the City and Liquor Store and approval to pay outstanding invoices for the City and Liquor Store. Seconded by Sutherland, motion passed.

Department Reports were heard. Officer Schipper inquired on the progress of hiring of a part-time officer. Mayor Michel replied, the city cannot move forward at this time, and it remains tabled.

Masterson discussed the railroad crossing upgrade on Clearwater Avenue. Motion was made by Merschman to go ahead with Burlington Northern's design for the project. Seconded by Brovold, motion carried.

Motion was made by Brovold to approve Resolution #22-21 to execute the MNDOT Grant agreement for airport improvements. Seconded by Sutherland, motion carried.

Mayor Michel requested the meeting closed for Pending Litigation-Law Enforcement Labor Services and City of Bagley BMS Case No. 21PCE1554 at 5:50 p.m. Merschman made a motion to close the meeting. Seconded by Brovold, motion carried.

The City Council meeting was reopened at 6:43 p.m.

Motion was made by Merschman to set a special closed meeting for Tuesday November 16th at 6:00 p.m. for further discussion on topics of the closed meeting. Seconded by Brovold, 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.

NOVEMBER 16,2021

The Bagley City Council met in special session on November 16, 2021, at 6:00 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers Dennis Merschman, John Sutherland, Jon Brovold and Chad Bonik, City Clerk Faye Jacobs and Chad Arneson (via zoom).

Mayor Michel opened the meeting at 6:00 p.m. stating “the agenda item is internal affairs data relating to allegations of law enforcement personnel misconduct. This portion of the meeting will be closed under Minnesota Statutes, section 13D.05, subdivision 2 (a)(2). I will now entertain a motion to close this portion of the meeting”.

At 6:01 motion was made by Merschman to close the City Council meeting. Seconded by Brovold, motion carried.

Mayor Michel reopened the City Council Meeting at 6:41 p.m. Motion was made by Merschman to move forward with formal action relating to allegations of misconduct. Seconded by Brovold, motion carried.

Mayor Michel stated “the agenda item is Pending Litigation-Law Enforcement Labor Serviced and City of Bagley, BMS Case No. 21PCE1554. This portion of the meeting will be closed under Minnesota Statutes, section 13D, subdivision 3 (b).”

At 6:44 p.m. motion was made by Merschman to close the City Council meeting. Seconded by Sutherland, motion carried.

The meeting was reopened at 7:16 p.m.

Being there were no further items on the agenda, motion to adjourn was made by Merschman. Seconded by Brovold, motion carried.

DECEMBER 8, 2021

The Bagley City Council met in regular session on December 8, 2021, at 5:30 p.m. in the Bagley City Council Chambers.

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

Also Present: Troy Jesness, Vicky Fletcher, Bill Masterson, Ryan Schipper and Brett Carter.

Motion was made by Merschman to accept the agenda with the removal of item # 8, appointments to the Park Board. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve the minutes as written for November 10th and 16th. Seconded by Brovold, motion carried.

Sutherland made a motion to accept the Consent Agenda which included 11 items. 1) City Receipts totaling \$55,535.03. 2) City Budget Reports with total expenditures of \$135,316.69 for all depts. 3) Liquor Store Budget and Profit & Loss Report for October. 4) Approval of checks written for the City and Liquor Store in October 5) Approval to pay outstanding invoices for the City and Liquor Store 6) Approval to move \$29,544.00 from Police Car Fund in Committed Funds to PD Capital Outlay to cover the cost of the new squad car 7) Approval to advertise for fuel bids for 2022 8) Omitted 9) Approval of Election Judges for 2022 10) Approval to set City Council meeting dates for the 2nd Wednesday of each month and the 4th Wednesday for work sessions 11) Licensing approval for Main Street Tavern, Bowl Inn, American Legion and DaRoo's Pizza. Seconded by Brovold, motion carried.

Officer Ryan Schipper presented 2 estimates from Code 4 to equip the new squad car. One estimate with used parts and the other new parts with prices ranging from \$4,010.51 to \$9,207.09. Bonik made a motion to spend up to \$5,000.00 to equip the new squad car using as many used and salvaged parts as possible. Seconded by Sutherland, motion carried.

Motion was made by Merschman to make 3 extra payments, a total of \$90,000.00 on the principal, of the 2014C Bond for the Liquor Store. Seconded by Bonik, motion carried.

Motion was made by Brovold to pay Knife River \$18,110.31 for the final payment on the Taxiway/Apron Rehabilitation Project, 95% of which will be reimbursed by the Department of Aeronautic. Seconded by Sutherland, motion carried.

Sutherland made a motion to approve the Agreement for Professional Services with Karvakko, P.A. Seconded by Brovold, motion carried.

Motion was made by Bonik to table the proposal from Loren Solberg to lobby on behalf of the city. Seconded by Merschman, motion carried.

**PUBLIC HEARING
TRUTH IN TAXATION
DECEMBER 8, 2021**

Mayor Michel opened the Public Hearing at 6:00 p.m.

There were no citizens in the audience with questions or commits on the 2022 proposed budget and levy for the City of Bagley.

After a brief discussion between the council members a motion to adjourn the Public Hearing was made by Bonik. Seconded by Sutherland, motion carried.

**CITY COUNCIL PROCEEDINGS, CONTINUED
DECEMBER 8, 2021**

Motion was made by Sutherland to approve a raffle for the Bagley Firemen's Relief. Seconded by Merschman, motion carried.

Motion was made by Merschman to approve Resolution #23-21, accepting ARPA funds. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve Resolution #24-21 designating the Community Room as the official polling site for the City of Bagley. Seconded by Brovold, motion carried.

Motion was made by Merschman to approve the 2022 City Budget. Seconded by Sutherland, motion carried.

Motion was made by Sutherland to approve the 2022 City Levy. Seconded by Merschman, 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.

DECEMBER 15TH, 2021

The Bagley City Council met in special session on December 15, 2021, at 6:00 p.m. in the City Council Chambers.

Present: Mayor Sidney F. Michel, Councilmembers Dennis Merschman, John Sutherland, Jon Brovold and Chad Bonik, City Clerk Faye Jacobs and Chad Arneson (via zoom).

Mayor Michel opened the meeting at 6:00 p.m. stating “the agenda item is internal affairs data relating to allegations of law enforcement personnel misconduct. This portion of the meeting will be closed under Minnesota Statutes, section 13D.05, subdivision 2 (a)(2). I will now entertain a motion to close this portion of the meeting”.

At 6:01 motion was made by Brovold to close the City Council meeting. Seconded by Merschman, motion carried.

The meeting was electronically recorded pursuant to Minnesota Statutes, section 13D.05, subdivision 1.

Mayor Michel reopened the City Council Meeting at 6:29 p.m.

Brovold made a motion to take no formal action at the meeting, but to send a letter, penned by City Attorney Chad Arneson, with City Council's terms to the party involved and which the allegations of misconduct were brought against. Seconded by Bonik, yeas by Brovold, Bonik and Sutherland, nays by Merschman, motion carried.

Motion was made by Brovold to adjourn. Seconded by Bonik, motion carried.

DECEMBER 22, 2021

The Bagley City Council met on December 22, 2021, at 5:30 p.m. in the Bagley 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: Ken Olson, Chris Arnold, Bill Masterson, Renee Benson, Darin Steindl and Ryan Schipper.

Mayor Michel called the meeting to order at 5:30 p.m.

Mayor Michel added to the agenda under new business, a closed meeting titled "internal affairs data relating to allegations of law enforcement personnel misconduct".

Motion was made by Merschman to accept the agenda with amendment. Seconded by Brovold, motion carried.

Consent Agenda-Profit & Loss and Budget reports for the Municipal Liquor Store were reviewed and Arnold presented the bar graph he provides the Council with yearly comparisons.

Arnold asked permission to re-hire Pete Walchuk as a part-time clerk with pay comparable to current employees and to set up a hot spot for back-up for the credit card terminals.

Motion was made by Merschman to approve Steven Larson with Reynolds, Harbott, Knutson & Larson P.L.L.P. out of Crookston for legal work on the Water/Wastewater Project. Seconded by Sutherland, motion carried.

Sutherland made a motion to approve the payment of an additional \$93.61 that was not approved at the regular meeting on the 8th of December. Seconded by Bonik, motion carried.

Olson with the Police Dept. asked permission to purchase used radar equipment priced at \$1,895.00 for the new squad car. Motion to approve the purchase was made by Merschman. Seconded by Bonik, motion carried.

Mayor Michel called for a motion to close the City Council meeting under Minnesota State Statutes, section 13D.05, subdivision 2(a)(2) at 5:46 p.m. for "Internal affairs data relating to allegations of law enforcement misconduct" Motion was made by Merschman. Seconded by Brovold, motion carried.

The meeting was electronically recorded pursuant to Minnesota Statutes, section 13D.05, subdivision 1.

Mayor Michel reopened the City Council meeting at 6:11 p.m.

Before a vote was taken Mayor Michel asked Chief Benson if she would like to resign, her answer was no.

Mayor Michel called for a motion; Motion was made by Merschman to terminate Chief Benson. Seconded by Brovold, motion carried.

Mayor instructed Jacobs to issue vacation pay on Dec. 23rd as well as upon receipt of timecard, final pay and comp. time earned.

Mayor also asked that Councilmember Sutherland accompany Benson to the Police Department to get passwords and other things, to that Benson responded she did not have time, but would be in touch with him on the 23rd.

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

DECEMBER 28, 2021

The Bagley City Council met in Special Session on December 28, 2021, at 8:00 a.m. in the City Council Chambers.

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

Mayor Michel called the meeting to order at 8:00.

Sutherland made a motion to appoint Ryan Schipper as Interim Police Chief. Seconded by Brovold, motion carried.

Sutherland and Brovold will coordinate with Schipper with directives for his position.

Sutherland made a motion to have Brovold review the job description and to check with City Attorneys for help on the hiring process for a new Police Chief. Seconded by Bonik, motion carried.

Brovold made a motion for Officer Olson to order supplies from a list he provided. Seconded by Bonik, motion carried.

Sutherland made a motion to approve the Press Release for Benson's termination from the Attorney. 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.