

CITY COUNCIL PROCEEDINGS
JANUARY 3, 2012

The Bagley City Council met on January 3, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, David G. Anderson, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Mayor Edevold opened the by stating that this meeting is being held to work on different projects in the City and asked the Council to think about the coming year and the changes that may happen in the coming year.

Discussion was held on the Liquor Store and the completed year-end inventory. Clerk discussed with the Council on how they would like to see the inventory done through out the year. Employee discounts should be discussed with the Manager. Discussion was also held on having security checks on individual bottles.

Mayor asked that members look at The Employee Handbook, which is currently from 1990 with updates added to it over the years. He suggested that a separate handbook might have to be made for the Liquor Store employees.

Councilman Michel spoke on his ideas to get employees to be responsible for their activities. He would like to see all employees punch in on a time clock. He also feels that all employees should keep a journal on what they are doing during the day and how much time they put into each project they do. He would like to see the time that each employee puts into a certain department and that each department is charged accordingly.

Mayor Edevold stated that he has heard that the public has a sense that employees are not doing anything and that they need to be accountable for the work they do.

Discussion was also held on the fact that many employees leave their vehicles running while they are doing something else. Michel stated that all department workers should turn off their vehicles while not driving them and this could save the City and Public Utilities a lot of money.

Clerk was asked to do a breakdown on each employee's wages and benefits.

It was also discussed to put a timeline on projects so that they do not get put on aside or forgotten.

Mayor Edevold would like to see all the Departments put on one computer system to tie everyone together.

A Consent Agenda was discussed. Council members would like to have emailed to them, what the department heads would like to discuss or ask for from the Council before their regular Council meeting.

Discussion was held on the Plowing of Snow and the Council's need to rethink their idea on how and when snow should be plowed. Mayor Edevold would like to see a fee structure to charge people for plowing snow into the streets from their parking lots. He has asked the Street Superintendent to check into MNDOT's prices on equipment rental, to compare them with what he has charged.

Michel stated that the Council is not here to beat up on employees but to change how things are done and be more effective.

More discussion was held on the Liquor Store facility, Kastner Addition, and the Industrial Park/Bagley Industrial Development Commission.

Michel talked about using the old Street Department garage for a salt & sand storage shed.

Clerk was asked to check into the use of MNCEP workers to see if anyone is available to work.

Mayor stated he would like to see the Council minutes tidied up and not so long, and would also like to see where priorities sit.

Discussion was held on the use of computers in all departments. Clerk stated that Minkota Tec from Winger helps with the City Hall computers. Up grades will be looked into. Mayor would like to see an inventory of all computer equipment for interfacing. Also a Credit Card Machine for City Hall and Public Utilities will be looked into. Time Clocks for all Departments were discussed. Mayor would like to find a program to keep track of time used and a journal program for employees.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
JANUARY 10, 2012

The Bagley City Council met in regular session on January 10, 2012 at 6 p.m. in the Bagley City Council Chambers.

Present were Mayor Mark Edevold, Council Members Andy Anderson, Sidney Michel, David G. Anderson, Chad Bonik, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present were Bill Masterson, Chris Arnold, Ciera Hartman, Tiffany Fettig, Police Chief Darin Halverson, and Doug Lindgren.

Motion was made by Michel to approve the minutes from December 8 & December 13, 2011 and January 3, 2012. Seconded by Bonik, passed unanimously.

Consent Agenda: Councilman D. Anderson asked that the appointment of two Council Members to the Park Board be taken off the agenda for further discussion. Councilman Bonik moved and Councilman D. Anderson seconded a motion to approve the balance of the Consent Agenda. Motion carried unanimously and the following items were approved.

- 1) Motion to appoint Attorney Ed Rasmussen as City Attorney for 2012.
- 2) Motion to appoint the following persons to the Library Board for 2012: Terry Knutson, Mia Reynolds, Sarah Swagel, Melanie Nelson, & Lavidia Wiens.
- 3) Motion to appoint the following persons to the Planning & Zoning Commission for 2012: Sidney Michel, David G. Anderson, Kraig Fontaine, Bill Masterson and Jacki Merschman.
- 4) Motion to appoint two members to the Bagley Park Board: Jacki Merschman and Doug Lindgren.
- 5) Motion to appoint Colleen Lindgren as Cemetery Sexton for 2012.
- 6) Motion to appoint Andy Simons to the Bagley Public Utilities Commission.
- 7) Motion to approve the 2012 Contract with the County Attorney.
- 8) Motion to approve to advertise for gas at the pumps.

Motion was made by D. Anderson to appoint Council Members Chad Bonik and Andy Anderson to the Park Board for 2012. Seconded by Michel, passed unanimously.

Mayor Edevold appointed David G. Anderson as Vice-Mayor for 2012.

Tiffany Fettig, HRDC, was present to speak with the Council on a loan deferment for Nevaeh & Associated, LLC/The Garden Place Assisted Living. Deferment would be for the period of January through June 2012. Riverwood Bank, HRFC, and the SBA are going to be doing a deferment also. This deferment would be to get them caught up on Real Estate Taxes. Motion was made by Michel to approve the deferment with conditions outlined by Fettig. Seconded by A. Anderson, passed unanimously.

City Receipts and Budget reports for December 2011 were gone over. Clerk explained that there is one more report to come for 2011.

Motion was made by A. Anderson to approve payment of the City and Liquor Store outstanding bills. Seconded by D. Anderson, passed unanimously.

Clerk was asked to open the sealed bids for the sale of the 1984 Fire Department truck.

Robert Eck, Jr. - \$3,350.00 Michael Davis - \$2,675.00

Motion was made by D. Anderson to accept the bid for the Fire Truck from Robert Eck, Jr. in the amount of \$3, 350. Seconded by Michel, passed unanimously.

A letter was received from the Department of Employment & Economic Development (DEED), stating that the Cities pre-application for potential funding was accepted and the City is invited to submit a full application. Clerk has spoken to Tim Flathers, HRDC, and he will be attending a meeting on the project, on January 26th. More information will be brought to the Council after this meeting.

Department Reports: Chris Arnold, Liquor Store Manager. Arnold handed out a proposed budget for 2012. There are still some of the year-end totals that need to be put in so nothing will be done with the budget until the February meeting. Year-end inventory has been done and sent to the Auditor. Arnold asked permission to start organizing the Fireworks Fundraiser for this spring. Motion was made by Michel to allow Chris Arnold to go ahead on the procedure of the Fireworks fundraiser on behalf of the City. Seconded by Bonik. Michel added an amendment to the motion to add David G. Anderson as Committee Member for the Fireworks Fundraiser. Seconded by Bonik, passed unanimously. Arnold stated that the Tuesday Study Club is more that willing to help with the project again this year.

Police Dept.-Chief Darin Halverson. Chief reported that a meeting was held on the use of digital radios by mid February. He would like permission to purchase one digital portable radio for the new COPS Officer, at a cost of \$1,927.80. Motion was made by A. Anderson to approve the Police Dept. to purchase one portable radio at \$1,927.80 plus tax. Seconded by Bonik, passed unanimously.

Chief is still looking for a good deal on computer stands for the cars. Rogers Radio's has some for around \$50 each.

Zoning-Sid Michel. Annual meeting of the Zoning & Planning Board will be on January 25th at 6 p.m. in the Council Chambers.

Parks & Recreation-Doug Lindgren. The Park Boards first meeting for the year will be held on January 24th at 6 p.m. in the Council Chambers. Notice has been received that the Board has been told they are allowed to put tile & fill at the ball fields.

Roads & Bridges-Bill Masterson. Snow blower is up and working. State DOT did not get their blower to use in the City so Masterson will still be working with them to remove snow off the Highways. Dead trees at the airport are being cut to use in the Park this summer. A/D Building is not complete. There is an issue with the front door and the code to use. The water test results have not been received yet. Discussion was held on the procedure of snow plowing.

Bagley Industrial Development Corporation-Doug Lindgren. Lindgren reported that two positions on the Board are open. Lindgren questioned the position of the BIDC Board on helping with projects at the City Airport as they were asked to help with the airport two years earlier. Mayor feels more discussion is needed on the subject of the BIDC Board. Board will be meeting on Wednesday January 11th at 7:30 p.m.

Public Utilities-Mike Jensen. A camera has been put through the sewer line at City Hall and no major fixes are needed. The radio equipment for the Sheriff's Dept. has been put on the tower. Lease agreement has been done through the Public Utilities Commission. Discussion was held on cable breaks and Broad Casters charges for channels.

City Hall-Clerk Colleen Lindgren. Clerk received an email from Seth Tramm concerning the AED's, which the Council had approved looking into for the Ambulance service. Police Chief Halvorson will speak with Tramm about the equipment and bring back to the Council.

Clerk Lindgren brought to the Council the 2012 Pay Equity Report. All employees were given points according to the State Job Match System. Report was to show the 2011 Employee wages and is due to the State by January 31. Motion was made by Michel to approve the report as shown. Seconded by A. Anderson, passed unanimously.

Clerk informed the Council that the date for the first Council Meeting on the first Tuesday in February needs to be changed due to State Caucus and the first Tuesday in November for Elections. Motion was made by Michel to change the Council meeting dates to Wednesday February 8th and Wednesday November 7th. Seconded by D. Anderson, passed unanimously.

A letter was received from Tom Beltz, volunteering to water the flower baskets on the sidewalks in the summer of 2012. Motion was made by Michel to have the Clerk send a letter to the City Business's to see if they are willing to sponsor a flowerpot by planting the flowers. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve Resolution #1-12 OFFICIAL NEWSPAPER. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve Resolution #2-12 OFFICIAL DEPOSITORY. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to approve Resolution #3-12 APPOINTMENT OF A HOUSING AUTHORITY COMMISSIONER appointing Ruth LaFontaine. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to transfer \$8,000 from the Economic Development budget to the BIDC. Seconded by Michel, passed unanimously.

Michel stated an apology to City Employees for pointing out that Bill Masterson did a good job in his position. He would like all employees to know that he feels they all do a good job for the City.

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

Mark Edevold, Mayor

ATTESTS:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
FEBRUARY 6, 2012

The Bagley City Council met in special session on February 6, 2012 at 6. Meeting was held at the Arrival Departure building at the City Airport.

Present were Mayor Mark Edevold, Council Members Andy Anderson, Sidney Michel, Chad Bonik, David G. Anderson, City Clerk Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present were Bill Masterson, Mike Karvakko, Aaron Chirpich and Chris Arnold.

Engineer Mike Karvakko was present to update the Council on the construction of the Arrival Departure building. There are still some outstanding items, which Duane Lewis needs to take care of. Lewis has submitted a second pay request. Karvakko was not going to proceed with this until the wage statement requests were done. If this request was approved it would be for all but 5% of the total project. He would not be given the last 5% until all punch lists requirements were done. Mayor stated that there are some sub-contractors that have not been paid and there are a few items that can't be done until spring such as painting of the doors and stripping of the lot. Karvakko recommended that the payment be made if the paper work is done and to keep the 5% contingency amount until all work is done.

2013 Capital Improvement Projects was discussed. State Aeronautics has stated that two of the three projects that the city has asked to do, are eligible for funding this year. These are the Crack Sealing and the purchase of Snow Removal equipment. The Crack Sealing has been listed at \$4,000, which the state would cover \$3,200 and the City \$800. If the City wants to proceed with the crack sealing the state needs to know by March 1st. The snow removal equipment is only refundable at 66%. Equipment was listed at \$100,000 with state portion \$66,670 and city portion of \$33,330. The state also needs to know by March 1st if the City is going to go ahead on this also. It is not mandatory to do these projects just because they are in the Cities CIP. Masterson has been looking into costs for a tractor/loader/snow blower. A tractor with blower is around \$80,000. Masterson will bring further information to the next council meeting.

Karvakko went over the States 50/10 inspection letter. There were a few items flagged on the City airport. There is signage needed on the road so that car vehicles do not go on the runways. The airport should have three (3) more tie downs. Median lighting is needed, Masterson will check into this.

Karvakko discussed the Airport Layout Plan that he is doing for the City. There is a list of trees that need to be removed. There also seems to be one fence in the easement area. There are easements that need to be looked into. Future expansion of hanger bays, aprons, and a fueling area were added on the plan. Michel asked about getting help to redo the zoning and land use ordinance for the airport. There is someone at the State Aeronautics that can do this.

Aaron Chirpich, HRDC, was present to speak with the Council about the Small Cities Grant. The Cities pre-application was accepted and a full application can now be put in. The State has now said that the City should go on its own so the City of Shevlin will not be included. City needs to define a Target Area. Clerk has suggested to HRDC that this grant have a target area that does not include the target area of the last Small Cities Grant. Chirpich said that 40 to 50 applicants are needed and 12 plus households will be served. The full application is due by April 12th. Rental units are not eligible. Income guidelines will be defined. Cost by HRDC to put the application in is \$2,500.

Discussion was held on Administrative Fines for minor traffic violations. Mayor would like to look at all fines and enforcements. Chief Halverson is looking into it now. Michel stated that the City of Ada has this policy in place at this time.

Discussion was held on the Annexation of the Golf Course. Rumor is that the City Council wants to take over the golf course. Mayor Edevold stated that he has a good inclination that the Council does not want to take over the golf course. Michel would like to hear what the Golf Association has to say, it is not planed but there are a lot of questions. Mayor has met with Eli Ricke and Liquor Store Manager Chris Arnold to discuss issues for putting liquor out at the golf course. City owns the property and the buildings belong to the Golf Association. Michel wondered about what

would happen if the Golf Association leases out the building to the City. Mayor stated there are many details that need to be worked out. Mayor asked again if the City Council is looking at taking over and operating the golf course, right? D. Anderson stated not that he knows of. The Lease with the Golf Association has expired and a new lease needs to be drawn up. Mayor asked if the Council would declare that the City has no intention other than a lease for \$1.00 a year or on the best advise of the City Attorney. He assumes that it will be very similar as the last lease. Michel stated that they have a done a good job and he does not know what their finances are per year. Clerk suggested that the Council could charge the same as they do on other leases in the City, which is \$100 per year. Lease will be looked into further before it is approved incase more than one lease is needed.

Mayor stated that HRDC might be able to help with an Ordinance for the Annexation of the golf course and possibly the City Cemetery. Mayor will contact HRDC. Michel stated that the Zoning for the golf course would need to be looked at also, if Liquor is put in. Public Hearings may also be needed.

Liquor at the Golf Course was discussed. Many details need to be worked out first. Michel asked if there was a business plan. What is the start up costs? How much cost is going to be invested into the building? If it is going to be a public building it will need handicap access. Bathrooms will need to be looked into due to minors in the building. There also much be seating for 25 people. All of these need to be addressed. Power in the building and security of the building must be looked at also. Michel asked what the usage of the course is, which no one present knew for sure. Clerk stated that Eli Ricke had said at the meeting between her, Ricke and Arnold that he would like to have the bar open on Wednesday and Thursday. Arnold would like to see it open on Friday and Saturday also. Michel also asked what insurance is needed for employees to carry liquor from the present liquor store to the golf course. He feels the City would be providing a service that he does not feel is needed.

Discussion was held on the Bagley Industrial Development Corporation. Mayor Edevold stated that he has researched it. He asked what does the Council want to do? Let it die or replace it? City could develop an EDA (Economic Development Authority), which is run by the City. The EDA would have five to seven members on a board, which two are Council Members. There is no connection between the City and the B IDC. They are an entirely separate entity. There may be a conflict of interest being there is a husband & wife combination of Chairman and Secretary/Treasurer. The organization has not been audited. They are registered with the State but not with the IRS to file a non-profit status. Insurance on the property needs to be looked into also. Clerk asked if the Mayor should not be speaking with the B IDC Board on all of his concerns, not just the City Council. Mayor handed out an information packet about Economic Development Authorities. An EDA would be attached to the City Council. Mayor is going to discuss this further with HRDC and come back to the Council with the information. Michel stated that the Council could utilize the same people that are on the B IDC Board and make a name change and some structural changes. Clerk stated that David Lee has told her that he would be on the B IDC Board. Michel feels that the City would save money by owning the lots and then there would not be any land taxes due. Michel suggested that the Mayor talk to Doug Lindgren, Chairman of the B IDC, about getting a meeting together. Clerk commented on the Mayor's statement of Conflict of Interest. Her husband is Chairman and she is the Secretary Treasurer. No one else has stepped up to take the positions. As to paying out any funds, when Lowell White and Dr. Thabes were in Office they had told her to pay the taxes when they come due and not call a meeting just for that. She stated that she is following what she was told to do. Clerk gave the example of Copley Township where there is or has been husband and wife on that board. Mayor feels that if more money is received there could be some outside entities that don't like the husband & wife on the same board.

Year-end spread sheets were gone over.

Discussion was held on time tracking plans. Michel would like to see time clocks put in for all employees. Clerk stated that she and Deputy Clerk Jacobs have been keeping journals on the work they are doing. Mayor would like to see spreadsheets for employees. Street Superintendent Masterson showed the time sheets that his department has started using.

Motion was made by D. Anderson to extend the meeting by 10 minutes. Seconded by A. Anderson, passed unanimously.

Michel stated that he would still like to see employees, City and Public Utilities, using a time clock. Clerk explained that she and Jacobs are not breaking it down by hours, but are using a journal to record their work. Michel would like to see a breakdown in hours because in the future payroll may need to be broken into different departments. Mayor asked what the Council members would like to see. Michel would like time clocks. D. Anderson and A. Anderson feel that logging in would be fine.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
FEBRUARY 14, 2012

The Bagley City Council met in regular session on February 14, 2012 at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members David G. Anderson, Sidney Michel, and Chad Bonik, City Clerk Treasurer Colleen R. Lindgren and Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present were Mike Jensen, Bill Masterson, Pat Conroy, Dan Larson, Chris Arnold, Darin Halvorson, Todd Hagen, Ciera Hartman, Andy Simmons, Dany Ekre and Doug Lindgren.

Motion was made by Michel to approve the minutes of the January 10, 2012 meeting. Seconded by D. Anderson, passed unanimously.

Discussion on the Consent Agenda. Mayor Edevold would like to withdraw item F – Request to order PDF/disks with City Ordinances. Motion was made by D. Anderson to approve the Consent Agenda excluding item F. Seconded by Michel, passed unanimously.

- A) Resolution #4-12 – BAGLEY PLANNING & ZONING LAND USE SCHEDULE FEES.
- B) Resolution #5-12 –ACCEPTANCE OF DONATION
- C) Resolution #6-12 – ACCEPTANCE OF DONATION
- D) Resolution #7-12 – AUTHORIZATION TO EXECUTE A LEASE AGREEMENT FOR A MOTORCYCLE SKILL TEST COURSE
- E) Transfer of funds - \$6,200.49 from Liquor Store checking to Liquor Store savings
- F) WITHHOLD
- G) Safety & Loss Control Workshop-request to attend
- H) Request of Clerk to attend the MCFOA Conference in March
- I) Transfer of funds-2011 Fire Dept. budget funds into savings (\$1,461.20)

Mayor spoke on item F. He would like to call American Legal Services and get a Word document on the Ordinances before the Council goes ahead and purchases the disks.

Mayor Edevold called upon Todd Hagen, Financial Agent for Ehlers & Associates, Inc. Hagen explained a possible refinancing of three bonds held by the City. If the bond issue does not go through, only the rating company would need to be paid at a cost of approximately \$4,500 to \$5,500. The City does need a bond rating. The refinancing would save up to an estimated \$103,000 over 11 years. Investment rates have gone up and interest rates down. Hagen feels that it would be more efficient to put the three bonds into one. It would be chopping off 2-2-1/2% on the interest rate. The City would not experience a savings until 2014. It takes about one month to do a bond sale. Michel asked about an early pay off. Hagen said this must be paid over the eight years. Michel would like to find the Cities Bond rating now and have a special meeting. Motion was made by D. Anderson to approve Resolution #10-12 RESOLUTION PROVIDING FOR THE SALE OF \$1,485,000 General Obligation Refunding Bonds, Series 2012A. Seconded by Michel, passed unanimously.

Widseth Smith Nolting Grant Writer Pat Conroy was present to update the Council on the grant/financing for the Bagley Avenue Project. The Clearwater Hospital has gone over to Sanford and this seems like the right time to upgrade the utilities under Bagley Ave. Estimated cost is about \$200,000. Then the electric along Bagley Ave was looked into. There is a program in St. Paul called the Business Development Public infrastructure (BDPI) that funds these kinds of projects. It is for infrastructure to a business. This program is to keep jobs in the community and to broaden the tax base. The City has a Revolving Loan Fund from St. Paul at this time and the state is thinking that these funds might have to be used. Conroy would like to see these funds kept for future business's to come into the City and the City get new grant funds for the Bagley Ave. Project. The State had originally said the City should use the RLF's but have now agreed to a new grant application. BDPI is for business only and there are a lot of residential homes in the area. Now the County costs of the Bagley Ave. will be added and 4th Street from Hwy 92 to the hospital will be used and this will put another business in the equation. Conroy still needs to show the State how he is

going to prorate all the residential area, churches & school into the application. A Resolution will need to be approved by the City Council at a later meeting, when all the numbers come in. Discussion was also held on Street lighting for the area.

Dan Larson was present to speak with the Council about his current sign lease. Monica Olson contacted him saying she would like to upgrade her sign. They worked out an agreement between themselves and he would like to upgrade his lease with the City. He asked for a 10-year lease term with the lease payment to be \$300.00 per year. This would be combining the two leases. If the Council does not want to go with this new lease agreement, Olson would keep her sign and the lease the way it presently is. D. Anderson thinks the agreement looks OK. Mayor Edevold would like to see a letter of termination from Monica Olson and a per year payment. Matter was tabled until the March 6th work meeting.

Clerk brought before the Council her recommendations on 2011 budget transfers. Motion was made by Michel to approve the final 2011 Budget transfers as follows: Zoning-transfer \$1,363.43 to City Hall budget. Cemetery – withdraw \$1,363.43 from the Cemetery Savings and put in the 2011 Cemetery budget. Airport-transfer \$2,969.33 into 2012 budget for A/D building. Roads & Bridges-transfer \$965.00 to animal pound; transfer \$2,398 into Park Budget; transfer \$7,256 into designated Roads & Bridges equipment fund. Park-transfer in the Park & Recreation designated funds of \$2,780. Police-transfer in \$7,121 from the Economic Development designated funds. Motion was seconded by Bonik, passed unanimously.

Being there were no significant findings in the January budget report, report was not discussed in length.

Motion was made by D. Anderson to approve payment of the outstanding bills for the City and the Municipal Liquor Store. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve the contract in the amount of \$2,500., with Headwaters Regional Development Commission, to prepare a full application to the MN Dept. of Employment and Economic Development for the Small Cities Grant Program. Seconded by Michel, passed unanimously. Mayor appointed Sid Michel, David G. Anderson and Colleen Lindgren to work on the Target Area for the application.

Discussion was held on the Airport Arrival Departure Building. Motion was made by D. Anderson to approve the Pay Estimate to Universal Builders/Duane Lewis in the amount of \$49,164.34. Seconded by Michel, passed unanimously.

Discussion was held on Liquor at the Twin Pines Golf Course. Mayor handed out sheets containing excerpts from the City of Bagley Ordinances on Liquor within the City. Mayor would like to take a tour of the present building at the Golf Course to check it out. Councilman Michel stated that the split liquor law should be looked into and that Attorney Rasmussen did say that the building at the Golf Course belongs to the City. When you build a building on leased property, the building reverts to the owner. Clerk stated that she had spoken to Attorney Rasmussen also and he stated that there will be liability to the City and his professional opinion is that the City should not get into it.

Discussion was held on purchasing Snow Removal Equipment for the Airport with cost sharing coming from the Office of Aeronautics. Street Supt. Masterson stated that a tractor would cost approximately \$40,000 and a blower for it \$12,000. If this equipment were to be purchased, it could not be used for anything but the Airport. It would also need to be housed at the airport. Masterson would rather hold off on the purchases. Motion was made by D. Anderson not to purchase the snow removal equipment for the airport. Seconded by Michel. Passed unanimously. Karvakko Engineering will be notified also.

Discussion was also held on doing Crack Sealing at the Airport. Motion was made by Michel to send a letter to State Aeronautics and Karvakko Engineering that the City will be proceeding with the Crack Sealing and to engage Karvakko as Engineer for the project. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve Resolution 9-12 RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENT WITH THE CITY OF BAGLEY ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT. Seconded by Bonik, passed unanimously.

Department Reports: Dan Ekre, Pound Master. Ekre feels that the City should look into the same Ordinance that the City of Gonvick has, allowing households to have only three pets per house. There are getting to be a number of homes that have a lot more than three dogs and cats. Very few are getting registered for license or have shots. It is not healthy and there are many wild animals in the City. It cost the City approximately \$70 to \$80 per animal to keep them at the pound for the required five days. Clerk will get the Ordinance from Gonvick and bring back to the Council.

Liquor Store: Chris Arnold, Manager. Arnold presented a proposed 2012 budget to the Council. Proposed expenses for 2012 is \$174,688.84. Motion was made by Michel to adopt the 2012 Liquor Store Budget in the amount of \$174,688.84. Seconded by Bonik, passed unanimously.

Motion was made by Michel to extend the Council Meeting by fifteen (15) minutes. Seconded by Bonik, passed unanimously.

Fire Department: Clerk asked permission to send five Firemen to a training session being held in Detroit Lakes on March 9-11th. Cost to be \$450 for registration plus 2 nights of room and board. Motion was made by D. Anderson to approve this training for five firemen. Seconded by Michel. For: D. Anderson, Michel, and Edevold. Abstain: Bonik. Motion carried.

Fire Chief Gerbracht asked to purchase 30 new pagers for the Fire Dept. at a cost of \$120.00 each. Roger's Two Way Radio has stated in writing that they will give the Fire Dept. a discount of \$20.00 per pager for a \$600 discount. Total cost for the 30 pagers would come to \$3,328.09. Chief asked if this amount could come out of the capital outlay funds the City set up. D. Anderson made the motion to approve the purchase of 30 Pagers from Roger's Two Way Radio at a total cost of \$3,328.09. Seconded by Michel. For: D. Anderson, Michel, and Edevold. Abstain: Bonik. Motion carried.

Police Department: Chief Darin Halverson. Chief had met with Seth Tram on the matter of defibrillators for the Police Dept. The City defibrillators will interchange with the Ambulance ones. Motion was made by D. Anderson to transfer \$2,590 from Economic Development to pay for two AED's for the Police Dept. Seconded by Michel, passed unanimously.

Chief Halverson stated that he had met with Sheriff Erickson on the 911 fund questions. Funds are basically for dispatch services. They cannot be used for radios and equipment. Police Officers are now scheduled for around the clock coverage in the City.

Zoning- Chairman Sid Michel. The Zoning Board has elected officers and Bill Masterson has stated that he would be willing to take over the Administration of Zoning. Motion was made by D. Anderson to accept Sid Michel's resignation as Zoning Administrator and to appoint Bill Masterson as Zoning Administrator. Seconded by Bonik, passed unanimously.

Park Board-Doug Lindgren. As a fundraiser, the Park Board members will be serving Hotdogs & pop at the Lions Fishing Derby on February 26th.

Public Utilities-Mike Jensen, Manager. Will have more on the Bagley Ave. lighting at the next meeting.

City Hall-Colleen Lindgren, Clerk Treasurer. A letter from the Dept. of Health concerning the water testing at the City Airport is on file at City Hall. Testing is complete and passed all tests.

The Grant, which was applied for from the Office of the MN Secretary of State for voting equipment, has been denied.

Clerk was asked to open the bids for fuel at the pumps. Bagley Coop Association Ethanol/unleaded bid-.05 cents per gallon above cost and Diesel Fuel No. 2-.05 cents per gallon above cost. Motion was made by D. Anderson to approve the bid of Bagley Coop Association. Seconded by Michel, passed unanimously.

Discussion was held on a letter from Erma J. Vizenor, White Earth Chairwoman. Letter was to share information about a new stadium for the MN Vikings and fundraising for it. Motion was made by D. Anderson to send a letter of support to Vizenor. Seconded by Bonik, passed unanimously.

Motion was made by Michel to extend the meeting by fifteen (15) minutes. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to enter into contract with Total Register Systems for support for the cash registers and computer system at the Liquor Store. Contract amount to be \$1,095. Motion seconded by Michel, passed unanimously.

Clerk brought to the Council a letter from the MN Dept. of Natural Resources concerning watercraft inspections & decontaminations of watercraft leaving water bodies that contain invasive species, or are located near a water body that is infested with invasive species. Motion was made by Michel to have the Mayor sign the RIGHT OF ENTRY AUTHORIZATION FOR WATERCRAFT INSPECTIONS with the MN Dept. of Natural Resources. Seconded by D. Anderson, passed unanimously.

Deputy Clerk Faye Jacobs updated the Council on the Sales Tax audit, which is presently going on.

Bill Masterson stated that there are a number of trees at the airport that need to be removed. He does need to find out just where the City Property lines are. Easements will be looked into further.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
MARCH 6, 2012

The Bagley City Council met in special session on March 6, 2012 at 6 p.m. in the Bagley City Council Chambers.

Present were Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, Andy Anderson, and David G. Anderson; Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Sidney Michel was absent.

Also present were Street Superintendent Bill Masterson, County Engineer Dan Sauve, County Auditor Allen Paulson, and County Treasurer Charlene Olson.

Motion was made by D. Anderson to approve the Gambling Permit for the Bagley Firemen's Relief Association, to hold a raffle during the Firemen's Ball on April 14, 2012. Seconded by A. Anderson, passed unanimously.

Motion was made by Bonik to approve the Gambling Permit for the Clearwater County Agricultural Society to raffle County Calendars at the Clearwater County Fair on August 5, 2012. Seconded by A. Anderson, passed unanimously.

Clerk brought before the Council a Sign Lease Agreement for Dan Larson, to construct and maintain two signs on the east edge of the City. Lease agreement is for \$300 per year with a five (5) year term. Motion was made by D. Anderson to approve the Sign Lease Agreement with Dan Larson. Seconded by A. Anderson, passed unanimously.

Councilman Sidney Michel entered the meeting at 6:10 p.m.

County Treasurer Charlene Olson and County Auditor Allen Paulson were present to speak with the Council about the properties owned by Cliff Kastner in the Kastner Addition. A letter was received from Kastner offering to sell the lots to the City for \$10.00 each, with the City taking over the past due taxes and special assessments. At present time the back taxes and assessments total \$142,779.35. Of this amount, approximately \$40,000 of it is taxes, the rest is special assessments. The City would get back approximately 60% of the dollars paid into the County. The taxes for 2012 are \$27,202.00. After 2012 the specials could be deferred. If the City were to take over the lots from Kastner, they would need to pay the taxes and the County would turn around and pay the dollars back to the City as an advance. All taxes must be paid before the deeds are filed. City would need to keep track of dollar amount of deferred taxes. Yearly tax base for the lots is around \$900.00. Special assessments can be deferred on the lots until sold. Matter will not be acted on today, but will be brought back to the next regular Council meeting. The forfeiture process will begin soon. Auditor Paulson said that penalties would not be waived.

County Engineer Dan Sauve was present to speak with the Council on the Bagley Ave. Project. Sauve brought a Construction Agreement to the Council for their approval. In the contract, the County will stripe the crosswalk but the City must maintain it. The County will pay for the sidewalk construction and the City will then own and maintain it. The County will do striping and then the City must maintain this also. State Aid will cover the storm sewer by 100% and then it becomes the Cities to maintain. If the City gets the grant, the Counties road can be used as local cost share. The City should use the grant for their costs first and then whatever is left over would go to the Counties part of the project. Michel asked what would be done on 4th Street. Sauve said that there would be parallel parking and the sidewalk would be on the north side. The street will be 44 feet wide. The pines along the park will need to come down. Masterson would like to have the trees for firewood in the park. Michel asked about any safety issues on the sidewalk. Sauve did not think there would be any. Mayor said that the utility work would all be included in the project. Sauve stated that the Public Utilities would need to hire their own engineer to do the inspection of the water and sanitary sewer.

Motion was made by Michel to approve Resolution #11-12 to enter into contract with Clearwater County (Agreement #2012-01) for the Bagley Avenue Project. Seconded by Bonik, passed unanimously.

Discussion was held on the Parking Ordinance. Basically it says that the City will enforce the parking along the streets being worked on. Motion was made by Michel to pass Resolution #12-12 to adopt an Ordinance for the parking along 4th Street and Bagley Avenue. Seconded by A. Anderson, passed unanimously.

Motion was made by A. Anderson to accept the slope easement along 4th Street as presented by County Engineer Sauve. Seconded by Bonik, passed unanimously.

Discussion was held on Resolution #8-12 concerning an application to the Dept. Of Employment & Economic Development for a grant to do the Bagley Ave. Project. Resolution states that the City will commit \$63,458 and Clearwater County will commit \$511,629 towards the local match requirement. Public Utilities passed a similar resolution stating they will be responsible for the \$63,458 for the grant match. Motion was made by Michel to approve Resolution #8-12 BUSINESS DEVELOPMENT INFRASTRUCTURE APPLICATION. Seconded by D. Anderson, passed unanimously.

Sauve stated that he plans to start advertising on March 13th and opening bids on April 10th. Bagley Avenue would be worked on first and then 4th Street. Project to begin on June 4th and be done by August 31, 2012.

Discussion was held on the annexation of the Golf Course and the City Cemetery. Mayor Edevold put an Ordinance together for the Council to look at. Clerk Lindgren stated she had given the sample ordinance to the City Attorney but has not heard anything back from him yet. Mayor Edevold would like the Council to act on the ordinance at the next weeks' City Council meeting. Michel asked if a letter of intent has been gotten from the Golf Association, as to their plans at the Golf Course. Mayor stated that one would be coming from the Board. Michel asked who would be carrying the fire insurance. Mayor said that it would be worked out.

Small Cities Grant Application. Clerk stated that an ad has been put in the local newspaper. A Public Hearing is needed for HRDC to inform the public what is being done to get the grant and to generate interest. Motion was made by A. Anderson to set a special meeting with a Public Hearing on March 28th at 6 p.m. in the City Council Chambers. Seconded by D. Anderson, passed unanimously.

Clerk informed the Council that she has been contacted about a Hazardous Risk Management meeting to be held on Monday March 12th at 9 a.m., 3rd Floor meeting room at the County Court House. Council Members and or City Employees are asked to attend.

Clerk stated that she has gotten a letter from Standard & Poor's Ratings Services concerning the rating of the City Bonds. Members questioned the price of \$5,390 and what was gotten for this price. Mayor asked if the Council would want he and the Clerk to speak with Todd Hagen from Ehlers & Assoc. to see just what is gotten for this price. Michel stated that he is still not fully for the project of refinancing the bonds. Motion was made by Bonik to allow spending up to \$6,000 for the assessment/rating after discussion of Mayor, Clerk & Todd Hagen. Seconded by D. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC

City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
MARCH 13, 2012

The Bagley City Council met in regular session on March 13, 2012 at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, David G. Anderson, Andy Anderson, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present were Bill Masterson, Mike Jensen, Chris Arnold, Ceira Hartman, Tom Derby, Dan Hecht, Attorney Ed Rasmussen, Doug Lindgren, Joe Barron, Brandon Engen, and Heather Galli.

Motion was made by Michel to approve the minutes of February 6th, February 14th and March 6th. Seconded by A. Anderson, passed unanimously.

Tom Derby was present to inform the Council on how the City is connected to the Parkview Apartments. In the 1970's the City of Bagley wanted a housing project so the Housing Authority was created to maintain a housing project. The project is all HUD/Federal funding. EPA now requires the Mayor to sign off on a roofing project that is being done at the Parkview Apartments.

Dan Hecht was present to speak with the Council about Firemen's Relief. The Firemen's Relief Board voted to increase the level of benefits for the firemen. Hecht went over the process of the Firemen's Relief. In figuring the benefit, the Board wants to be fair to the retiring firemen and to the City. They voted to change the benefit from \$1,150 to \$1,200 per year. It affects the City when the City Council ratifies what the Firemen's Relief has asked for. Motion was made by D. Anderson to accept the raise of the Firemen's Relief Benefit level from \$1,150 to \$1,200 per year. Seconded by Michel. For: D. Anderson, Michel, A. Anderson, & Edevold. Abstain: Bonik. Motion carried.

Discussion was held on the Annexation of the Golf Course. Attorney Rasmussen said that the filing fee cost is \$500 for the annexation. MN Office of Administrative Hearings now governs annexations. Rasmussen stated that the reason the Golf Course was never annexed before was due to the cost. The Ordinance, application fee and map would need to be submitted to the Hearings Commission for their approval. They would then send it back to the City for adoption of the annexation. The City does not need to get Copley Townships approval or citizens. Michel asked if the land had ever been surveyed. Attorney Rasmussen stated that as far as he knew, it was not. There are legal descriptions on file. A "Meets & Bounds" legal description would need to be written, not just parcel numbers. Mayor Edevold has drawn up a sample ordinance that includes the City Cemetery also. Attorney Rasmussen said it did not meet the correct legal descriptions. Rasmussen stated that he feels the Mayor is putting the cart in front of the horse by annexing the land before the issue of selling Liquor at the Golf Course is decided. Mayor Edevold stated that his personal opinion is that he would like to see the land in the City bounds regardless. There may be no need for it but he feels it is more appropriate that it be in the limits being the land is City owned. He suggests this be done regardless of the next issue. Michel stated that the City Attorney should take Edevold's sample Ordinance and work on it being the legal descriptions are incorrect. Mayor would still like to pass the Ordinance tonight with the Clerk and Attorney Rasmussen putting in the legal descriptions. Clerk questioned whether that could be done or not and Attorney Rasmussen stated that he should be the one to draft the Ordinance and then have it passed. Motion was made by D. Anderson to have a special meeting on ratifying the City Ordinance after the City Attorney has drawn up all the legalities of the ordinance and fees to be paid for doing so. Michel seconded the motion, passed unanimously.

Brandon Engen, Vice-President of the Twin Pines Golf Course Board of Directors, presented a letter to the Council requesting the City to operate the selling of liquor at the Golf Course. Attorney Rasmussen, as a taxpayer, is wondering about a cost benefit analysis. He feels it will cost a couple thousand for liability insurance. Mayor Edevold stated that the City has gotten a quote of \$1,000 to \$1,200 for a year. Rasmussen stated there would also be limited days to sell liquor. He thinks the City needs to do an analysis to see whether it would

or would not make any money. Chris Arnold presented a report on what he feels it will cost and how much could be made on sales. Arnold figured they would need to sell 56 drinks per day, which is 7 per hour, to come out even. Eli Ricke will work with Arnold to set a work schedule around the busy times at the Golf Course. Hours would be 1 p.m. to 9 p.m. or noon to 8 p.m. Rasmussen and Michel questioned the "bar area" of the building. Arnold showed that there is already a bar area that they can use. Michel wants to make sure that there are no minors that are allowed in the area where liquor is served. Question was asked of who would be holding the fire insurance on the place. Arnold stated that Eli Ricke was checking on this. Mayor stated that he feels both insurance companies are going to have to sit down and see who carries what insurance on what. Clerk asked if Arnold had thought of a safe system or till system. Arnold said they would be using the old till from the liquor store. He feels that funds will still be taken care of at the Liquor Store. Heather Galli stated this might be a trial & error project. They are hoping that on Wed. & Thursday it will bring in more people.

Michel stated that his biggest concern is that the Council has raised taxes on the business people in town and now the City is going to be competition with some of the business's that sell liquor. He does not want to harm these people that are already paying taxes in the city and he does fully understand what the Golf Association is trying to do. He feels it is a gamble putting in the liquor. The City could loose funds or make funds. Joe Barron stated that it is their intention to service the people that come to the course, not pull people off the street. Michel feels that the Cities liability is going to double or triple by letting liquor in. Mayor stated that a lawsuit could be filed against the City now when there is liquor on the Golf Course.

Edevold asked if the Council would like to do a special meeting to approve the annexation and speak about the liquor situation at that time. Or would the Council want to turn it all over to the Liquor Store Manager to make the project happen. Michel would like some better numbers to substantiate putting their necks out for it. D. Anderson stated that in his opinion it is only going to help the business's downtown. It could have a reverse effect. Bonik agreed with Anderson, that it could make Bagley better.

Heather Galli stated that the timing for the Golf Course is important. They have newsletters going out soon and would like to add this to the newsletter for their kickoff. Michel stated that there are still things that need to be talked about between the Council. Mayor stated that there have to be discussions between the Golf Association Board, City, and the Liquor Store Manager. Attorney Rasmussen stated that he will get the Ordinance done in a couple days and it takes the State about one week to turn it around. Michel stated there would still be a liability with the employees transferring liquor and money back and forth. Clerk Lindgren had asked the City Auditors questions about the liquor being at the golf course and they recommended that the liquor be dropped at the golf course instead of having the employees do it. Mayor does not feel these are things the Council needs to work out; the Liquor Store Manager is the one to do it. Mayor asked what the pleasure of the Council is to take action and Authorize the Liquor Store Manager to establish on-sale liquor at the Golf Course and to expend up to \$6,000 from Liquor Store funds to make it happen. Motion to do so was made by D. Anderson, seconded by Bonik. Mayor asked if this motion was enough information for the Clerk or if more was needed. Clerk stated that she feels that it is the City Council that should be approving everything instead of just giving all the work to the Liquor Store Manager. Galli asked if the Council could act on the Letter of intent. Mayor asked if there was anything written on what could be done or not done by the Manager. Clerk stated she is looking at all the issues going into it. She knows that the Manger and the Golf Association Board have been working on it but the Council itself has not. Mayor asked for a vote on the motion. For: D. Anderson, Bonik, A. Anderson, and Edevold. Against: Michel. Motion carried. Mayor asked that Arnold keep the Council informed on what happens.

A special meeting will be set for the Annexation when the paper work is gotten from Attorney Rasmussen.

Discussion was held on the Kastner Addition and letter the Council received from Cliff Kastner. He would transfer the lots to the City for the price of \$10.00 per lot with the City assuming the cost of all taxes and special assessments. Attorney Rasmussen has agreed with the letter. Mayor asked for a motion to accept Kastners offer and have the Attorney do what it takes to make the transfer. D. Anderson wanted to make sure everyone knows that the City will get the money back that they pay to the County on the taxes and special assessments. Motion was made by Michel to go ahead with the purchase of the lots in the Kastner Division

and to pay all monies necessary to make the purchase necessary. Seconded by D. Anderson. Mayor Edevold will speak with the County Commissioners about dropping some of the penalties. Motion carried.

February 2012 Budget reports were gone over. Michel would like to see the breakdown of the Airport State aid put back into the Street Department budget. Clerk stated that it is figured into the over all budget. Mayor asked that Michel keep that in mind for the August budget discussions for 2013. Clerk amended the P.D. Capital Outlay funds and the Economic Development funds to reflect Council action from the last meeting.

Motion was made by Bonik to approve payment of the outstanding bills for the City and Liquor Store. Seconded by D. Anderson, passed unanimously.

Motion was made by Michel to table the ordinance concerning animals in the City. Seconded by Bonik, passed unanimously.

Motion was made by Michel to pass Resolution #13-12 A RESOLUTION OF SUPPORT FOR THE ESTABLISHMENT OF A NORTHERN MINNESOTA VETERANS HOME. Seconded by Bonik, passed unanimously.

Mayor Edevold stated that the Rating call for the Bond Sale was done today. He, Clerk Lindgren, Deputy Clerk Jacobs and Vice-Mayor D. Anderson participated. All felt that the call went very well. Clerk stated that Todd Hagen from Ehlers had called her and said that he thought the call was great and that the City should hear by Friday what their rating would be.

Discussion was held on Resolution #14-12 RESOLUTION ACCEPTING PROPOSAL OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012A, PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND NET REVENUES AND LEVYING A TAX FOR THE PAYMENT THEREOF. A Pricing Committee is needed for the Bond sale. Motion was made by A. Anderson to establish the Pricing Committee as Mayor Edevold, Clerk Colleen Lindgren, Vice-Mayor David Anderson and Ehlers. Seconded by Bonik. For: A. Anderson, Bonik, Michel and Mayor Edevold. D. Anderson abstained. Motion carried. Motion was made by Michel to adopt Resolution #14-12 with the inclusion of the Vice-Mayor on the Pricing Committee. Seconded by Bonik, passed unanimously.

Mayor explained the cost estimate of Standards & Poors rating company. The Public Utilities Commission has voted to pay their share of the cost for the rating.

Department Reports: Liquor Store-Manager Chris Arnold. Seventeen-year (17) employee Earl Larson has put in his resignation from the Bagley Liquor Store. Effective date will be May 24th 2012. Arnold would like to know what the Council would like to do to fill the position. D. Anderson stated that the choices are to hire someone to fill the position or promote from within and then hire someone to fill the other position. Mayor Edevold stated that this would be an opportune time to hire an Assistant Manager. Michel stated that the bad thing about that is that you would need to give more pay with the title. Motion was made by D. Anderson to regretfully accept Earl Larson's letter of resignation. Seconded by Bonik, passed unanimously. Motion was made by D. Anderson to advertise for Assistant Manager at the Bagley Municipal Liquor Store. Mayor asked if the motion would include having an Interview Committee. Bonik stated that he feels a Committee should be formed with Arnold involved in the process. Then they should come to the Council with a recommendation. Michel and A. Anderson would be on the Committee along with Clerk Lindgren and Arnold. D. Anderson amended his motion as to advertise for Assistant Manager and setting up a committee to go over applications to present to Council for hiring purposes. Mayor asked about advertising wages. Council stated no. Motion was seconded by Bonik, passed unanimously. Clerk will advertise in the surrounding papers.

Arnold stated that the walls in the Liquor Store are in bad shape and he would like to do some painting on walls. Motion was made by Michel to spend up to \$400 for paint and supply. Seconded by A. Anderson, passed unanimously.

Fire Department-Chad Bonik. New pagers have been gotten. Annual report was gone over. D. Anderson asked if they charge for false alarms. They do not but it has been looked at.

Insurance Companies have called the Fire Dept. to ask if a fee is charged when there has been a fire. Bonik feels it should be done. Other departments will be checked into to see how they do it.

Park & Recreation- Doug Lindgren, Chairman. Lindgren reported that some of the Park Board Members had a Hot Dog stand at the Bagley Lions Fishing Derby. Sales grossed \$213.62, which they want to give to the City to be used for Park Upgrades. Motion was made by Michel to accept these funds from the Bagley Park Board for Park Upgrades. Seconded by Bonik, passed unanimously.

Roads & Bridges – Bill Masterson, Superintendent. Masterson asked permission to hire Al Spring back for the summer. Motion was made by Bonik to allow Masterson to hire Al Spring as needed for the summer of 2012. Seconded by Michel, passed unanimously.

Masterson would like to purchase a 4 WD pickup with a plow to replace the old lawn mowing pickup. Sorensen Motors has one for \$13,327.50 with tax. It is a 2002 Ford F250. Plow would come from Willbergs Body Shop for \$6,382.13. He would like to get a plow truck instead of using the loader so much during the winter and it would also be used in place of the old lawn mowing truck. Motion was made by Bonik to allow Masterson to purchase a pickup truck and plow, spending up to \$20,000. as Masterson sees fit. Seconded by D. Anderson, passed unanimously.

Masterson is in need of a welder for the City shop. NAPA has a Miller Welder with ten-year lease for tanks at a cost of \$2500. They also have a Lincoln Welder which is smaller for a cost of \$2,013.89. Motion was made by Michel to purchase the Miller Welder at NAPA, spending up to \$2,800, which includes the lease and sales tax. Seconded by Bonik, passed unanimously.

Motion was made by Michel to approve having City Wide Clean Up on May 30th and 31st. Seconded by A. Anderson, passed unanimously.

Masterson reported on the lights at the City Airport. The lights do not need to be changed as previously thought. Some signage is still needed and one tie-down.

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

Public Utilities – Manager Mike Jensen. Jensen reported on the lock-in of natural gas prices. A new streetlight has been put up on the north end of town as an experiment for the Bagley Ave. Project.

Airport Fly-In: Dennis Huwe has stated that he would help the Council with a Fly-In at the City Airport. He would like to have a Council contact person. He also will be back in the area late May or June. The Bagley Park Board would be willing to work on having a breakfast that day. Michel volunteered to work with Huwe on the event.

Clerk brought before the Council a new property lease for one of the Airport Hanger Bays located at the City Airport. Jim Wilde has gotten back the hanger bay back from MasTec. He would like to enter into a lease with the City for a five-year lease at \$100 per year. Lease will be non-transferable and the building is to be used exclusively for planes and aeronautical equipment. Motion was made by D. Anderson to enter into a five-year lease agreement with Jim Wilde for \$100 per year. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to approve the renewal of the 3.2% On Sale beer license for the Bagley Bowl Inn. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to approve the renewal of the 3.2% Off Sale beer license for LaVine's Turn Around. Seconded by A. Anderson, passed unanimously.

Discussion was held on a letter from American Legal Publishing on updating the Code of Ordinances. Cost to be \$500 to \$950. Michel stated there are lots of changes to do in the

present Ordinances. Michel made the motion not to go ahead with the proposal. Seconded by Bonik, passed unanimously.

Motion was made by Michel to send four employees to the ADMINISTRATIVE PROFESSIONAL DAY FORUM at the Fireside Grill & Patio on April 25th from 9 a.m. to 2:30 p.m. Seconded by A. Anderson, passed unanimously.

The League of Minnesota Cities 2012 Annual Conference and Marketplace will be held in Duluth on June 20-22. Michel feels this would be an important meeting for the Council to go to. He would like to attend and he will go either way because he can find someplace to stay. Motion was made by A. Anderson to send up to two people, including Michel, to the Conference, expenses not to exceed \$1,000. Seconded by Michel, passed unanimously.

Upcoming meetings were gone over as listed.

Motion was made by D. Anderson to extend the meeting by five (5) more minutes. Seconded by A. Anderson, passed unanimously.

City Clerk Colleen Lindgren informed the Council about rumors that she had heard about her retiring from her position. She informed the Council that she is NOT planning on retiring anytime soon if the Council has any ideas about it. She has also been asked about a new position being made in the City for a City Manager. Lindgren stated that if this were something the City Council is thinking about, she and her Deputy Clerk would like to be informed because it does affect their jobs. Mayor Edevold stated that it is not coming from the City Council. Clerk stated that other Cities have mentioned it to her so she would like to know where it is coming from. Mayor Edevold stated that the Council has had no discussion along those lines and that they assure the services of Mrs. Lindgren will last as long as they can hold onto her. Clerk stated she would put that in the minutes.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS
MARCH 28, 2012

The Bagley City Council met in special session on March 28, 2012 at 6 p.m. in the Bagley City Council Chambers.

Present were Mayor Mark Edevold, Council Members Sidney Michel, David G. Anderson, Andy Anderson, Clerk Treasurer Colleen Lindgren, Deputy Clerk Faye Jacobs, Aaron Chirpich, Arlen Marshall, Dianne Horsley, Trexton Knowles, Jesse Tollefson, Patty & Cliff Johns.

Mayor Edevold opened the Public Hearing on the Small Cities Development Application.

Aaron Chirpich from the Headwaters Regional Development Commission was present to inform the Council and the Public what the Small Cities Grant Application is all about. Chirpich explained the grant/loan is to rehab existing homes. Cap in funds is \$25,000 per home. The loan is forgiven after the homeowners live in their home for 10 years. If the home is sold before the 10 years is up, then the payback is a percentage of the loan unless there is a drastic hardship, and the loan will be forgiven. Grants/loans are figured at zero percent interest. There are other funds that the HRDC tries to access also.

Factors looked at for the loan is #1 Health & Safety. This include environmental issues such as lead based paint, asbestos removal, smoke & co2 detectors. Other things that the grant covers are roofs, energy efficiency, windows, siding, and furnaces. If work is done on bathrooms they are required to have a window or exhaust fans put in.

Chirpich, and other HRDC professionals, will work with the homeowners. They help them go through a very thorough application, and HRDC gets three bids for each project. They will go over these with the homeowners and they select the lowest most qualified bidder. This is a first come first serve grant program and HRDC would like to do 12 homes in the City. HRDC will send out applications to those that put in pre-applications and it will be advertised in the newspaper for new applications. This is a two-year program. Contractors need to be licensed and with insurance.

The full application to the state from the City is due April 12th, 2011. HRDC and the City should hear in June if the grant application is approved. It will be late summer early fall before work will be started on the homes.

Discussion was held on homes with lead based paint and asbestos and what could be done with them.

Mayor Edevold thanked the residents for attending and closed the Public Hearing at 6:40 p.m.

The special meeting of the City Council was opened at 6:40 p.m. Present were all those who attended the Public Hearing. Council Member Chad Bonik was absent.

Discussion was held on the Small Cities Grant application Public Hearing. Chirpich went over the proposed area map, on where the grant will be allowed in the City. Council asked for a couple changes to include a larger area. This will be brought back to Tim Flathers at HRDC for his opinion. Chirpich would like to do this application again next year and prove that there is a greater need for funds. Chirpich and one other person from HRDC had gone around the City and scoped it out so they could tell where most of the need is at, from the information gotten off the pre-aps. They did not see a lot of houses that need to be torn down.

Motion was made by D. Anderson to approve Resolution #15-12 LOCAL GOVERNMENT APPLICATION TO THE DEPARTMENT OF EMPLOYMENT & ECONOMIC DEVELOPMENT SMALL CITIES HOUSING GRANT APPLICATION. Seconded by Michel, passed unanimously.

Discussion was held on Ordinance #170 AN ORDINANCE OF THE CITY OF BAGLEY, MINNESOTA ANNEXING LAND LOCATED IN COPLEY TOWNSHIP, CLEARWATER COUNTY, MINNESOTA PURSUANT TO MINNESOTA STATUTES 414.033 SUBDIVISION 2(1), PERMITTING ANNEXATION BY ORDINANCE. Mayor Edevold

stated that there is a total of 94 acres in the proposal, which are the Twin Pines Golf Course and the Bagley City Cemetery. Motion to pass Ordinance #170 was made by D. Anderson. Seconded by Michel, passed unanimously.

Mayor asked if it had been previously approved to pay for the annexation fee from Liquor Store funds. Clerk stated it had not and that it should be taken from the City Hall Legal budget, not the Liquor Store. Motion was made by Michel to approve payment of \$470 from the City Hall legal budget to pay for the annexation fee. Seconded by A. Anderson, passed unanimously.

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

Mayor Mark Edevold

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
APRIL 3, 2012

The Bagley City Council met in special session on April 3, 2012 in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Andy Anderson, David G. Anderson, Sidney Michel, City Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs. Councilman Chad Bonik was absent.

Also present was Liquor Store Manager Chris Arnold.

Mayor Edevold stated that the Bagley Avenue Grant is still not guaranteed. It is being looked into by State Staff.

Clerk Lindgren stated that Realtor Chris Kvam has contacted her. Kvam had called Lindgren to ask about six lots the City owns in the Kastner Division. There is a business looking for an area to build a 10,000 to 12,000 square foot Office Building. Would the City consider selling the lots and what kind of price would be put on them? Clerk handed out a worksheet on the Assessments that have been put on the lots. Kvam is willing to do a One Time listing with the City in order to get the lots sold. These lots are favorable because there will not be any demolition, plus there is new road with sewer and water. Clerk was told that they do not need highway frontage.

Michel stated that the Council might need to discount the price on the lots in order to sell them. But he does not want to sell the lots and see them sit vacant. Mayor does not want to see the lots sold for under price. After lengthy discussion, Clerk Lindgren was asked to contact Kvam and speak with him more on the lot sales. Council was willing to discuss a one time listing if Kvam were to bring an agreement before the Council at their regular meeting on April 10th.

The Bagley Library Board and Foundation are showing interest in a building in the City. Mayor has met with the Boards and toured buildings. They are going to pull together a very detailed proposal/plan and bring to the Council at their work session on May 1st. Mayor will be meeting with the Boards again and would like to have an assigned Council Member to attend the meetings with him. Councilman A. Anderson will meet with the Boards along with the Mayor.

Mayor Edevold stated that he and Liquor Store Manager Chris Arnold have been working on the possibility of building a new liquor store. This has been talked about off & on for many years. Audit numbers for the years of 2005-2011 were gone through. In January 2012 MMBA was at the City Liquor Store and they feel that the City could justify building. Parking at present location is becoming a problem. Gross profit dollars seem to be increasing over the years. Arnold feels that more people are coming into the store because they have a better selection than other stores around the area. Discussion was held on a 5,000 square foot building. The present building is 2,650 square feet.

Mayor feels that a new building would come in at the price of around \$750,000. Assuming all this amount is borrowed, a projected yearly payment would be approximately \$69,000 per year. A new building would be much more efficient than the present one.

Mayor would like to have the Council go through the information he has given them and to bring ideas back to group. This information is just the first step to begin the next process. MMBA has said that they could give the Council more information on recently built liquor stores around the area.

Michel asked what kind of construction they are thinking of. He would like to see it done by local people. Mayor stated that an architect would need to be involved and that he would like to see a building built that the City would be in for 50 years.

Councilman A. Anderson asked if it would be possible to see profits & sales from a long time ago to show the trend of sales. Discussion was held on where business was coming from, how much was local business, etc.

Mayor asked what the Council is going to need to know and if the Council wants to go forward. Michel stated that no matter what expense there is the Council will be chastised, due to raising taxes and then building a building. He thinks the Council should first pick a lot and then negotiate on it. A. Anderson agreed with Michel.

D. Anderson stated that the City now has City owned business in a run down building. A. Anderson would like to see the Council move forward but there is some empty buildings and areas that should be looked into. Michel was not opposed to looking into the project but he feels sorry for people if the taxes get raised again. He feels the project needs to stay under \$500,000. Mayor Edevold disagreed.

Being there was no further discussion to be heard, motion to adjourn was made by Michel. Seconded by A. Anderson, passed unanimously.

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
APRIL 10, 2012

The Bagley City Council met in regular session on April 10, 2012 at the Bagley City Council Chambers.

Present were Mayor Mark Edevold, Council Members Chad Bonik, Andy Anderson, David G. Anderson, Sidney Michel, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present were Bill Masterson, Ceira Hartman, Mike Jensen, Chris Arnold, Malotte Backer, James Schroeder, Gary Gesell, Darin Halverson, Tamara Edevold, Amanda Brustad, and Doug Lindgren.

Mayor asked the Council if the approval of the minutes could be put off until the end of the meeting being there are some items that he feels should be contemplated. Motion was made by Bonik to review the minutes of the previous meetings at the end of this meeting. Seconded by A. Anderson, passed unanimously.

Motion was made by D. Anderson to approve the consent agenda items as follows: Resolution #16-12 A RESOLUTION REESTABLING CITY PRECINCT AND POLLING PLACE, and Resolution #17-12 ACCEPTANCE OF DONATION. Seconded by A. Anderson, passed unanimously.

Malotte Backer was present on behalf of Art In The Park. She requested the use of two picnic shelters, road barriers and permission to hang a sign by the City Welcome sign on the east side of the City. Art In The Park is also contracting with the Amber Waves Band. Backer asked if the Council would also consider donating one RV site for the Band's RV. Motion was made by Bonik to approve donating the camping spot, shelter rent, road barriers and a spot to hang a sign for the 25th Annual Art In The Parks. Seconded by Michel, passed unanimously.

Tamera Edevold, representing the Clearwater County Historical Society, was present to bring the Council information concerning the old water tower located in the City. Deeds from 1958 state the City owns the tower. There is erosion around the pillars that should be taken care of. Deed does not specifically address the land.

James Schroeder was present to ask permission to assemble a Veterans Memorial, honoring Clearwater County residents who have been killed in the time of war. Proposed location to be at the City Stop Lights alongside the Flower Memorial with the American Flag. He also asked for permission to move the Art Sculpture 30 or 40 feet to the East. Council asked Schroeder to bring back to the Council a larger plan, dollar amounts, and locations for both items.

Motion was made by Michel to contract with David Drown Associates to file the required Tax Increment Financing reports with the State of Minnesota for a cost up to \$2,000. Seconded by A. Anderson, passed unanimously.

Motion was made by D. Anderson to approve the Mayor signing a Proclamation for SEXUAL ASSAULT AWARENESS MONTH. Seconded by Michel, passed unanimously.

Clerk gave a report on the March City receipts and the March 2012 Department budgets.

Motion was made by D. Anderson to approve the payment of the March City and Liquor Store outstanding bills as presented. Seconded by A. Anderson, passed unanimously.

Department Report: Liquor Store-Manager Chris Arnold. Report for the month was gone over. Fireworks fundraiser (May 4th) tickets will be on sale soon. Hoping to open up the Liquor at the Golf Course by May 12th. Arnold asked permission for himself and the newly hired Assistant Manager to attend the MMBA Conference being held May 20-22 at Arrowwood Resort in Alexandria. Motion was made by A. Anderson to spend up to \$700 for the Manager and Assistant Manager to attend the MMBA Conference. Seconded by Bonik, passed unanimously.

Arnold asked permission to purchase a Laser Color Printer for the Liquor Store. Price is \$704. Black ink cost is \$101 and three-colored is \$113.

Motion was made by D. Anderson to add On-Sale insurance onto the City insurance and pay if necessary, pending approval of the annexation. Seconded by Bonik, passed unanimously.

Michel would like to explore the cost of the printer before purchasing. Matter tabled until the next regular Council Meeting.

Michel stated that interviews for the Assistant Liquor Store Manager will be done on April 18th. Bonik suggested that a special meeting be held for the hiring of the Assistant Liquor Store Manager and for discussion on the possibility of a getting into a different building. Meeting will be held on April 19th at 6 p.m.

Fire Dept. – Grant has been received for the Picture It Painted to paint the Fire Hall/Police Dept.

Motion was made by Bonik to spend up to \$220 to send four Firemen to the Northern Region Firefighters Association Spring Meeting in Roseau on April 19, 2012. Seconded by Michel, passed unanimously.

Police Dept. – Chief D. Halverson. Monthly report reviewed. Chief has three seized vehicles he would like to put up for auction plus a 4-Wheeler that was seized. Members would like to keep one of the vehicles to use as a caddy at the Airport. Motion was made by A. Anderson to sell two of the vehicles on the auction, keep one for the Airport pending inspection, and sell the 4-Wheeler, with minimum bid of \$3,500 on auction. Seconded by Bonik, passed unanimously.

Chief reported that the DOT has done a speed study East of the City. The 55 mph will be moved back by ¼ mile.

Zoning – St. Joseph Church is doing a survey on their property and will start building soon. A Variance has already been approved for them.

Park Board – Doug Lindgren, Chairman. Forms for Vendors In The Park and map locations were discussed. Costs and dates were listed as the Board felt fit. Preference would be given to Local Business's & Non-Profits. Vendors would only be allowed during certain dates around Holidays. Fee would be set at \$25.00 for non-profits and \$50.00 for others. Spots would be 20' X20'. Bonik recommended that the statement "Bagley Park Board has the right to refuse any or all vendors." Motion was made by D. Anderson to approve the Park Boards recommendation for their plan of having Vendors in the Park. Seconded by Bonik, passed unanimously.

Lindgren asked if the beach road, along with the parking lot, could be blacktopped when the City does 4th Street this coming summer. Bonik has spoken to Todd Nelson and feelings are that it would be a major project. Council told the Board Members to check with the bidders on 4th Street and get some prices to bring back to the Council.

Lindgren reported that the Park Board is looking into having a raffle for a snowmobile and two other prizes to raise funds for park projects. A Gambling permit will be applied for at a later date.

Roads & Bridges – Bill Masterson, Superintendent. Masterson asked permission to change the dates of the City Wide Improvement to April 30th and May 1st. Motion was made by Bonik to cancel the clean-up dates of May 29th & 30th and change it to April 30th and May 1st. Seconded by D. Anderson, passed unanimously.

There are safety issues on a sidewalk north of the Eye Clinic. This area will be replaced in the spring.

Public Utilities – Monthly work report given by Mike Jensen.

City Hall – Clerk Lindgren. Signed deed has been received from Clifford Kastner for the 15 lots in Kastner Addition. Motion was made by D. Anderson to approve payment to file the deed - \$1.65 to Clw. Co. Treas. and \$46.00 to Co. Recorder. Seconded by A. Anderson, passed unanimously.

Performance Measurement Program – Not mandatory by State. Tabled until later date.

Minutes of previous meetings were discussed. March 13th minutes stated that the legal descriptions on the Ordinance were incorrect, but the area was left blank without the legal descriptions, which were to be filled in at later date. Reference to City Ordinance #111.17

authorizing the Council to give Arnold permission to go ahead with the Golf Course. April 3rd minutes, the \$750,000 price for a building was just being used as a base line. This does not mean that the Council has decided to build a building for this cost and they have not decided to build anything at this time.

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

Further discussion was held on the minutes. Motion was made by Michel to approve the March 13th and April 3rd minutes. Seconded by A. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS
APRIL 19, 2012

The Bagley City Council met in special session on April 19, 2012 at 6 p.m. in the Bagley City Council Chambers.

Present: Mayor Mark Edevold, Councilmen Sidney Michel, Chad Bonik, Andy Anderson, David G. Anderson, Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Chris Arnold and Ciera Hartman.

Past City Audit reports/financial statements were looked at. There are corrections needed on past audits. D. Anderson questioned what would be done with the 2011/12 Street project dollars, if any were left. Funds may be available for something else in one of the Departments.

Discussion was held on the taking of minutes and what should or should not be included.

Councilman A. Anderson reported the Hiring Committee has done interviews and met on the hiring of an Assistant Liquor Store Manager. Committee recommended hiring Robert Edevold for the position. Motion was made by A. Anderson to hire Robert Edevold, to begin immediately. Discussion was held on wages. A. Anderson amended his motion to add beginning wage to be \$10.62 for six months and upon review wage will be increased to \$11.62. Seconded by Michel, passed unanimously.

Motion was made by A. Anderson to give Manager Chris Arnold the authority to hire or fire any part-time call-in help that he may or may not need. Seconded by D. Anderson, passed unanimously.

Motion was made by D. Anderson to amend an earlier motion made for approval of training expenses in the amount of \$700, changing this amount to \$950. Seconded by Bonik, passed unanimously.

Arnold gave a report on the progress of setting up the On-Sale Liquor at the Golf Course. Proposed opening date is May 12th.

New Liquor Store Building - Mayor's belief is that the City needs to build a new liquor store to generate revenue. He does not think that LGA is going to come back. Three issues are to be looked at to move forward. Finance, Architectural Firm and Property. Mayor is fairly confident that the Revolving Loan Funds can be used. Mayor questioned if the Council would want to reserve these Revolving Loan Funds for the purpose of a Liquor Store. The matter would need to be looked into on whether some or all of the funds could be used to loan to the City for the project. The downside is that if the Council used these funds, they would not be available to loan to another potential business. Poll of the Council Members: Michel's opinion the funds should be left there. A. Anderson – Use a good portion of the funds if possible but leave some in the fund. Bonik – in favor of using but does not want to drain the funds. Term makes a huge difference. D. Anderson – in favor of using the half funds for architecture fees and land acquisition to get started. The State DEED Office will need to be contacted on the funds and what, if any, can they be used for.

Architect - Use an Engineering Company who presently works with the City or put out a request. Members agreed to search out for a company.

Building – Arnold brought forward a rough drawing for a 5000 sq. foot building. Present building is 1,800 sq. feet. Members discussed the need for a larger building but unknown how much larger. Plan was just to show Council how a store could be set up, but a definite size at this time is unknown.

Mayor Edevold closed the meeting at 7:30 for Real Estate discussions.

Meeting was reopened at 8:25 p.m.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS

April 27, 2012

The Bagley City Council met in special session on April 27, 2012 at 9 a.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members David G. Anderson and Chad Bonik, and Clerk Treasurer Colleen R. Lindgren.

A quorum is present. Council Member Andy Anderson will not be present and it is unsure whether Council Member Sid Michel will be here.

RE: Discuss, review, and accept an agreement with Northern Places Realty, John Lee, for purposes of locating and secure a piece of property for a Liquor Store.

Contract is for a retainer fee of \$500, payable to Northern Places Realty, for services rendered. A Standard Real Estate Agreement was gone over.

Mayor recessed the meeting to answer a phone call from Councilman Michel. Michel informed the Mayor he would not be attending the meeting.

Motion was made by D. Anderson to allow the Clerk and Mayor to sign the Contract with Northern Places Realty and to issue payment of \$500 for the retainer fee. Seconded by Bonik, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS
MAY 1, 2012

The Bagley City Council met for a Work Session on May 1st 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Andy Anderson, Sidney Michel, David G. Anderson, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present were Bill Masterson, Doug Anderson and Chris Arnold.

Doug Anderson, Bowl Inn. Wants a Liquor License for the Bowling Alley. Clerk stated the City could have four Liquor Licenses plus having one in a bowling center. Anderson was asked to put his application into the Council at the May 8th Council meeting along for further discussion on the license and Sunday Liquor.

Park Attendants & Park Cleaners: Recommendation from the Park Board to hire back Wayne & Rhonda Netland as Park Attendants and Joan Gray & Shelly Sorenson for Park Cleaners. To be added to the May 8th Council Agenda.

GASB 54. Members went over a GASB 54 Policy, which needs to be in place for the 2011 City Audit. GASB 54 is the form of auditing, which is done to cover restricted, committed, assigned and unassigned funds. Clerk will check with City Auditor and other Cities on the percentage or dollar amount they put in the Minimum Fund Balance.

Updated spreadsheets have been received from Auditors.

Liquor at the Golf Course – Opening either May 9th or 12th. Health Inspector will be meeting with Mayor and Arnold this week. City Attorney Rasmussen is working on a lease agreement between the City and the Twin Pines Golf Association. Lease to cover all of the course except the bar area in the Club House.

Request For Proposal: A sample was given to the Council on requesting proposals for Architectural/Engineering services for the construction of a new City Liquor Store. A request will be sent out to Architects and Engineers in and around the area.

Increased compensation for Liquor Store Manager. Members agreed that it was decided in December 2011 that wages were to be frozen for all employees and that it would be revisited in June 2012. Bonik did not like the idea of picking out one department. Council will again hold discussion wage increases at their June 5th work session.

Hunting & Fishing License: Arnold reported that there is a need for someone to sell these licenses in the City. He would like to provide the service through the Liquor Store if possible. More will be known by the next regular Council meeting. Arnold was told to get the application from DNR to start the process.

7:20 p.m. Councilman D. Anderson left the meeting.

Revolving Loan Funds – no answer has been received from the DEED Office on the use of the funds.

Sidewalk near St. Joseph's Catholic Church. Street Superintendent Bill Masterson reported that the sidewalk going north of the Church needs repair. The Church would like to take up the sidewalk and make addition parking in the area along the street. New water lines will be coming off of Bagley Ave. for the Church also. Masterson will start pulling up the sidewalk and speak to Church Board members on the street.

Airport Computer: Clerk & Deputy will look into replacing the Deputy's computer and her older one could go to the airport. Bonik has a monitor he would donate to the airport. Open House will be held at the Airport on June 9th from 10 a.m. to 2 p.m. Garden Valley needs to be contacted on putting in the phone. Stuart Lien, Clearwater Co., will be contacted on computer

rotation & one for the airport. Mayor and Karvakko will be asked to send letters to AD Building contractor on finishing the building.

Deputy Clerk & Clerk will bring information to the Council on Direct Deposit for payroll checks.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS

May 8, 2012

The Bagley City Council met in regular session on May 8, 2012 at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Chad Bonik, Sidney Michel, David G. Anderson, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present: Jill Nelson, Ciera Hartman, Jim Schroeder, Gary Gesell, Mike Jensen, Diane Nowacki, Lucille Nelson, Darlene Martine, Faye Fraley, Bill Masterson, Al Rasmussen, Chris Arnold, Police Chief Darin Halverson, Eli Ricke, Amanda Brustad, Fire Chief John Gerbracht, Sylvia Larson, Ruby Bergquist, LeRoy Riewer and Lillian Sauer.

Motion was made by D. Anderson to approve the minutes of April 10th, 19th, 27th, and May 1st as presented. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve the Consent Agenda as follows:

- A. Approval of the 2012-2013 Township Fire Contracts
- B. Resolution #20-12 ACCEPTANCE OF DONATION
- C. Resolution #21-12 ACCEPTANCE OF DONATION
- D. Resolution #22-12 AMERICAN LEGION POST #16 BINGO PERMIT
- E. Approval of Grant Agreement with MN DEED for Bagley Ave. Project.
- F. Hiring of Park Attendants Wayne & Rhonda Netland – step raise to \$1650/month – retro to May 1st.
- G. Hiring of Park Cleaners: Joan Gray M-F & Shelly Sorensen S-S @ \$8.00/hour – retro to May 1st.
- H. Clerk to advertise for Election Judges. Rate of pay - \$10.00/hour.
- I. GASB 54 Fund Balance Policy – retro to January 1, 2012.
- J. Transfer of funds - \$17,467. to R&B Capital outlay from R&B designated truck funds for purchase of snowplowing pickup.
- K. Temporary Liquor License – American Legion – July 21 & 22 – Softball Fields

Motion seconded by Bonik, passed unanimously.

Mayor called upon Jim Schroeder for discussion on a Veterans Memorial to be located next to the stoplights. He emphasized that this is not a Bagley Project but a County project. County Commissioners agreed that it should be placed by the stoplights. Legion Auxiliary will be planting the flowerbed at the corner. Memorial will be made out of black granite and Schroeder and Gesell will be meeting with a designer and inscriber. Schroeder would like to meet with the Council again when he has all the information needed. More discussion needs to be held on the moving of the sculpture, if needed. Dept. of Transportation may also be involved.

Dr. Jill Nelson was present to update the Council on the closing of the Wee Care Children's Center. Closing date is set for June 1, 2012. Enrollment is down and bills cannot be paid. USDA does not want to see the building left empty and it will be listed for sale. Mayor asked that Nelson keep the Council updated.

Golf Course Lease – Motion was made by D. Anderson to approve the Golf Course lease as presented. Seconded by Michel, passed unanimously. Lease is for one dollar per year for 20 years.

LeRoy Riewer presented to the Council two Lease Agreements; one for the Bagley Cooperative Association and one for Rural energy Services. Agreements are to lease City property, which the two companies have their LP & bulk storage tanks on. Motion was made by Bonik to approve the Lease Agreements for 20 years at a price of \$150.00 per year (total \$300) per agreement. Seconded by Michel, passed unanimously.

Dianne Nowacki – concerns on hole developing between the Christian Lending Library and the old Moen's Tavern. Street Superintendent was instructed to look into the problem and do what is necessary to correct it.

April City Budget Reports and Receipts were gone over.

Payment of Outstanding Bills - Motion by Bonik, seconded by Michel to pay the City outstanding bills as listed in the amount of \$63,487.71, plus one to HRDC in the amount of \$2,500 and the Liquor Store outstanding bills in the amount of \$28,625.90. Passed unanimously.

Department Reports: Liquor Store. Beer only will be sold presently at the Golf Course. Mayor is working with the Health Dept. Inspector and asked approval to apply to the Health Dept. for a license. Motion was made by Bonik to apply for necessary Health Dept. license for the Golf Course. Seconded by D. Anderson, passed unanimously.

Police Dept. – Chief D. Halverson. Seized 4-Wheeler did not sell on auction. Chief would like to advertise for sealed bids. Also seized was a 1994 Dodge Dakota pickup. Motion was made by Michel to advertise the 4-Wheeler with a \$3,500 minimum bid and the 1994 Dodge Dakota for scrap. Seconded by Bonik, passed unanimously.

Fire Dept. – Chief John Gerbracht. Old Fire Siren is down and will be going to the Clearbrook Fire Dept. The Fire Dept. has offered it to them for \$1,500. Motion was made by D. Anderson to sell the old Fire siren to the Clearbrook Fire Dept. for \$1,500. Seconded by Michel, passed unanimously.

Bonik brought up the fact that there are still areas in the City that have poor coverage with the siren. Gerbracht was asked to bring prices back to the Council on additional sirens.

Gerbracht asked permission to send two Firemen to Fireworks Training. Costs would be \$170 for the training and mileage to Alexandria. Motion was made by Michel to send two Firemen to the Fire works training and pay expenses. Second by D. Anderson, passed unanimously.

Radios for Fire Trucks – Quote gotten from Rogers Two Way for Narrow Band capable. The Police Dept. gave the Fire Dept. two, but four are needed plus bases in the fire hall. These radios are needed by the end of the year. Antenna at the tower needs to be raised also. Quote for all is \$16,274.93. A Countywide grant is being applied for but will not be known until the summer of 2013 if it is to be gotten. Motion was made by D. Anderson to allow the purchase of radios from Rogers Two Way up to \$17,000. Seconded by Michel, passed unanimously. The Fire Dept. Equipment funds will be used for this purchase.

Park & Recreation: Amanda Brustad. The Park Board raised \$325. at the Fireworks Fundraiser, which was presented to the Council. Motion was made by Michel to pass Resolution #23-12 ACCEPTANCE OF FUNDS. Seconded by Bonik, passed unanimously.

Vendors In The Park – bids were gotten to put electricity in for vendor use. Base bid for Load Center; Alternate A for putting in four outlets on the north side of the marked area for vendors; and Alternate B to put in four additional outlets on the south side of the marked area. Bid #1. Robert Klinkhammer Electrical Services –Base bid - \$864; Alt. A - \$1,224; Alt. B - \$1,098. Total Bid - \$3,186.

Bid #2. Bonik Electric – Base bid - \$401; Alt. A - \$792; Alt. B - \$712. Total Bid - \$1,905. Motion was made by D. Anderson to approve the Bonik Electric bid for the base at \$401 and Alt. A. for \$792., for a total bid of \$1,193. Seconded by Michel. For D. Anderson, Michel & Edevold. Bonik abstained. Motion carried.

Beach Road & parking lot. Brustad has contacted the County Engineer for the Bagley Ave. Project to check on the possibility of having paving done in the park at the same time Bagley Ave. is done. Brustad was asked to bring quotes back to the Council on costs for the project.

Mayor would like to meet with the Park Board, the Police Chief and Park Attendants during the next Park Board Meeting.

Park Clean-Up: May 22nd at 6 p.m. with meeting to follow at 7:30 p.m.

Roads & Bridges: Bill Masterson, Superintendent. Motion was made by Michel to advertise for bids to sell the oldest dump truck. Seconded by Bonik, passed unanimously. Bids for all vehicles will be opened at the next regular Council meeting. City Wide Clean-Up went well, with a lot of junk and tires being picked up.

Public Utilities: Mike Jensen, Manager. Bagley Ave. project will begin June 4th. Jensen reported on department activities. Prices for lights on Bagley Ave. will be gotten for the next meeting. Public Utilities Commissioners will be holding a Public Meeting on Monday May 14th. at 6 p.m.

City Hall: Colleen Lindgren, City Clerk. Lindgren presented the Council with a plaque congratulating them on the Standard & Poor's Credit Rating "A" for the recent General Obligation Refunding Bonds.

Mayor handed out and went over information on Liquor Ordinances. All members were asked to study the information and it will be discussed more at the June 5th Council Work Session.

8 p.m. Motion was made by D. Anderson to extend the meeting by 15 minutes. Seconded by Bonik, passed unanimously.

Michel asked that Attorney Rasmussen be given a copy of the proposed Liquor Ordinance which was presented by the Mayor, so he can give his opinion to the Council

Airport: An open house has been set for June 9th, 10 a.m. to 2 p.m., inviting the Public to view the new Arrival/Departure Building. Clerk stated that she has found a computer for the Airport, given anonymously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
MAY 24, 2012

The Bagley City Council met in special session on May 24th at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Andy Anderson, David G. Anderson, Sidney Michel, and Clerk Treasurer Colleen R. Lindgren. Councilman Chad Bonik was absent.

Also present was Ciera Hartman.

Mayor Edevold closed the meeting for Real Estate discussion.

Meeting was reopened at 7:15 p.m.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS
JUNE 5, 2012

The Bagley City Council met in special session on June 5, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Councilmen Sidney Michel, Chad Bonik, David G. Anderson, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present were Bill Masterson, Mike Jensen, Les Liljedahl, Chris Arnold, LeRoy Riewer, Karen Edevold, Jeanine Brand, Nan Fadine, and Kathy Faldet.

A Draft Copy of the City 2011 Audit has been received. Council members were asked to look through it and if they have any questions to get them to the City Clerk, so that she can relay them to the Auditors. A meeting will be set up with the City Auditors.

Public Utilities Manager Mike Jensen gave a report on a proposed extension of a water line to the St. Josephs Catholic Church. It would be between Bagley Ave. and Red Lake Av. Discussion was also held on sidewalks along the west and north of the church. Jensen was asked to get more numbers together on costs, for the next Council meeting. Jensen also discussed the proposed Street Lighting for Bagley Ave.

Proposed Liquor Ordinance #171 was discussed. Mayor stated that City Attorney Rasmussen has reviewed the ordinance. Members were asked to review the ordinance and it will be brought up at the June 12 Council meeting.

Motion was made by Bonik to have Harwood Oil repair the vehicle, which will be known as the Airport Courtesy Car, in the amount of \$700.20. Seconded by D. Anderson, passed unanimously.

Motion was made by Bonik to approve the Janitorial Contract with Michel Enterprises for six months, in the amount of \$425 plus sales tax. Seconded by D. Anderson. For: Bonik, D. Anderson, Edevold. Against: none. Abstained: Michel. Motion carried.

Spreadsheets on proposed wage increases for City Employees were gone over. Numbers on what it would cost to start an increase on July 1st or retro to January 2012 will be figured. Michel asked to get more numbers together and discuss it further at the June 12th meeting. Council members agreed to wait till more numbers come in. It is the intention of the Council to make a decision at the next Council meeting.

Spreadsheets were also looked at on pay increases for Liquor Store Employees. Clerk was asked to bring more numbers back to the Council at the next meeting. Manager's position will be looked into again in January or February of 2013, when the profit & loss margins for the year are gotten.

Mayor closed the meeting at 7:15 for Real Estate discussions.

8 PM – Motion was made by Bonik to extend the meeting for ½ hour. Seconded by Michel, passed. Mayor Edevold closed the meeting for Real Estate discussions.

Meeting was reopened at 8:22 p.m. Motion to adjourn was made by Michel. Seconded by D. Anderson, passed unanimously.

Mayor Mark Edevold

ATTEST:

Colleen R. Lindgren, MCMC

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS
JUNE 12, 2012

The Bagley City Council met in regular session on June 12th at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, David G. Anderson, Clerk Treasurer Colleen R. Lindgren and Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present: Jim Schroeder, Gary Gesell, Doug Anderson, Larry Bellefy, Bill Masterson, Chris Arnold, Mike Jensen, Ceira Hartman, John Gerbracht, and Darin Halverson.

Motion was made by D. Anderson to approve the minutes of the May 8 & 24th, and June 5th City Council meetings. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to approve the following items on the Consent Agenda:

- a. Appointment of Election Judges – Alice Gunderson, head Judge for November, Lorraine Brustad, Lou Ellen Christensen, Kay D. Peterson-Head Judge for August, Ruby Bergquist, Diane M. Nowacki, Sylvia Larson, Helen Johnson, and Vivian Torkelson as Alternate. Rate of pay to be \$10.00 per hour, City to provide lunch and dinner.
- b. Resolution #18-12 NORTHERN MUNICIPAL POWER AGENCY ADVISOR.
- c. Resolution #19-12 NORTHERN MUNICIPAL POWER AGENCY DIRECTOR
- d. Resolution #24-12 ACCEPTANCE OF DONATION - \$3,100 from Bagley Area Chamber
- e. Transfer of funds - \$75,000 from City Savings to City Checking.
- f. Changes to Vendors in the park Application: \$50 for 4 days plus \$10 for 20-amp 110V electricity or \$20 for 50-amp 220V electricity. Plus \$5.00 for each additional day over 4 days.
- g. Parade permit for High School Homecoming/Friday Sept. 28th/2:35 p.m. Same route as 2011.

Motion was seconded by Michel, passed unanimously.

Jim Schroeder was present to update the Council on the proposed Veterans Memorial. Memorial will consist of two (2) 4-1/2X3-granite pieces and one 2 ft. X 6 1/2 Ft. piece along with two (2) benches. He is proposing to have it set up in the spring of 2013. Schroeder asked permission to have the Art Sculpture moved to a different location. He asked that it go to the east end of the parking lot (if there are no funds for moving) or to the City Park (if there are funds for moving). Motion was made by Michel to allow the Clearwater Veterans Memorial Group permission to move the Art Sculpture east so long as written permission is gotten from First National Bank, to the Park, or if the Arts Group finds a suitable location, upon notifying the Council before doing so. Seconded by D. Anderson, passed unanimously.

Motion was made by D. Anderson to approve Ordinance #171 – Revising Chapter 111: Alcoholic Beverages of the City Ordinances. Seconded by Bonik, passed unanimously. Ordinance will be published in the Bagley Farmers Independent newspaper.

Larry Bellefy, Main Street Tavern, was present to request a Sunday Liquor License. Motion was made by D. Anderson to approve a Sunday Liquor License for Main Street Tavern pending proper paper work, fee, and insurance papers are given to the City Clerk. Seconded by Bonik, passed unanimously.

Doug Anderson, Bowl Inn, was present to request a Liquor License and Sunday Liquor License. Motion was made by Councilman D. Anderson to approve a Liquor License with Sunday Liquor for the Bowl Inn, pending proper paper work, fee, and insurance papers are received. Seconded by Michel, passed unanimously.

Council reviewed the May 2012 Monthly Budget reports.

Motion was made by D. Anderson to approve payment of the outstanding bills for the City and Liquor Store. Seconded by Michel, passed unanimously.

Clerk opened sealed bids on advertised City vehicles. 1979 Ford Dump truck: Jim Michel-\$1,276; Matt Arnold-\$500; Kyle Ward-\$1,550. 1991 Dodge Dakota/salvage: Lex Masterson-\$100. 2005 Polaris ATV – no bids received. Motion was made by D. Anderson to accept the bid of Kyle Ward for the 1979 dump truck in the amount of \$1,550 and the bid of Lex Masterson for the Dodge Dakota in the amount of \$100. Seconded by Bonik, passed unanimously.

Discussion was held on what to do with the 4-Wheeler. Motion was made by Bonik to transfer up to \$1,000 from the Roads & Bridges supplies & materials budget into the DARE Budget, pending asking Public Utilities to pitch in for ½ the cost. Seconded by Michel, passed unanimously. The 4-Wheeler will become property of the Street Department to use as needed.

Department Reports: Fire Dept.-Chief John Gerbracht. Narrow Band radios have been ordered for the Fire Dept. Cost will be cut some due to a few radios being donated to the department. One of the members will also do some of the wiring. Back up Generator – Dept. members did vote to go ahead with getting a generator for the Fire Dept./Police Dept. There is \$3,800 in the FD funds for this purchase. Motion was made by D. Anderson to approve the purchase of a generator from Home Depot for \$3,707.92 and to pay Bonik Electric up to \$2,000 for installation. Seconded by Michel. For: D. Anderson, Michel, and Edevold. Against – none. Abstained – Bonik. Funds for the installation to come out of Police Dept. computer/radio budget.

Chief Gerbracht gave a report on sirens. Prices were gotten to put one siren out by Team Industries and one by the High School. His recommendation is to go with the larger sirens at a cost of \$21,310.88 for two. Pole cost is \$500 each, telephone relay control for two is \$500, plus the installation is approximately \$1,000. Motion was made by D. Anderson to purchase two – 130 db Rotating Mechanical Fire Sirens from Federal Signal Corp., with \$13,000 of funds coming from the Economic Development designated funds and \$13,000 from the 2012 Street Project funds. Seconded by Michel, passed unanimously.

Chief Gerbracht said that Firemen will be donating their time to paint the Fire Hall/Police Dept. soon. Permission was requested to rent a man lift for painting. Michel suggested that Gerbracht speak with Team Industries to use theirs. Motion was made by Michel to approve spending up to \$1,000 for the use of a man lift, with funds to come out of the Police Dept. maintenance budget. Seconded by Bonik, passed unanimously.

The Fire Dept. is also going to apply for grant funds for medical equipment for the trucks. Chief is hoping to purchase two backboards and trauma bags for two trucks. Motion was made by Michel to approve spending up to \$1,000 for this medical equipment, pending Gerbracht speaking with Sanford on what they have. Seconded by D. Anderson, passed unanimously.

Fireworks – Trees need to be trimmed by the let off site. Area needs to be taped off with caution tape and two policemen need to be close to the area incase someone wanders into the let off area. \$3,500 worth of Fire Works has been ordered.

Liquor Store-Manager Arnold. Profit & Loss for Liquor at the Golf Course was gone over. Team Industries has borrowed a Beverage Cart to the Course. Motion was made by D. Anderson to approve spending up to \$750 for a M475 Color laser printer/copier from Marco. Seconded by Bonik, passed unanimously. Motion was made by D. Anderson to approve spending up to \$3,500 for an ice chest for the Liquor Store. Seconded by Michel, passed unanimously.

Mayor Edevold stated that there would be responses from Architects by this Friday. A special meeting will be held on Tuesday at 6 p.m. at the Airport building to go over the proposals.

Public Utilities will be meeting with the City Auditors on either Wednesday June 20th or Thursday June 21st at 5:30 p.m. and City Council at 6:30 p.m. on the same night. Clerk will set date up with the Auditors for Thursday June 21st.

Street Superintendent Bill Masterson reported on his department's activities.

Park Board - Park Clean Up was done at the last meeting.

City Hall – Clerk reported on the recent Wellness Benefit Check for employees. NWSC will be refunding the City for this event in the amount of \$150. Airport Open House was a success with over 200 people attending.

Deputy Clerk Faye Jacobs reported on the costs of doing Direct Deposit for payroll. Motion was made by D. Anderson to have the Deputy Clerk start the process at her earliest convenience and a trial period of one year. Seconded by Bonik. For: D. Anderson, Bonik, and Edevold. Against: Michel. Motion carried.

Jacobs reported on the recent Sales & Use Tax Audit. The City had to pay in an additional \$904.90 with \$70.92 interest and the Liquor Store \$251.31 with \$70.92 in interest.

Minkota Tech has put in a quote for an HP Computer for Jacob at a cost of \$667.97. Motion was made by Bonik to approve the purchase of an HP computer at the price of \$667.97 from Minkota Tech. Seconded by Michel, passed unanimously.

Public Utilities-Mike Jenson gave a report on department activities. Streetlights for Bagley Ave. have been ordered. The Commission has approved Cable rebuild and High Speed Internet.

Motion was made by D. Anderson to enter into contract with Garden Valley Telephone Company for a lease for the maintenance of the telecommunications equipment in the Police Dept. Cost to be \$43.25 per month for three (3) years. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to approve Task Order Number 06 with Karvakko Engineering, in the amount of \$800, for the 2012 Airport Crack sealing Project. Seconded by Michel, passed unanimously.

American Legion Post 16 has asked that their Temporary Liquor License dates be changed from July 21 & 22 to July 14 & 15th. Motion to do so was made by Bonik. Seconded by Michel, passed unanimously.

A Contract For Services between Headwaters Regional Development Commission and the City of Bagley was discussed. Cost of services is \$39,600. Motion was made by D. Anderson to approve the HRDC contract in the amount of \$39,600 for the Small Cities Development Program grant. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve hiring Peter Walchuk and Nicole Godwin for call in help in the Liquor Store at \$9.00 per hour (for all call in help) and Charla Sundquist & Chantel Derby, part-time seasonal at \$8.00 per hour, (for all part-time seasonal hired). Seconded by Bonik, passed unanimously.

Wages for City employees for 2012-2013. Motion was made by Bonik to approve the June 1, 2012 through December 31, 2013 wage increases as proposed. Seconded by D. Anderson, passed unanimously. Wages to be set as follows: Police Chief Darin Halverson (4%) \$23.76/hr.; Street Superintendent William Masterson (4%) \$22.36/hr.; Street Crew Gary Coyer (3%) \$17.86/hr; Al Spring, Summer help (.30) \$10.80/hr.; City Clerk Treasurer Colleen Lindgren (4%) \$21.98/hr.; Deputy Clerk Faye Jacobs (3%) \$16.52/hr.; Shannon Gray-PD/FH Janitor (.30) \$10.30/hr.; and Park Cleaners Joan Gray & Shelly Sorenson (.30) \$8.30/hr.

Wages for Liquor Store Employees for 2012-2013. Motion was made by D. Anderson to approve raising Liquor Store Manager Chris Arnold's wages from \$2,750 per month to \$3,150 per month, beginning June 1, 2012, plus a 4% increase in January 2013 pending review. Seconded by Bonik, passed unanimously.

Motion was made by Michel to give a .50 cent/hr. raise to Robert Edevold beginning June 1, 2012 (\$11.12) and Oct. 21, 2012 raise to \$12.00 per hour. Seconded by Bonik, passed unanimously. Motion was made by D. Anderson to review Robert Edevold's wages on January 1, 2013 for a 3% raise, pending review. Seconded by Bonik. For: D. Anderson, Bonik, & Edevold. Against: Michel. Motion carried.

Motion was made by Bonik to raise Rueben Netland & George Hargraves from \$9.00 per hour to \$9.50 per hour, beginning June 1, 2012. Seconded by D. Anderson, passed unanimously.

Motion was made by D. Anderson to extend the meeting by 20 minutes. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to allow the Liquor Store to be open from 10 a.m. to 7 p.m. on July 4th. Seconded by Bonik, passed unanimously.

Mayor Edevold closed the meeting at 8:04 p.m. for personal issues and real estate discussion.

Meeting reopened at 8:18 p.m. Motion was made by Bonik to extend the meeting by five (5) minutes. Seconded by Michel, passed unanimously.

Discussion was held on a recent fire at the City garage and what can be charged for the calls.

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

Mark Edevold, Mayor

ATTEST:

Colleen Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
JUNE 19, 2012

The Bagley City Council met in special session at 6 p.m. on June 19, 2012 at the Bagley Municipal Airport Arrival Departure Building.

Present were Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, David G. Anderson, and Andy Anderson, City Clerk Treasurer Colleen Lindgren, Deputy Clerk Faye Jacobs, and Liquor Store Manager Chris Arnold.

Proposals for Architecture Services to build a new City Liquor Store were reviewed. Proposals were received from Lucachick Architecture, Ringdahl Architecture, EAPC Architects Engineers, and Widseth Smith Nolting. Motion was made by Bonik to approve the proposal of Widseth Smith Nolting for Architectural and Engineering Services in the amount of \$45,000 (6% of the estimated construction cost with reimbursable expenses not to exceed \$1,500 for travel expenses. Seconded by D. Anderson, passed unanimously.

Financing for the building was discussed with no action taken at this time.

Mayor Edevold closed the meeting at 6:23 p.m. for Real Estate discussion.

Mayor Edevold reopened the meeting at 7:38 p.m.

Motion was made by D. Anderson to approve payment to Karen Gesell in the amount of \$33,500 for her property located on Central Ave. West, for the location of the proposed City Liquor Store. Ernest check in the amount of \$1,000 to be issued to Realtor John Lee. Seconded by Bonik, passed unanimously.

Discussion was held on Special Assessments along Lomond Drive and the Kastner Addition.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS

June 21, 2012

The Bagley City Council met in special session on June 21, 2012 at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Chad Bonik, David G. Anderson, and Andy Anderson, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Sidney Michel was absent.

Also present was Lisa Jones, Miller McDonald City Auditor.

Jones explained the 2011 Audit to the Council. No problems or concerns were found.

Liquor Store gross profit increased from \$18,481 in 2010 to \$26,065 in 2011.

Discussion was held on Special Assessments of the Cities.

Motion was made by Bonik to accept the 2011 City Audit as presented. Seconded by A. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
JULY 3, 2012

The Bagley City Council met in special session on July 3, 2012 at 6:10 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, Andy Anderson, & David G. Anderson, and City Clerk Treasurer Colleen R. Lindgren.

Mayor Edevold called meeting to order.

Meeting was closed for Real Estate discussions.

Mayor Edevold reopened the meeting at 6:40 p.m.

A proposal was received from Braun Intertec for a Geotechnical Evaluation of the proposed property for the construction of a new City Liquor Store. Cost for services to be \$3,365. Motion was made by D. Anderson to accept the proposal of Braun Intertec in the amount of \$3,365. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to accept the proposal of Widseth Smith Nolting to provide Professional Land Survey Services, in the amount of \$1,850, for the proposed Liquor Store site. Seconded by A. Anderson, passed unanimously.

Discussion was held on a Proposal for Architectural and Engineering Services for a new Municipal Liquor Store by Widseth Smith Nolting (WSN). Motion was made by A. Anderson to approve the WSN proposal in the amount of \$45,000 with an estimated expense item of \$1,500 for travel expenses. Seconded by D. Anderson. For: A. Anderson, D. Anderson, Bonik, and Edevold. Against: Michel. Motion carried.

Discussion was held on the preliminary plans and layout of the building, which were drawn up by WSN.

Bonik brought up the fact of charging for Fire Dept. services when they are called out to fires.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS
JULY 10, 2012

The Bagley City Council met in regular session on July 10, 2012 at 6 p.m. in the City Council Chambers. Present were Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, and Andy Anderson, City Clerk Treasurer Colleen Lindgren, and Deputy Clerk Faye Jacobs. Councilman David G. Anderson was absent.

Also present were Mike Jensen, Chris Arnold, Darin Halverson, Ciera Hartman, and Doug Lindgren.

Motion was made by Bonik to approve the minutes of June 12, June 19, June 21 and July 3rd, as read. Seconded by Michel, passed unanimously.

Motion was made by Bonik to approve the Application for Exempt Permit of the Bagley Youth Hockey Association, to hold a raffle in conjunction with the Bagley Park Board, with a waiver to the 30-day waiting period. Seconded by A. Anderson, passed unanimously.

City Clerk Lindgren reviewed the June receipts report and the June monthly budget reports with the Council.

Motion was made by A. Anderson to pay the outstanding bills for the City and the Liquor Store. Councilman Anderson amended his motion to pay all the outstanding bills for the Liquor Store and the City bills except for the billing of Richard Viktora for overseeing the Fireworks Display. Seconded by Michel, passed unanimously.

Discussion held on the billing from Richard "Rick" Viktora for overseeing the Fireworks Display. Mayor is extremely uncomfortable paying the \$750 billing. Viktora is certified and Mayor appreciated him getting recertified. Bonik stated that Viktora overlooked the set up, did a preshoot, safety walk through, observed the set off, helped with the cleanup and made sure everything was put away afterwards. Viktora would not have been put in the spot to get recertified if the State Fire Marshalls office had not made mistakes during the testing which Bonik and Martin Wetstein had taken. Motion was made by A. Anderson to pay the billing of \$750 to Rick Viktora for his services. Seconded by Bonik, passed unanimously.

Department Reports: Fire Department. Bonik reported that the siren poles should arrive soon, the sirens have been ordered and the generator is here. There were no problems with the letting off of fireworks on July 4th. Mayor Edevold thanked the Fire Dept. on the good job of doing the fireworks.

Police Department-Chief Darin Halverson. The Police Department is working with the Mahnomen Police Dept. on a Safe & Sober grant, which will reimburse the dept. for overtime and patrol time for the project. Halverson informed the Council that the car being used for the Airport Courtesy Car needs to be purchased by the City. Motion was made by Michel to pay the Police Dept. D.A.R.E. Program \$500 for the 2000 Chevy Impala, funds to come from the Airport designated funds. Seconded by Bonik, passed unanimously.

Liquor Store-Manager Chris Arnold. Ice Machine and printer are in. A Wine Club tasting was held at the Golf Course.

Park & Recreation Board-Chairman Doug Lindgren. Lindgren presented a check in the amount of \$500 to the City, which was received through the Clearwater Polk Trust Account for improvements in the City Park. A quote was gotten from Bruce Lindgren Backhoe Service to fill in approximately 100 feet of ditch from the inside park road to the bridge in the park. This would include pea rock, drain tile, fabric and labor. This would increase the area where tents are located. Quote was in the amount of \$5,365. Motion was made by Bonik to accept the quote of Bruce Lindgren Backhoe Service in the amount of \$5,365 to work on the ditch in the City Park. Seconded by A. Anderson, passed unanimously.

Zoning-Sid Michel, Chairman. Commission will be holding a meeting on July 12th to discuss a Variance application.

Bagley Industrial Development Corporation-Doug Lindgren, Chairman. Notice has been received that Global Tower will be building their tower in the Industrial Park during September 2012.

Public Utilities-Manager Mike Jensen. Jensen reported on activities of the Utilities Department.

Motion was made by Bonik to sign the Small Cities Development Program Grant Agreement with the State of Minn. Dept. of Employment & Economic Development, in the amount of \$331,200. Seconded by Michel, passed unanimously. Grant dollars will be used for home repairs in the City of Bagley.

Motion was made by A. Anderson to reject the bid of Interstate Improvement, Inc., for cracksealing at the City Airport, as recommended by Karvakko Eng. and to authorize Karvakko Eng. to rebid the project in August. Seconded by Bonik, passed unanimously.

A request for an increase in wages was received from the appointed Election Judges. Motion was made by Michel to raise the Election Judges to \$15.00 per hour. Seconded by Bonik, passed unanimously.

Dates to work on the 2013 City Budget will be as follows: August 7th & 29th, and Sept 4th & 5th.

Motion was made by Bonik to transfer \$3,858 from the Fire Dept. truck account to the Fire Dept. Budget for generator costs. Seconded by Michel, passed unanimously.

Motion was made by Michel to transfer \$50,000 from the City Savings to City Checking account. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to transfer \$32,500 from the Liquor Store savings account into the Liquor Store checking account. Seconded by A. Anderson, passed unanimously.

Chris Arnold asked what the Council wanted to do with the old ice freezer from the Liquor Store. Council Members feel it should be kept in case it is needed during holidays.

Mayor Edevold closed the meeting for Real Estate discussions at 7:10 p.m.

Meeting was reopened at 7:50 p.m.

Motion was made by Bonik to acquire, from LuWayne Loiland, a parcel of property located at 1306 Central Street West for location of a new Liquor Store for the City. Cost to be \$45,000, choice of two lots in the Kastner Division, plus gas hookup to his house at 1224 Central Street West. \$1,000 earnest money to be given at this time with a closing date of on or before Sept. 15th. Seconded by A. Anderson. Those voting for: Bonik, A. Anderson, & Mayor Edevold. Those voting against: Michel. D. Anderson was absent. Motion carried.

Discussion was held on the lay out of the new Liquor Store building. Michel stated that he is still opposed to a 5000 square foot building.

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

Mayor Edevold stated he will be meeting with WSN the next day.

If needed, fill can be gotten from the Public Utilities.

Motion was made by Bonik to approve paying WSN \$500 for the topographical survey on the Loiland property. Seconded by A. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
JULY 25, 2012

The Bagley City Council met in special session on July 25, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Andy Anderson, Sidney Michel, Chad Bonik, David G. Anderson and City Clerk Colleen R. Lindgren.

Also present: Dennis Merschman, Jon Brovold, Lill Bergquist, Diane Nowauki, Sylvia Larson, Ruby Bergquist, Chris Arnold, Amanda Brustad, Doug Lindgren, and John Lee.

Purpose of the meeting is to discuss the proposed Municipal Liquor Store. A preliminary footprint of the proposed store was handed out and discussed. Building is around 5,000 square feet.

Mayor took questions from the audience. Jon Brovold asked if banking and lending places have been contacted? How much goes to help City funds? Has an accountant been hired? If not, he feels it would be wise to do so. Mayor Edevold informed the group that past Audits and monthly Profit & Loss reports have been used to figure the funding. Projections are that the money from the new store will pay the monthly payments.

Brovold asked if it would fall back onto the taxpayers if it doesn't pay for itself. Mayor Edevold feels it will pay for itself; there will be enough net profits. Manpower will not increase. Arnold reported that there is roughly \$37,000 profit so far this year.

Ball field number on the cost of the project is \$750,000.

Discussion was held on the lot size, potential purchase of lots east and plans of the building. Amanda Brustad asked how much is the City into the project now if they had to back out. Mayor stated the City has contracted with Widseth Smith Nolting for \$45,000 plus reimbursable, for the planning of the building but there is a clause that if the City backs out at any point, they do not need to pay the whole \$45,000. The City has also paid \$33,500 for one parcel of property. Councilman Bonik said the goal of the Council is to affect the taxes by lowering them. Clerk informed the group that the \$33,500 was paid out of a Savings Account the Liquor Store has from past profits and there is still \$28,000 in that savings.

Motion was made by A. Anderson to approve the schematic preliminary plans for the Liquor Store and to move onto the design phase with WSN. Seconded by D. Anderson. Voting for: A. Anderson, D. Anderson, Bonik, and Edevold. Opposed: Michel. Motion carried.

Mayor Edevold closed the meeting at 6:53 p.m. for Real Estate discussion.

Meeting was reopened in 7:33 p.m.

Motion was made by Bonik to rescind the previous land purchase offer with LuWayne Loiland. Seconded by Michel. For: Bonik, A. Anderson, Michel, Edevold. Abstain: D. Anderson. Motion carried.

Mayor informed the group that the Council is looking at a parcel of property owned by LuWayne Loiland, which is just east of the property, which the Council has already purchased for the proposed project. Mayor Edevold has gotten information from WSN that the garage on Loilands property has been found not to be over the property line, which was previously thought. However it is three feet from the line. To keep within the Zoning Ordinance setback restrictions, it would be best for the Council to purchase 92 feet of the 100-foot lot.

Project costs were discussed.

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

Motion was made by Bonik to purchase the LuWayne Loiland property, Parcel # R23.321.0020, less 8 feet on the east line, at a cost of \$60,000, a \$1,000 earnest check being given now and ½ of the purchase price being paid now and ½ being put in escrow till the lot is in satisfactory condition. Loiland is to remove the house and bring the lot up to bare satisfaction. Mayor to sign the Purchase Agreement after the City Attorney approves it and the City is to pay the Special Assessments. Motion was seconded by D. Anderson. For: Bonik, D. Anderson, A. Anderson, and Edevold. Against: Michel. Motion carried.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS
AUGUST 7, 2012

The Bagley City Council met in special session on August 7, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, Andy Anderson, Chad Bonik, City Clerk Colleen Lindgren, and Deputy Clerk Faye Jacobs. Councilman David G. Anderson was absent.

Also present: Dennis Merschman, Bill Masterson, Police Chief Darin Halverson, Jon Brovold, Chris Arnold, Doug Lindgren, and John Gerbracht.

Discussion was held on an Application for Variance for Kevin B. Smith. Smith needs a Variance due to the fact the overhang/porch on the house he is building will be over the street right of way by two feet. Legal description of property is Lot eight (8) less the North 40 feet thereof, and Lot seven (7) Block four (4) Second Addition to Bagley.

Councilman David G. Anderson entered the meeting.

Motion was made by Bonik to approve the Application for Variance for Kevin B. Smith, as recommended by the Planning & Zoning Commission. Seconded by Michel, passed unanimously.

Discussion was held on an Application for Zoning Amendment applied for by Clearwater Polk Electric. Clearwater Polk is intending to build onto their present building and the land they purchased is located in a R-1 district. Motion was made by A. Anderson to approve the Zoning Amendment for Clearwater Polk Electric to change the zoning from R-1 to B-2. Seconded by Bonik, passed unanimously. Legal description of property is First Addition, Subdivision Cd 23301 W 50' of E ½, Less N 85'; E30' of W ½ less N 85' Block D.

Zoning Board Chairman Sid Michel stated the Zoning Commission would be holding a Public Hearing on August 27th at 6 p.m. in the City Council Chambers, concerning the changing of the zoning on the property where the new liquor store will be located.

Motion was made by D. Anderson to transfer \$27,000 from the Liquor Store Savings Account to the Liquor Store checking account. Seconded by Bonik, passed unanimously.

Clerk went over proposed expenses for each department. City Hall: increases were seen in the area of wages, benefits, specials/taxes on the Kastner lots, which the City purchased. There have been requests to get back the hanging flower baskets and Clerk believes that donations for these would be gotten. Fire Dept.: increase in the area of gas & oil. Townships in the County pay expenses for the Fire Dept. back to the City. Clerk explained that any funds that are left over in the Fire Dept. budget at the end of the year go into an interest bearing savings account for future fire equipment.

Police Dept.: increases in Contracted Services due to the County may charge the City for keeping seized vehicles in a building they are constructing; wages & benefits, computer software maintenance fee, gas & oil.

Street Dept.: increases in gas & oil, 2nd cell phone for crew, infrastructure maintenance which would include ditch cleaning, sidewalks and road signs.

Park & Recreation: Step increase in wages for present Park Attendants, supplies & materials.

Cemetery: slight decline of \$34.00 in repairs & maintenance.

Animal Pound: euthanization budget was lowered due to the animals are being given to homes and shelters.

Community service was left the same.

Zoning: The Board voted not to ask for any raise in pay. Insurance was dropped by \$200.

Economic Development: \$3,000 increase was noted in the area of funds transferred to the BIDC for land taxes.

Airport: Clerk asked what the Council wants to do in the area for repairs & maintenance. Council put \$2,000 in this area and Clerk will look into the Airport Capital Improvement plan further to see what is listed for next year.

Capital Expenses: Street Dept. – truck & building payments, paint sprayer and equipment fund. Police Dept.: Chief Halverson discussed getting a new squad car in 2013. Fire Dept.: Chief Gerbracht spoke on putting funds in for overhead doors due to safety issues and more efficient lights in the fire hall. Park Dept. would like to see new buoys, ditch work, Frog Pond drainage, garbage cans, extended services to some of the lots and Agrilime. Airport: annual payment to the Revolving Loan Fund for airport construction a number of years ago. Clerk will look at the Capital Improvement Plan to see what was listed for the coming year.

Income: Clerk went over a proposed income budget. Under transfer of funds, in past years there has been \$15,000 transferred to the City from the Liquor Store and a transfer of approximately \$26,000 from the Public Utilities. Mayor Edevold would like to put a \$30,000 transfer in from the Liquor Store.

Clerk went over the Bond income and expense sheet, and also the Restricted and Designated Funds.

Clerk was instructed to re-type the spreadsheets with the changed numbers, as per Council, and to look further into the Capital Improvement Plan for the Airport.

Next budget meeting to be August 29th at 6 p.m.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
AUGUST 15, 2012

The Bagley City Council met in regular session on August 15, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Councilmen David G. Anderson, Chad Bonik, Andy Anderson, and Sidney Michel, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Bill Masterson, Mike Jenson, Randy Aumok, Ruby Bergquist, Lill Sauer, Ciera Hartman, Dennis Merschman, Police Chief Darin Halverson, and Chris Arnold.

Motion was made by Michel to approve the Council minutes of July 10th & 25th and August 7th. Seconded by A. Anderson, passed unanimously.

Consent Agenda: Mayor Edevold requested item #1 be taken off and Councilman Bonik requested that item #4 be taken off. Motion was made by D. Anderson to approve #2-Municipal Tort Liability waiver and item #3 Cooperative Purchasing Agreement as listed on the Consent Agenda. Seconded by Bonik, passed unanimously.

#1 – Excel computer training for Deputy Clerk. Mayor would like to also add Clerk Lindgren and Liquor Store Manager Arnold to the list to attend. Motion was made by Bonik to send Arnold and either the Clerk or Deputy Clerk to Bemidji on Sept.25th and either the Clerk or Deputy Clerk to the same training in Fargo on Sept. 13th, at a cost of \$79 each for the training. Seconded by Michel, passed unanimously.

#4 – “Volunteer Fire Assistance” matching grant award for \$3,700. Motion was made by Bonik to approve the signing of the grant from the MN Dept. of Natural Resources in the amount of \$3,700 for Wildland Personal Protective Equipment. Seconded by Michel, passed unanimously.

Randy Aumok was present to speak with the Council about the Special Assessments on his property and on a lot next door to him, which he is hoping to purchase. Council held discussion on these assessments and what could be done. Presently assessments are to be paid when a lot is sold. Aumok would like the assessments deferred until he builds on the lot. Clerk was instructed to check into the assessments further, check with the County Auditor and the City Attorney and to see if the Council were to do a one year deferment if a lot is sold, would this be a problem. Clerk will bring this information back to the Council at their next meeting.

Clerk went through the City Receipts for July and the July Department budgets.

Motion was made by Bonik to pay the outstanding Liquor Store and City bills. Seconded by D. Anderson, passed unanimously.

Department Reports: Fire Dept. – Councilman Bonik spoke for the Fire Dept. Chief Gerbracht has gotten quotes for Wildland Personal Protective Equipment in the amount of \$15,000. The grant, which was approved in the amount of \$3,700, would cover some of the cost and the Firemen’s Ball brought in approximately \$10,000. Chief Gerbracht is asking that the Council allow the fire dept. to spend up to \$15,000 on the gear. Firemen will be voting on what gear and how much of the Firemen’s Ball funds can be used. The difference of around \$1,300 would come out of their equipment funds. Motion was made by D. Anderson to allow the Fire Dept. to spend up to \$15,000 on Wildland Personal Protection Equipment. Seconded by A. Anderson, passed unanimously.

Police Dept. – Chief Halverson asked permission to send Officer LaCroix to a training class in Ottertail, MN on August 27-29, titled Patrol Tactics For Officers. All expenses are paid by the trainers except for meals. Motion was made by D. Anderson to approve Officer LaCroix attending the training. Seconded by Bonik, passed unanimously.

Chief Halverson asked permission to send Officers Ehlers and LaCroix to a Driving School in St. Cloud on November 13th. Training costs are \$396 each for registration, \$77 for motel room and meals. Motion to allow the two Officers to attend this training was made by Bonik. Seconded by A. Anderson, passed unanimously.

Liquor Store – Manager Chris Arnold. There are Trade Shows coming up by Liquor Vendors in September. Arnold would like to be open on Labor Day with limited hours. WSN Architect would like to put a sign up on the new Liquor Store property. What logo would the City want and would the Council want to change it to Bagley Spirits. Mayor would like to see this change because there are many more specialty beers and wine. The wine would advertise the new store and the Engineer Company. General consensus was to put Bagley Spirits on the sign. Arnold would like to put the blue prints of the new store on the Web Page and WSN had no problem with that so long as it showed their logo. Mayor Edevold handed out 2012 Liquor Store Projections which he had done, and discussed those with the board.

Zoning & Planning Commission will be holding a Public Hearing on August 27th, 6 p.m., to discuss an Application for a Zoning Amendment, changing the zoning on the property where the new Liquor Store will be built.

Roads & Bridges – Superintendent Bill Masterson. Masterson requested that the Council change the amount charged for Digging Permits. Permits presently cost \$200 and Masterson asked that it be raised to \$500. Motion was made by D. Anderson to approve the increase in the Digging Permit cost. Seconded by Bonik, passed unanimously.

B.I.D.C. – Global Towers is beginning work on the lot where they will be putting up a tower in the Industrial Park.

Public Utilities – Manager Mike Jenson reported on daily activities.

City Hall – Clerk Colleen Lindgren. The Geotechnical Reports have been received on the testing of the future Liquor Store property. The 2011 TIF District reports have been done and received from Drown & Associates and have been posted in the local newspaper. A letter has been received from DEED on the Small Cities Housing Grant that all paperwork has been approved and HRDC will now start working on a contractors list. A letter has been received from Liz Templin, North West Foundation IDEA program will be holding a breakfast meeting on August 21st and is inviting the Council and all interested in the project. A Thank You card was received from Art In The Park Board Members. A copy of the Bagley Firemen's 2011 Audit is on file at City Hall. Dennis Huwe contacted Clerk Lindgren to say that he would be willing to help with another event at the Bagley Airport in the spring of 2013. Council members gave Clerk Lindgren the go ahead to work with Huwe on this event.

Motion was made by Bonik to send up to four people to the League of MN Cities Regional meeting in Thief River Falls on September 19th with a cost of \$40 each. Seconded by Michel, passed unanimously.

Clerk explained a letter received from Ehlers & Associates on Arbitrage Monitoring on bonding. Motion was made by D. Anderson not to retain Ehlers & Associates to assist in complying with arbitrage requirements. Seconded by Michel, passed unanimously.

Dennis Merschman inquired about the final numbers on the Internet project being done through the Public Utilities. Final dollar amount on the project is approximately \$266,000 and will be funded through the Public Utilities existing funds.

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

Mayor Mark Edevold

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS

AUGUST 27, 2012

The Bagley City Council met in special session on August 27, 2012 at 6:30 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Chad Bonik, Andy Anderson, David G. Anderson and Clerk Treasurer Colleen R. Lindgren. Councilman Sidney Michel was absent.

Also present: Patty Theis, Jacki Merschman, Donna Wendlandt, Lill Sauer, Sylvia Larson, Dennis Merschman, Arlene Syverson, Lois Elgin, Darlene Martine, Faye Fraley and Chris Arnold.

Motion was made by D. Anderson to accept the recommendation of the Zoning & Planning Board to approve the Zoning Change on Lots one (1) through four (4) and the west forty two fee of Lot 5 Jacobson's Subdivision, from R-1 to B-1, to accommodate building a new City Liquor Store. Seconded by A. Anderson, passed unanimously.

Mayor handed out copies of the plans for the new City Liquor Store. He informed the group that meetings have been held and studies have been done. Drawings were done by Widseth Smith Nolting. Mayor and Liquor Store Manager have already gone over the plans to see if there was anything that could be changed. Budget numbers were also gotten from WSN.

Donna Wendlandt asked if an appraisal was gotten on the house that was bought. Mayor informed her the Council did not buy the house they bought the lot. No appraisal was gotten, just negotiations were done.

After going through the plans discussion was held. The building is small enough and the occupancy is not enough to warrant a sprinkler system. Automatic doors are not required.

Budget #'s – WSN's Opinion of Construction Cost Budget was discussed. Subtotal construction amount is estimated at \$647,405, contractor's general requirement of 10% equals \$64,741 (put in incase something is missed); Contractor's overhead 5% equals \$35,607 & Contractor's profit 10% equals \$74,753 (usually on the high side); Estimate Contingency 20% equals \$82,253 (covers project manager/foreman/dumpsters/cleanup and is relatively customary). Grand Total project estimate is \$904,781 plus land acquisition and misc. fees.

Building will have a walk-in cooler with two compressors. 3 phase system. Sign on the building – will wait to do a larger sign. Mayor reminded all that these are just estimate numbers, bid numbers are yet to come in. Building itself is estimated at \$647,405 before other fees are added in. Estimate includes asphalt and sidewalks which could be left off for a while. Bulk of building will be masonry. Bonik questioned conduit being run for a sign outside. This will be looked into because the sign may be able to be run off the transformer. Mayor will check on this further.

Lois Elgin asked if the building would be paid for from the Liquor Store or if the residents would be paying for it. Mayor Edevold informed her that the Liquor Store would pay for everything out of revenues. An estimated payment would be \$65,000 per year, leaning towards a longer payout time. Land has already been paid for from the funds that had been set aside earlier and the present Liquor Store checking account. Clerk stated there were no funds taken out of the City general funds.

Discussion was held on the projected numbers and whom they were figured by. Citizens were concerned on how the building is going to be paid for; Mayor informed them it would be paid for from Liquor Store revenues. Councilman A. Anderson stated the projections are figured on actual numbers. Further discussion was held on the construction, dollars available and where the funds would be coming from, location, and store size.

Motion was made D. Anderson to extend the meeting for fifteen minutes. Seconded by A. Anderson, passed unanimously.

Chris Arnold informed the group that Bagley Liquor Store has increased profits due to a much larger selection and a lot of MN made products. D. Wendlandt stated that she will do her shopping in Bemidji if she is there. Councilman Bonik told her that is a very upsetting thing to hear, when everyone is arguing on how Bagley is going to pay for their building and then they hear she is spending in Bemidji. She stated that a lot of people are buying out of town.

Mayor informed the group that once the Store hits \$100,000 in sale profits, the store is maxed out in space and there is not enough parking. He and Arnold have been talking with the CFO of Team Industries and Team is willing and will be helping finance the project.

Motion was made by Bonik to approve the design drawing with changes and have Widseth Smith Nolting go forward with construction documents, Mayor to look at & review the plans and go out for bids. Seconded by D. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC, City Clerk Treasurer

CITY COUNCIL PROCEEDINGS

AUGUST 29, 2012

The Bagley City Council met in special session on August 29, 2012 at 6 p.m. in the City Council Chambers.

Present were Mayor Mark Edevold, Council Members David A. Anderson, Chad Bonik, and Sidney Michel, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present were Bill Masterson, Police Chief Darin Halverson, Dennis Merschman, Chris Arnold, and Doug Lindgren.

Meeting was held to review the proposed 2013 City Budgets. Clerk went over the budget sheets for each department. City Hall - \$3,000 was added to City Hall Historical Structure repair, due to repairs needed on the old jail. \$1,000 was added to the Election expense due to increase in wages and anticipation of a new voting policy which may be put into effect. City portion on "The Bus" expenses, \$599, was added in. Police Dept.-wages and benefits for the COPS Officer were added on due to in the income budget this was added in also. Capital Expenses – additions for the Police & Fire Depts. were added in. Airport CIP report has that the City would do access road paving for \$11,200 and Snow removal equipment for \$19,800. Bonds-expenses on the 2003A and 2006A were changed to the 2012 bond but receipts will still come into those two bonds. Total proposed expenses at this time are \$1,360,586. Proposed income without any Property taxes included is \$874,401.

Michel would like to add in dollars for a future snow blower and truck for the Street Dept. Clerk stated that on the Airport CIP plan there were two priority projects which were a parallel taxiway for \$50,000 and an Apron Extension for \$30,000. Fencing and water for the animal pound was discussed. Masterson informed the Council that he had a contractor walk with him inspecting sidewalks in the downtown area. This cost comes to \$31,000. There is a safety issue in some areas. Post Office area is not included in this amount and this is also an area which should be replaced. Mayor stated there is still \$60,000 in the 2012 Street Project fund which has not been used. Masterson said that the Elementary School may replace some sidewalks next year and he would like to work with them also on replacing sidewalks. Thoughts are that trees are needed along 4th Street and these could also come out of the \$60,000. (This amount is \$48,000 due to Fire Sirens being paid for from these dollars.)

Masterson would rather have a plow truck more than a snow blower. He is looking into a used truck with plow. \$50,000 will be put into the capital outlay for this. Bonik stated that the \$48,000 should be used for sidewalks and trees and an additional \$50,000 should be put in the Capital Outlay budget for a truck in 2013. \$5,000 will also be added in for Street Signs. A Crack sealer was not included in the budget at this time. Mayor would like to drop \$29,000 in Economic Development and have a tax deduction of around \$50,000.

Discussion on the Police Department budget – Put \$5,000 more into Capital Outlay for car purchase. \$5,000 will be added to the Animal Pound for fencing and water.

Masterson asked the Council to consider hiring one more person for his department. This would cut down on overtime, winter call-in, and there would be a second person for snow hauling in case of illness of one of the present employees. Clerk will add in \$50,000 towards wages and benefits.

Airport will be left as is. Masterson will check on costs for the airport road.

After all the changes discussed, this will leave approximately a \$19,902 reduction in the 2013 Levy.

Discussion will be held at the Sept. 11th Council meeting on the demolition of the old City Garage and what to do with the property.

Clerk Lindgren and Liquor Store Manager Chris Arnold went over the proposed 2013 Liquor Store Budget. Arnold explained how he figured the gross profits. This year it looks like there will be an 8 ½% gross profit which he carried out through 2013 for budgeting purposes. \$30,000 will be transferred to

the City in 2013, in the past few years it has been \$15,000. Estimated expenses for 2013 are \$180,705, ending with a net income of \$67,940 after the transfer to the City.

Motion was made at 7:30 p.m. by Councilman Michel to adjourn the meeting. Seconded by Bonik, passed unanimously.

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC, City Clerk Treasurer

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS

SEPTEMBER 4, 2012

The Bagley City Council met in special session on September 4, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members David G. Anderson, Sidney Michel, Chad Bonik, City Clerk Treasurer Colleen Lindgren, Deputy Clerk Faye Jacobs. Councilman Andy Anderson was absent.

Also present: Dennis Merschman, Dianne Nowaki, Cierra Hartman, and Dany Ekre.

Mayor Edevold discussed a news article concerning Red Lake Falls Administrator and Mayor resigning due to issues arising after their City Audit report was done. Mayor Edevold stated that he is not a "fan" of the city auditors Miller McDonald. An error was caught but did not change any bottom lines. Changes are coming that Auditors are not to be doing the Financial Statement and the Audit. He would like to start a process to review or analyze financials, whether it is calling the State Auditor for help, use a new accounting system or looking for a new auditor.

6:08 p.m. – Councilman Andy Anderson entered the meeting.

Mayor talked about having a third party come in on the financials. Michel said the funds would need to be looked at because it may cost up to \$6 or \$8,000. State Auditor may have a list of Auditors that do City Audits and may be able to advise the City on what to do. Clerk Lindgren will check into this.

Discussion was held on the Animal Ordinance. Clbk/Gonvick has a set number of animals that each household is allowed and Pound Master Ekre has recommended that the City of Bagley also look into this. This will be looked into further at the October Council Meeting. Mayor suggested a public meeting in October. Clerk was asked to get copies of ordinances from around the area for the Council to study. Council discussed getting water piped into the pound and an area fenced off for animals to exercise each day.

Mayor updated the Council on the purchase of the Wee Care Building. The Bemidji USDA and Baxter Regional Offices will be sending a letter to Washington DC on the Library Foundations offer and the appraisal, with the recommendation that Washington accept the offer. They hope to hear within three to four weeks on whether it is accepted or not.

Regional Meeting in Thief River Falls on Sept. 19th. Mayor will be going for sure. Members will let the Clerk know so that registration can be done.

Clerk reported on the City employees Blue Cross Blue Shield Health Ins. Insurance premiums for 2013 will be going down 7.6%. Clerk explained a new Pilot Program for a Wellness Plan that is being done by NWSC. If employees participate, they can get \$200 put into their Health Care Savings Account (VEBA) account. There is no cost to the City for employees to participate. Clerk will bring more information to the regular Council meeting.

Pound Master Dany Ekre spoke with the Council on the Animal Ordinance which he has recommended to be changed. It has become a major health issue when people have a large number of animals in their home. Animal Ordinances in other cities will be checked into. Exercise runway should be in the size of 18'X24' with an 8 foot high fence. Ekre will pull numbers together for a 50 foot well and bring to the next City Council meeting.

Mayor cancelled the Sept. 5th Special Council Meeting.

Mike Karvakko, Karvakko Engineering, sent a letter concerning the re-bidding of the crack sealing for the airport. His costs to do the engineering would be \$600. Motion was made by Bonik to sign the Amendment to Agreement for Professional Services with Karvakko Engineering for \$600. Seconded by A. Anderson, passed unanimously.

Mayor handed out information concerning City Council Bylaws which were gotten from the League of MN Cities Mayors Handbook. Also included were Agenda Request forms from Lakecity, who use these forms each month. He would like to see these forms used each month by Department Heads. Clerk was asked to start using these forms to help the Council with information on the projects requested.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC, City Clerk Treasurer

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS

SEPTEMBER 11, 2012

The Bagley City Council met in regular session on September 11, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Chad Bonik, Andy Anderson, David G. Anderson, Sidney Michel, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Lori Olson, Trisa Krekelberg, Ceira Hartman, Mike Jensen, Jackie Meixner, Bill Masterson, Dennis Merschman, Police Chief Darin Halverson, Lill Sauer, Doug Anderson, Ruby Bergquist, and Chris Arnold.

Motion was made by A. Anderson to approve the minutes of August 15, 27, 29, and Sept. 4th. Seconded by D. Anderson, passed unanimously.

Lori Olson and Trisa Krekelberg were present to ask for a Gambling Permit for the BFCG Hockey Association to take over the Wee Care Pull Tab site at Main Street Tavern. Motion was made by Bonik to approve the BFCG Hockey Association Gambling Permit. Seconded by Michel, passed unanimously. Motion was made by D. Anderson to approve Resolution #28-12 BFCG HOCKEY ASSOCIATION GAMBLING PERMIT. Seconded by Bonik, passed unanimously.

Jacki Meixner, HRDC, was present to update the Council on the Small Cities Grant Program. Councilmembers were given a set of Policies & Procedures for the Grant Program. HRDC is ready to send out applications to those that put in pre-applications and were located in the Target area. In the policies there is included a section where the homeowners are assessed a \$46.00 application fee. These funds are used to record the mortgage and the homeowner has a little bit committed to the project. Motion was made by Bonik to approve the Policies and Procedures for the Small City Grant Program, as written. Seconded by Michel, passed unanimously. HRDC is going through the pre-applications and will start with the ones that put in their application first, pending they are located in the Target area. There will be funding for 10 to 12 projects. Mayor suggested that a post-card be sent to all those that put in an application letting them know that the process is beginning.

Discussion was held on Special Assessments on property sold. There are a number of deferred assessments in the City on lots not built on yet. Motion was made by Michel to approve RESOLUTION #27-12 RESOLUTION ADOPTING CHANGES TO ASSESSMENTS. Seconded by Bonik, passed unanimously. A letter will be mailed to property owners with a copy of the resolution.

Doug Anderson was present to discuss getting a Liquor License for the Bowl Inn. Motion was made by D. Anderson to approve the Bowl Inn Liquor License with fees pro-rated, as per City Ordinance. Fee to be \$400 for the Liquor License and \$66.68 for the Sunday License through December 2012. Motion was seconded by Bonik, passed unanimously.

Clerk updated the Council on City receipts for August and also went over the August Budget reports.

Discussion held on the payment of the outstanding bills for the City and Liquor Store. Michel asked if there was enough money to pay the Liquor Store bills totaling \$44,640. Clerk informed the Council there is \$22,000 plus in the checking so more funds are needed to pay all the bills. Some of the checks will need to be held until funds are obtained. Arnold stated that sales for Labor Day are up 25% over last year's Labor Day sales. Motion was made by Michel to approve payment of the City and Liquor Store bills for August. Seconded by D. Anderson, passed unanimously.

MN Municipal Beverage Association will be holding a Regional meeting in Bemidji on November 8th. Cost is \$15.00 per person. Clerk will bring this back to the Council at the October meeting.

Department Reports: Liquor Store-Manager Chris Arnold. Liquor Store shows that gross sales are up over last year. The Golf Course Liquor is struggling. Arnold asked permission to attend two Trade Shows in Mpls. on Sept. 19th. One of the Vendors has offered to pay for the motel room for the night. There are funds in the training budget to cover mileage. Arnold would be going plus Peter Walchuk would go without pay. Motion was made by A. Anderson to approve Arnold to attend the Trade Shows and to use the Airport Courtesy Car. Seconded by Bonik, passed unanimously.

Mayor reported that he and Chris Arnold would be meeting with the WSN Engineers on Thursday Sept. 13th to finalize the plans for the new Liquor Store.

Zoning Department: Public Hearing being held on Wed. Sept. 19th at 6 p.m. on an Application for Variance for Lila Ricke. Motion was made by Bonik to hold a Special City Council meeting at 7:30 a.m. on Thursday Sept. 20th to discuss the Public Hearing, and for members to forgo any Special Meeting pay. Seconded by A. Anderson, passed unanimously.

Roads & Bridges-Street Superintendent Bill Masterson. Report was given on work his department has been doing. Masterson has been looking for a used plow truck at Albert Lea. Cost of truck and plow is approximately \$35 to \$37,000. Permission granted for him to travel, if needed, to look at the vehicle. There is a need to remove trees at the City Airport as they are considered "Obstruction Hazards". Masterson is getting prices to remove trees and stumps.

Public Utilities-Manager Mike Jensen. Cable re-build is going on. Water Tower has been washed and may need painting soon. Street lights are in and should be put up soon. Bagley Ave. project is done.

Animal Pound – Clerk stated that she had one quote to put water in at the Pound, from Anderson Well Drilling for \$3,187.50. Masterson also had a quote from Aquawell for \$3,510 plus \$500 for Bruce Lindgren to do the trenching. Pound Master Ekre may have one more quote. Matter will be brought up further at the October 2nd work meeting.

City Hall-Clerk Colleen Lindgren. Office of Aeronautics has contacted City Hall saying the 2014 through 2018 Capital Improvement Program update be into their office by October 30th. There is a meeting coming up Sept. 25th in Bemidji if anyone wants to work on it. Last year Clerk Lindgren and Street Superintendent Masterson worked with Karvakko Eng. on the plan. Clerk and Masterson will again work with Karvakko and bring back to the Council at their next meeting.

Coalition of Greater Minnesota Cities Fall conference will be held on November 14-16 in Alexandria. Clerk will bring this information to the Council at the Oct. 9th meeting.

Discussion was held on the Proposed 2013 City Budget. Clerk went over what was last proposed. D. Anderson would like to cut more off the budget. Clerk reminded the Board that if they do cut from the budget now, they cannot raise it in December if a project comes up that they want to do. Discussion was held on road signs, sidewalks and needed equipment. Michel asked what is going to happen with the Library. Mayor stated he does not know yet. Airport budget - \$19,800 for snow removal equipment was removed. \$10,000 was removed from Economic Development. After much discussion motion was made by Bonik to set the proposed budget for 2013 at \$1,445,786, which includes the before mentioned cuts in the Airport and Economic Development. Seconded by Michel, passed unanimously.

Motion was made by Bonik to certify the proposed Levy to the County at \$581,385. Seconded by A. Anderson, passed unanimously.

Karvakko Eng. has gotten two (2) quotes to do the crack sealing at the City Airport. They are: Interstate Improvement, Inc. - \$22,500 and Fahrner Asphalt Sealers - \$9,150. Their recommendation is to accept the quote from Fahrner Asphalt for \$9,150. Motion was made by D. Anderson to approve RESOLUTION #25-12 AUTHORIZATION TO EXECUTE MN DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION. Seconded by Michel, passed unanimously. This grant covers the acceptance of Fahrner Asphalt quote and covers the agreement with the STATE DOT for cost sharing of expenses. City share to be \$2,110 which includes the Eng. costs also.

Motion was made by Michel to approve Resolution #26-12 WELLNESS PILOT PROGRAM. Seconded by A. Anderson, passed unanimously. Clerk explained the program and benefits which the employees will be able to participate in.

Further business: Mayor informed the Council that the offer of the Library Foundation to purchase the Wee Care Building has been accepted by USDA. The Library Foundation will be working with City Attorney Ed Rasmussen to get purchase agreements in place. Project is moving forward.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC, City Clerk Treasurer

Faye Jacobs, Deputy Clerk

CITY COUNCIL PROCEEDINGS

September 20, 2012

The Bagley City Council met in special session on September 20, 2012 at 7:30 a.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Councilmembers Sidney Michel and David G. Anderson and Clerk Treasurer Colleen R. Lindgren. Councilmen Chad Bonik and David G. Anderson were absent.

Motion was made by D. Anderson to approve the Variance for Lila Ricke to build a garage on Lots 9 & 10 Block 1 Second Addition to Bagley. Seconded by Mayor Edevold, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC, City Clerk Treasurer

CITY COUNCIL PROCEEDINGS

OCTOBER 2, 2012

The Bagley City Council met in special session on October 2, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, Andy Anderson, David G. Anderson, Chad Bonik, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Jim Otterkill, Dennis Merschman, Josh Pearson, Terry Knutson, Ciera Hartman, David Hengel, Craig Boyer, Kirby Johnson, Jim Russ, Lester Liljedahl, Jeanine Brand, Ruby Bergquist and Lorraine Brustad.

Mayor opened the meeting at 6 p.m.

Josh Pearson, HRDC, was present to speak on the Safe Routes to School program. No action is needed from the Council at this time. The Bagley School District has undertaken the task of doing the Safe Routes to School plan. This is a federally funded program to increase kids walking and biking to school and also making a safety plan to get to school. A kickoff meeting was held with a number of local people making a Team to go around throughout the City to check out the sidewalks for safety issues. Program is still a year or more down the road.

Library Foundation - Member Jeanine Brand was present to update the Council on the purchase of the Wee Care building for a new Library location. It has been 14 years that the Foundation has been working to get a new location. The building is 5,600 square feet. The Foundation had looked for a 4,000 sq. foot building seeing a need for a community room, restrooms and storage area. The new building has a large gym, community room, licensed commercial kitchen area, chairs, tables, couches, etc. Closing date is around the middle of October. Other options were looked into. They are working with an Architect who is donating their expertise for free. Members have been working on the project for many years and it started with City Council Member Beverley Brown. Building will be turned over to the City after the purchase. Paper work is being worked on with a Resolution to transfer to the City, which will be brought to the Council at their next regular meeting. Mayor would like to set up a meeting in November to decide what should go into the building with the Library. Les Liljedahl gave a report on the utility use of the building. Mayor reported that Lake Agassiz Regional Library has committed \$20,000 to the project for shelving & such inside the building.

David Hengel, Greater Bemidji Regional Economic Development Agency was present to inform the Council that Sanford is planning on constructing a \$1.7 million dollar Super Clinic along Highway 2, and they are planning to make a long term investment in the community. Plans are to have a Long Term 10 year lease with Greater Bemidji, and then they will either extend the lease or buy it out.

Craig Boyer, Sanford, explained their need and how to meet their needs for a new facility. They are hoping to provide outreach providers, full time providers and expand the rehab services.

Hengel reported that Team Industries/Dave Ricke has given \$200,000 to Greater Bemidji for this project to make it happen. Greater Bemidji is a 501C3 group. Hengel presented the Council with an estimated cash flow analysis. Sanford would like to start building by April 1, 2013 and have it constructed by the first part of August. Jim Otterkill is the owner of the property which they will be building on. A loan is being worked on with HRDC and area banks are being talked to on loans and banks have committed to help, contingent on help from the City. Hengel also asked for help from the City with either a loan from the Revolving Loan Funds of \$100 to \$150,000 or Tax Increment Financing. The project will not happen without help from the City, so Hengel is asking for the City Council's consideration.

Jim Russ, Team Industries, explained why they feel this is also an important project for Team Industries. Team Industries is working on a Wellness Program for their employees which have proven very effective. Team wants to help the community thus their investment in the community.

Mayor Edevold has spoken to David Drown, Drown & Associates, about what it would take to set up a TIF District. It would take 4 to 5 weeks to get it done.

Hengel said that the building would be between 10 to 12,000 square feet. The Clearbrook Clinic would be kept open. The Ambulance would be kept and Sanford has a three year lease with the county for the hospital building. Their main focus is the clinic. The proposed property is five acres in size so there is enough room to expand if needed. Consensus of the Council was to move forward with the project. Hengel will return to the Council on October 9th with more information. He said that Sanford and his office would like to use as many local contractors as possible.

Dave Hengel gave the Council a recap on the Revolving Loan Funds. He helped create the loans many years ago by writing the grants for Team Industries, along with Clerk Colleen Lindgren and Economic Developer

Martha Oskvig. The State DEED Office no longer does these kinds of grants/loans. State has not been clear on the reuse of these funds. He always calls the State when he gets a question on the use of the funds, which he would be happy to do for the City. Tom Gast, Deed Office, always asks two questions: 1. Is the proposed project, consistent with what would be eligible for grant funds. If it is eligible 2: would it have the ability to repay the funds. You have to be able to show this. Is this a project that the Council feels strongly as an economic development project. This was up to three years ago and he knows of no policy changes. Hengel stated that he will be going to the State Offices in a couple weeks and would be happy to speak on the Cities behalf. Clerk asked if the City needed permission years ago to use the funds on a City project, which was the case when the City Airport was updated, is this what the City should do now. Hengel would approach them on this. Michel said that when another business came to the City asking for RLF, they needed to have all their paper work in and financials. The City has only done an internal review but not an outgoing review by another group. This would protect the City. He feels that if the City requires other borrowers to have this information, the City should also. Bonik asked if Michel wants a feasibility study done. Michel stated that the City requires it from everyone else and the Council should just ask an outside source to run the City numbers. Mayor stated the proposed Resolution given to the Council is to just declare the ability to do the loan, not the loan. A. Anderson said that a feasibility study was done on the Liquor Store. Michel stated it was all done internal.

Motion was made by A. Anderson to approve Resolution #30-12 REVOLVING LOAN FUNDS USE BAGLEY LIQUOR STORE. Seconded by D. Anderson. For: A. Anderson, D. Anderson, Bonik, and Edevold. Against: Michel. Motion carried.

Clerk explained that the BFCG Hockey Association is unable to obtain a Gambling License for Pull-Tabs to be sold at Main Street Tavern, due to having a Raffle Gambling Permit already going on. Motion was made by Bonik to rescind Resolution #28-12 BFCG HOCKEY ASSOCIATION GAMBLING PERMIT. Seconded by D. Anderson, passed unanimously.

The Clearwater Trail Blazers Snowmobile Club has put in an application for a Gambling Permit to sell Pull-Tabs at Main Street Tavern. Motion was made by Bonik to approve Resolution #29-12 GAMBLING PERMIT FOR CLEARWATER TRAIL BLAZERS SNOWMOBILE CLUB. Seconded by Michel, passed unanimously.

Clerk updated the Council on the clearing and grubbing at the Airport. Street Superintendent Masterson has gotten five (5) quotes to do approximately 11.22 acres of work at the airport.

| | |
|-------------------|----------|
| Beer, Inc. | \$47,690 |
| Thompson's Gravel | \$48,000 |
| Anderson Const. | \$49,450 |
| Reiersen Const. | \$61,000 |
| Young Excavating | \$67,800 |

Karvakko Eng. recommends the City accept the quote from Beer, Inc. The Eng. fees would include a survey identifying those trees that are penetrating the protected airspace and to create a map that could be used to relay this information to the contractors. Masterson also asked if Karvakko Eng. would provide a cost for construction administration and additional post-tree removal survey. Eng. costs to do so are \$6,813. This project would be covered by grant funds from the State Aeronautics. If the City opts out of doing this project, they could be in jeopardy of not receiving anymore State funds. Total project cost is \$54,503 with state share at \$43,602 and City share at \$10,901. There are enough funds in the reserved Airport funds to cover these costs. A resolution needs to be made by the Council requesting the State funds. Motion was made by Michel to accept the quote of Beer, Inc. in the amount of \$47,690 and engage Karvakko Eng. for the engineering of the project in the amount of \$6,813. Seconded by A. Anderson, passed unanimously.

Clerk & Street Superintendent did work on the Capital Improvement Plan with Mike Karvakko. Council will be asked for any changes or approval at the next regular Council Meeting.

Information has been received on Hanger Loan Programs. Clerk reported that a number of pilots have been asking about hanger space and the State does have funds for such. Council and staff will be asking questions of pilots and local business's to see if there is a need and ask for commitments before going any further.

Mayor brought up for discussion the fact of cash flow for the Liquor Store. There have been costs of \$32,365 expense for the new Liquor Store, which has been taken out of the Liquor Store Checking leaving it short to pay the bills. He recommends that \$32,365 be borrowed from the Revolving Loan Funds to cover these costs for the present time. (Councilman Bonik left at this time for a Fire Call). Motion was made by Michel to borrow \$32,365 from the Revolving Loan Funds for the Liquor Store cash flow as a loan, for 120 days at five percent (5%) interest rate. Seconded by A. Anderson, passed unanimously.

Liquor Store bid opening – An amendment will be sent out changing the date of the bid opening to Oct. 9th at 2.p.m. from Oct. 8th at 2 p.m. This is due to Oct. 8th is a Holiday for some business's & mailings may get late.

Motion to adjourn the meeting was made by D. Anderson. Seconded by A. Anderson, passed unanimously.

Mayor Mark Edevold

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
OCTOBER 9, 2012

The Bagley City Council met in regular session on October 9, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Chad Bonik, Andy Anderson, Sidney Michel, David G. Anderson, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Bruce Skipton, David Hengel, Tiffany Fettig, Pastor John Swanson, Dianne Nowacki, Chris Arnold, Jim Otterkill, Ciere Hartman, Bill Masterson, Ruby Bergquist, Chief Darin Halverson, Amanda Brustad, Kelsey Glime, Halley Glime, 2 more High School girls, Ruth LaFontaine, Dennis Merschman, Lorraine Brustad, Jon Brovold, Mike Jensen, Kirby Johnson, Dianne Horsley and Dwight Nelson.

Mayor Edevold announced that the Council would meet in a closed session after the regular business, for personal discussions.

Motion was made by Michel to approve the minutes of Sept. 11, Sept. 20, and October 2nd. Seconded by Bonik, passed unanimously.

Mayor Edevold told the audience if there was anyone present for the Liquor Store Bid Opening, the Bid Opening has been postponed until 2 p.m. on Friday October 12th. Anyone who wishes to attend may do so.

David Hengel, Greater Bemidji, was present to update the Council on the Sanford Health requests. Hengel gave a summary of the last meeting with the Council. A ten year lease between Greater Bemidji and Sanford is being looked into. Requested from the City: a) authorize the process for Tax Increment Financing for 15 years, b) loan Greater Bemidji \$150,000 at 1% for 10 years, interest only payments the first two years, if necessary, c) consider endorsing Bank Qualified Tax Exempt Financing on the project. Hengel explained how TIF works within the City by capturing tax value on the property. The RLF may not be needed, depending on the numbers figured on the TIF District. Discussion was held on hiring Drown & Associates to set up the TIF District. Greater Bemidji would pay for these services.

Tiffany Fettig spoke on the use of the Revolving Loan funds. Her recommendation is as follows: \$150,000 Loan, 1.0% fixed interest, 10 year term, fully amortized, payment of interest only for 24 months then P&I payments for 96 months, shared 2nd lien on RE with the HRFC.

Motion was made by Michel to secure the services of David Drown, Drown & Associates to set up a Tax Increment Financing District for the Sanford Clinic. Seconded by Bonik, passed unanimously. Motion was made by Michel to set aside \$150,000 in Revolving Loan funds for the possible use for the Sanford Clinic. Terms & conditions to be set up at later date, if the loan is needed. Seconded by Bonik, passed unanimously.

Dianne Nowacki was present to voice concerns about three new projects which were taken on by the City in the past year. 1. Liquor at the Golf Course. 2. Internet Service through the Public Utilities. 3. A new Liquor Store. She asked questions on how much money has been set aside, where are funds going to come from? She would like to see a cushion for the liquor store before it is built. D. Anderson stated that if the bids come in too high he would not be for it. Discussion was held on cost estimates, outside services, projections, the outside look of the building and the name "Bagley Spirits". Nowacki asked who did the financial projections. Mayor stated that he primarily has done the projections, along with auditors and bankers. Mayor informed everyone that the bids will be opened on Friday, October 12, 2012 at 2 p.m., all are invited to attend and a better of idea of numbers will be known. A special meeting will be called after all numbers are in.

Clerk went over the monthly reports and receipts for September.

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

Clerk Lindgren and Bill Masterson have met with Engineer Mike Karvakko on the Capital Improvement Plan for the City Airport. Plan is for proposed projects in the years 2013 to 2017. Motion was made by Bonik to approve the CIP Plan as listed for 2013-2017. Seconded by A. Anderson, passed unanimously.

Motion was made by Bonik to approve Resolution #31-12 AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION. Seconded by Michel, passed unanimously. 11.5 acres of land around the airport will be cleared of trees and brush. The State Dept. of Aeronautics will reimburse the City 80% of the costs to do the clearing.

Bruce Skipton, Karvako Engineering, was present to speak with the Council on the Airport Layout Plan. There are a number of easements needed around the airport and an official survey of the airport is needed. Motion was made by A. Anderson to approve Supplement to Task Order No. 04, updating services to be done by Karvako Engineering for easements and survey at an additional cost of \$10,000. Seconded by D. Anderson, passed unanimously. Costs are covered 80% by the State Dept. of Aeronautics.

Department Reports: Police Chief Darin Halverson. Officers will be participating in the Safe & Sober program on October 12-26. All overtime hours worked will be reimbursed by the State.

Liquor Store Manager Chris Arnold. Golf Course Liquor has been closed for the season. Council will receive a final P&L at the next meeting.

Roads & Bridges Street Superintendent Bill Masterson. Street Signs are being looked into for costs. Signs, posts and brackets for 1st through 4th Street costs about \$900. Stop signs are an additional \$30.00 apiece. No date has been set yet to make it mandatory for all the signs to be put in.

Zoning-Board will be holding a Public Hearing on November 15th to discuss a Zone change for the Beverley E. Brown property.

Public Utilities Manager Mike Jensen. An update on activities of Public Utilities employees was given. Lights on Bagley Ave. will be up soon. There is no need for a fall discharge from the ponds.

Animal Pound – Two quotes have been gotten for putting water into the pound. Michel will contact Berg Well Drilling for a quote. Matter was tabled until the next regular council meeting.

Motion was made by Bonik to accept the resignation of Mia Reynolds from the Library Board. Seconded by A. Anderson, passed unanimously.

Motion was made by Bonik to appoint Kathy Steinmetz to the Bagley Library Board. Seconded by A. Anderson, passed unanimously.

The 2012 CGMC Fall Conference will be held in Alexandria on November 14 through 16th. Motion was made by A. Anderson to approve sending one person to the conference. Seconded by D. Anderson passed unanimously.

Motion was made by D. Anderson to approve sending Chris Arnold to the MMBA meeting in Fergus Falls on October 11th. Seconded by Michel, passed unanimously.

Motion was made by Bonik to rescind a motion he made at the September 11th Council Meeting to set the City Levy at \$581,385. and correct the Levy to be \$571,385. Seconded by Michel, passed unanimously.

Discussion was held on the old City Garage and what to do with it. Michel will check with the County Assessor on value and bring information to the Council at their next meeting.

Dwight Nelson was present to voice his comments on the taking and accepting of quotes for the tree removal at the City Airport. He was one of the contractors that bid and hopes the City looked into the bids carefully.

Michel asked on where the new liquor store is going to be built, will the soil be taken out just for the building or the whole lot? Mayor stated that it would be just where the building footprint is and what is needed just around it.

Mayor announced that the meeting was now being closed for personal discussion.

7:55 p.m. Mayor reopened the meeting.

Bonik asked about the \$15,000 transferred to the City from the Liquor Store and the amounts transferred in past years.

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

Motion was made by Bonik to secure the services of Miller McDonald, up to \$5,000, to verify the liquor store numbers. Seconded by A. Anderson, passed unanimously.

Clerk included in the Councilman's packets information on Auditors around the area that do City audits. Council will review the information and discuss at a later date.

Michel asked about bonding for the Liquor Store. Mayor said that he is working with the First National Bank and the City may not have to bond. Bank Qualified Tax Exempt Financing will be looked into.

Bids will be opened on Friday October 12 for the Liquor Store. A special meeting will be called at a later date after all numbers are gone over.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS

OCTOBER 25, 2012

The Bagley City Council met in Special Session on October 25, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, Chad Bonik, Andy Anderson, and David G. Anderson, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Jeanine Brand, Paul Roy, Ron Spry, David McCollum, Scott Grabil, Chris Arnorld, Ruby Bergquist, David & Cindy Lee, Tom Burford, Mary Ann Erickson, Lyle & Nancy Colligan, Jon Brovold, Dennis Merschman, Curt Meyer, & Les Liljedahl.

Library Foundation Member Jeanine Brand updated the Council on the purchase of the Wee Care Building for a New Library Building. The Board closed on the Building on October 23rd. Preliminary things are being done at the building such as if any remodeling needs to be done, changing of the locks on the building, etc. At this time there is no insurance on the building. The building cannot go under the City Umbrella Insurance unless it is in the Cities name. The present Library Building is owned, maintained and insured by the City. The Library Foundation Board wants to get the building insured as soon as possible and a short term policy for them to take out is very costly. Brand handed out a Resolution which covers the use of the new building and stating that the Council will designate at least 2,400 square feet of the building for the Library. Also included on the Resolution is a clause on the sale of the lower real property area, if that happens to come up in the future. Council members did not want to make a decision tonight, so Councilman D. Anderson asked to have a special meeting on Tuesday October 30th at 6 p.m. for further discussion. He would also like to see that members not be paid for this one item meeting. Councilmembers agreed.

Mayor Edevold went over the Financing & Business Feasibility report which he has done for the construction of a new liquor store. Gordon Construction, Mahnomon, were the low bidders on the project with a base bid of \$698,333 and Alternates as follows: Alt. #1 Paving-\$73,180; Alt. #2 Walk in Cooler-\$78,311; Alt. #3 Stone Veneer-\$5,610; Alt. #4 Heat Reclaim-\$7,639; over all bid at \$863,073. (Bid tabulation will be included in the minutes on a separate insert). Mayor went over items that could be cut from the project such as Alt. #3 – Stone Veneer and Alt. #4 – Heat Reclaim, putting in square windows instead of rounded, use pex pipe instead of copper, and no drains in the coolers. This totals an anticipated final cost of the building and parking lot to be \$829,465. Paving could be cut out or made smaller. Paving dollars could be kept in and used as contingency funds, if needed. Projected opening date to be March 1, 2013. BBI, low bidder on the paving, had stated they are comfortable waiting until spring to pave. Energy rebates may also be available in the amount of \$1,000 to \$2,000.

Extra Winter costs would be around \$11,000 and the City may be able to sell propane to Gordon Construction at a cheaper cost. Bathroom facilities can also be changed with the toilet types being changed.

Paul Roy from Gordon Construction handed out a proposal for installing footings and concrete block to help with the temporary heating during the winter. Change must be approved by the engineer and set up as a change order.

Mayor Edevold opened the meeting up for questions. Ruby Bergquist asked why the building is so big and fancy. Mayor replied that at this time energy will be spent on construction, contracts, and financing. David Lee asked what the rush is to build this winter instead of next spring. Mayor stated the real issue is that the winter costs are built into the contract. As for timing it would be way ahead to have the building open before the prime selling times of June-August. Moving time should take two days, Sunday & Monday. Lee asked if the bid is not accepted tonight, is there a change date? Paul Roy stated that about three weeks will be lost just doing the paper, submittals process, and the ordering of supplies. He feels the building should go up fast. Michel feels that it will probably cost an extra 10 to 15% to build in the winter. Mayor disagreed stating it would only be about \$10-12,000. He is trying to find every dollar that can be cut.

Cindy Lee does not think the community knows what kind of building is being proposed. She asked if the City needs this big and expensive building. She is concerned for the taxpayers. There are a lot of questions by the people and they need to be able to ask questions and get answers. The taxpayers are the ones that will pay if it does not fly.

Scott Grabill asked how long the City has been saving and how much. Clerk explained this to the group. Mayor listed items already purchased that will go into the new building. The existing building and equipment does have resale value.

Lee said that he has no problem with the new Liquor Store, he is concerned about the numbers. Mayor stated that the current facility is maxed out and it is losing business due to very little parking. He explained the plan on potential funds. He used a generic 8½% increase. Findings are based on risk assessment standpoint. The new Liquor Store will generate revenue to pay for the building and also give more to the City. More discussion was held on sales and buying in volume. Projected cost of the project is around \$900,000.

Les Liljedahl, First National Bank, was present to speak on financing. Projection numbers were gone over. Financing is figured as follows: \$450,000 from First National Bank, pending appraisal, at 4% interest fixed for 10 years. First year payment would be interest only. Total loan period for First National Bank is 21 years. Team Industries has stated they would borrow the City \$200,000 at 2¾%, but paperwork has not been received from them yet. Also being looked at is using \$200,000 of the Cities Revolving Loan Funds at 1% interest for fifteen years. If the City does not gain a lot but stays where it is now, it could kickback \$15,000 to the City. He also stated that he would not lie that the consideration of the City of Bagley in full faith and credit is a secondary source of repayment if the Liquor Store should fall short, the City is in strong position. The Board needs to feel comfortable with the project. The Bank Board approved a loan of \$450,000 contingent on Team Industries and how they want to do it. Michel asked what the appraisal time frame is. Liljedahl said Dec. 1 or 15 for full loan appraisal, looking at it to be \$700-\$800,000 in appraised value.

Lyle Colligan spoke up on his concerns about the building which he feels is a given to do the building. But he is shaky on the fact of paying for the building.

Liljedahl said that the Bank Board feels that the Store will pay the payments plus put \$15,000 in the City funds. Going forward, is it going to increase 8.5% each year for five years? He does not know. You will see a spike but it is unknown. The Bank wants to help the community and they do consider the Cities funds as back up. The bank will want monthly budget reports from the Liquor Store.

Discussion was held on the use of the City Revolving Loan Funds and how much is available. Michel voiced concerns on using these funds and only charging themselves 1% interest. Clerk explained what past percentage rates had been set at on past business loans. Presently there is over \$316,000 in the Funds. \$150,000 has been reserved for the Sanford Super Clinic. Clerk stated that would leave \$166,000 in the funds. Mayor informed the group that by the time the funds are needed there should be enough to use due to a payment of \$12,500 from the City in January and the \$33,000 which was borrowed to the Liquor Store earlier should be paid back by then.

Mayor asked Liljedahl what the Bank needs for the next steps to move forward. Liljedahl said he cannot set up the loan until appraisal is done and a commitment letter from Team Industries. Loan from the bank would be \$458,000 which includes paper work. Team intends to participate with \$200,000. Contract could be awarded tonight contingent on receiving letter from Team. If Team decides not to commit the bank would need to wait until Dec. 15th when the appraisal is done. Approximate total payment plus interest will be \$63,960.

Discussion was held on needs of fixtures, shelving, outside lights, size of building, and increased wages to take down and set up the new store.

Jon Brovold asked if this is the first time the Council as a whole in an official meeting, has looked at this proposal. Mayor stated that yes it is of this particular version. Brovold stated he could appreciate what has been done but feels this is a starting point, having the numbers, but feels it is premature to move ahead without having the commitment from Team, the appraisal and things like that. Mayor said that redesign costs would cost more.

Mayor asked the Council if it is a go or no go. Mayor listed what would be needed from the Council if they so approve to go ahead with the project.

More discussion followed on the use of funds, where funds are to be gotten from, size, functionality prices, and what the present contents could be sold for.

Motion was made by A. Anderson to use up to \$200,000 in Revolving Loan Funds for the Liquor Store project. Funds to be paid back at 1% interest for 15 years. Seconded by D. Anderson. For: A. Anderson, D. Anderson, Bonik, Edevold. Against: Michel. Motion carried.

Motion was made by A. Anderson to approve and accept the securing of a loan from First National Bank contingent on a letter of commitment from Team Industries to meet the banks satisfaction. Seconded by D. Anderson. For: A. Anderson, D. Anderson, Bonik, Edevold. Against: Michel. Motion carried.

Bonik asked when the Council will know if all goes through. Mayor stated he should have the letter from Team by tomorrow and Liljedahl stated as soon as he hears from Team he can go ahead. Bonik wanted it clear that the "safety valve" is still there if something happens.

D. Anderson made the motion to approve the contract bid to Gordon Construction for the base amount and Alternate 1 in the amount of \$771,513 contingent upon receiving the line of credit. Seconded by A. Anderson. For: D. Anderson, A. Anderson, Bonik, Edevold. Against: Michel. Motion carried.

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

Motion was made by Bonik to accept the bid from Naylor Refrigeration & Heating for a Cooler System for the price of \$67,130 contingent on construction financing from First National Bank. Seconded by D. Anderson. For: Bonik, D. Anderson, A. Anderson, Edevold. Against: Michel. Motion carried.

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

Mayor Mark Edevold

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS
OCTOBER 30, 2012

The Bagley City Council met in special session on October 30, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Chad Bonik, Sidney Michel, David G. Anderson, Andy Anderson, and Clerk Treasurer Colleen R. Lindgren.

Also present: Jeanine Brand, Karen Edevold, Mary Hane, Lee & Jane Furuseth, and Les Liljedahl.

RE: Meeting is being held to discuss the future home of the Bagley Public Library.

Jeanine Brand voiced concerns of the Clearwater Library Foundation on insurance of the Wee Care Building which they purchased. They presently have a short term policy. Brand stated she is concerned on the square footage put into a proposed resolution which was drawn up. She also explained what the library looks like inside and how they would like to utilize the building for the library. They would like to keep the large room to use it as a Community Room with a kitchen which is fully stocked and licensed.

The lower lot is also available to be used in the future. The Library Foundation will be selling all excess "stuff" in the building, hopefully at an auction yet this fall. Liljedahl said they are keeping the temperature at 50 degrees.

Brand reported that the Free Architect they have is not licensed in the state of MN so he can do the design work but not sign off on it. At the next Council work meeting, Mayor Edevold would like to work on what logical office to put in the extra rooms along with the library.

Motion was made by D. Anderson to pass Resolution #32-12 AGREEMENT BETWEEN THE CITY OF BAGLEY AND THE CLEARWATER LIBRARY FOUNDATION. Seconded by A. Anderson, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

CITY COUNCIL PROCEEDINGS

NOVEMBER 7, 2012

The Bagley City Council met in special session on November 7, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Councilmen Andy Anderson, David G. Anderson, Chad Bonik and Sidney Michel, Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Meeting is being held to have discussion on the use of the Wee Care Building along with the Public Library. There is extra space in the building which potentially could be used by the City.

Police Chief D. Halverson said that a number of years ago some funds were put aside to build a ramp onto the present Police Department. This has to be done soon because the building is not handicap accessible. Space is also short for the Police Department. He asked about moving the Police Department into the old Library building on Main Street. It would be more visible for people also. Parking may be an issue for the PD at the old library.

Mayor has briefly spoken to Realtor Jon Lee about getting a value on the Library building. It is unknown whether it should be sold or kept for offices.

The Library Board will probably not get into the new building until February or March. They need more time to raise funds and get the building done the way they need.

Chad Bonik spoke on space for the Fire Department if the Police Department does move out. If the Fire Department dispatch and meeting room was moved upstairs in the building the basement could then be used for a storm shelter. They are set up for emergencies now with the new generator system.

The Public Utilities is looking for more space for their employees. If the City Office should move to the new library building, a vault would need to be constructed. More research will need to be done into moving the City Hall functions to the Library.

Mayor will be meeting with the Library Board on November 8th. Hopefully they will have an auction sale in late November or early December.

Discussion was held on the Revolving Loan Funds. An e-mail was received from Tiffany Fettig, HRDC, asking if there were any funds that could be utilized for the reopening of a C-Store under new ownership. Clerk stated that she has had a call asking about funds to use on the reopening of Short Stop Sports. Caller was directed towards HRDC due to Tiffany Fettig works with the City applications. Mayor is not convinced the RLF should subsidize competition for existing business's makes a lot of sense. An official application has not come in yet.

Bonik asked when the Council would know more about Sanford needing Revolving Loan Funds. Mayor stated any day now to the middle of December. This may free up some of the RLF if Sanford does not need them. David Drown Asso. should be at the next Council meeting. Dave Hengel will also be at the next meeting. Bonik said that if someone comes to ask about funds he does not feel it is up to the Council to say yea or nay on another C-Store. It is not the call of the Council to make the call. If funds become available he feels the Council needs to contact Tiffany Fettig and let her know there are funds.

Michel asked if it is true that the Liquor Store is being built two feet under street grade. Mayor said it is being dug out but being built back up. It is being built to slope back. The site is actually two feet higher than the street and needs to be taken down. It will be coming down to match Willborg Street.

Bonik asked about marketing the old liquor store and the cooler. He would like to see purchase agreements in place. There is interest in both at this time. Mayor would like to bring this up at the next Council meeting. He has taken Realtor John Lee through the store, with no commitment done.

Bonik would also like to get rid of the Kastner Addition property that the City owns. He would like to have it marketed for sale so taxes come in on it. Michel said that HRDC may want to build another Habitat House in the area. D. Anderson would to see a developer come in as a first approach.

Bonik also stated that there is an Army Officer coming home after spending time in Iraq and Afghanistan. He feels the City should do something to recognize this person and all those that return home after fighting in the war. The American Legion will be contacted to help with this and any others that should be recognized. Bonik will follow up with the Legion.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

**CITY COUNCIL PROCEEDINGS
NOVEMBER 13, 2012**

The Bagley City Council met in regular session on November 13, 2012 at 6 p.m. in the Bagley City Council Chambers.

Present: Mayor Mark Edevold, Councilmen Sidney Michel and David G. Anderson, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs. Councilmen Andy Anderson and Chad Bonik were absent.

Also present: David Hengel, Chris Arnold, Ciera Hartman, Mike Jensen, Bill Masterson, Ruby Bergquist, Sylvia Larson, Police Chief Darin Halverson, Doug Lindgren, Dennis Merschman, Tracy Ryan and Jesse Tollefson.

Motion was made by D. Anderson to approve the minutes of the October 9th, 25th, 30th, and the November 7th meetings. Seconded by Michel, passed unanimously.

David Hengel, Greater Bemidji, updated the Council on the Sanford project. An agreement has been entered into a contingent purchase for the land on which the proposed clinic would be located. The property has passed the environmental tests. A lease is being drafted and reviewed and financing is starting to fall into place. The Council earlier had authorized David Drown to set up a TIF District and the Council also had set aside \$150,000 in Revolving Loan funds for the project. Banks are getting together to help finance the project. The banks are hoping to do a Bank Qualified Tax Free Bond. This is a bond that the City can bond up to \$10 million dollars in revenue bonds for non-profits. The City would issue a Revenue Bond in which the banks would then buy and the City obligation would be done. The Bond is not backed by the City tax payers, they are not backed in anyway by City funds, and the taxing authority of the City is not involved at all. It is just a conduit for Greater Bemidji to get bank financing. Bond is entirely paid for by the revenue of the lease between Greater Bemidji and Sanford. THERE IS NO RISK TO THE CITY. All fees for the setup of the bond would be paid for by Greater Bemidji. A 1.2 million dollar bond would be looked at for the banks to purchase. The Council is needed to authorize the bond. They will be starting the design on the Clinic very soon and construction should begin in April.

Mayor Edevold told the Council that a new TIF District must be made up to accommodate the Clinic. One of the current districts cannot be expanded to accommodate it.

Tracy Ryan, Drown & Associates, was present to discuss a TIF District with the Council for the benefit of the clinic. The District would be an Economic Development District for nine years. A Resolution was given to the Council to set up a Public Hearing for the creation of the district for the date of January 8th, 2013. From now till publishing of the hearing, Drown & Associates would be creating the plan which would be a Pay As You Go plan. Members would get all the information before the Public Hearing. The City would not have any money into it up front besides the cost of the District. Hengel stated that he is working with Ryan on the exact numbers that are needed. Michel asked what value Ryan uses to come up with the numbers. Ryan said that she has spoken to the County Assessor on what they would value the building at. Projected number is a value of \$701,000 which would generate \$28-29,000 TIF per year. All numbers will be available for the Public Hearing and the School Dist. and County Board will be notified so they are aware of what is happening. Drown & Associates will take care of all paper work.

Ryan spoke on the Revenue Bonds with the City name on them. This is a Tax Exempt Bond. All revenues to pay for the bond come from the developer. This type of debt will not hurt the City to issue, in case another project should come up that the City would want to bond for.

D. Merschman asked what or who would pay for the bond if a default happened. David Hengel stated that he (Greater Bemidji) would be the ones to pay and after him it would be the banks. There would never be any expense to the City and the expenses of doing the application would be paid for by Hengel's office also. Ryan said it is very common for a City to pass on the costs onto the developer.

Ryan stated that there has been discussion on another project in the area that is looking at TIF. Not enough details have been received yet. If this project goes through the Public Hearing may be bumped to later January or February so both projects can be done at the same time. This would be a cost savings to the developers.

Motion was made by D. Anderson to approve Resolution #33-12 A PUBLIC HEARING ON THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 2-3 AND THE ADOPTION OF A TAX

INCREMENT FINANCING PLAN, setting the public hearing for January 8, 2013 at 5:30 p.m. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to authorize City Staff and Consultants to review the legal and financial for bonding, to be paid for by Greater Bemidji. Seconded by Michel, passed unanimously.

Clerk reviewed with the Council the October receipts and monthly budget reports.

Motion was made by Michel to pay the City and Liquor Store outstanding bills. Seconded by D. Anderson, passed unanimously.

Department Reports: Police Department-Chief Darin Halverson. Chief asked permission to purchase a computer for the Police Dept. Motion was made by D. Anderson to approve the purchase. Seconded by Michel, passed unanimously.

Liquor Store-Manager Chris Arnold. Monthly report for the Golf Course and the present Liquor Store were gone over.

Park & Recreation-Doug Lindgren, Chairman. Board will be looking at some playground equipment which is coming up for sale at the old Wee Care Building. Darin Lindgren will still be doing the ditching project in the park.

Roads & Bridges-Superintendent Bill Masterson. The new plow truck has arrived. Masterson said there are two older trucks that are not used and he would like to put those up for bids. Motion was made by Michel to advertise the following two trucks for bids: 1985 F700 with plow, minimum bid of \$2,500 and a 1980 F8000 with minimum bid of \$3,000 and City reserve the right to refuse any and all bids. Seconded by D. Anderson, passed unanimously.

Masterson stated he has had issues with the Street Sweeper and would like to look into the purchase of a Regenerative Air Sweeper. He could get the same selling price the City paid for the present sweeper. He has looked into a 2001 model which has twice the capacity of the present sweeper. Cost is \$60,000. Masterson was asked to keep the Council informed.

Zoning-Sidney Michel, Chairman. The Zoning Commission will be holding a Public Hearing on Thursday November 15th concerning a Zoning Amendment application.

Public Utilities-Mike Jensen, Manager. Jensen gave an update on utility activities. Final walk through on Bagley Avenue Project was done.

BIDC-Doug Lindgren, Chairman. The Cell Tower has gone up in the Industrial Park.

City Hall-Colleen Lindgren, City Clerk Treasurer. A letter from the Election Judges was read, thanking the City Council for their increase in wages and meals. Motion was made by Michel to approve the purchase of a 4-Station Free Standing Election Booth for \$872.00. Seconded by D. Anderson, passed unanimously.

Motion was made by D. Anderson to allow the City Hall staff to close City Hall on Christmas Eve Day, Dec. 24th, at 2 p.m. Seconded by Michel, passed unanimously.

Discussion was held on the possible sale of the old City Garage & property it is on. Building is located on 2 ½ acres plus there is 7 acres on the other side of the railroad. Michel talked with County Assessor who feels the land is worth around \$14,000. Motion was made by Michel to put the old City Garage building and property up for bids with a minimum bid of \$8,000, plus the City has the right to refuse any and all bids. Bids to be opened at the January 4, 2013 Council meeting. Seconded by D. Anderson, passed unanimously.

Mayor Edevold declared that the Truth In Taxation Public Meeting will be held on December 4th at 6 p.m. with the continuation meeting, if needed, on December 6th at 6 p.m. Final levy to be approved at the December 11th City Council meeting.

The League Of MN Cities will be holding a conference for newly elected officials and experienced officials in January. Closest conference is being held in Nisswa on January 11 & 12. Motion was made by Michel to send up to five (5) Council Members to the conference, expenses paid. Seconded by D. Anderson, passed unanimously.

An engagement letter was received from Auditors Miller McDonald to do the 2012 Audit. Cost for the audit would be \$19,270. Motion was made by Michel to sign the engagement letter with Miller McDonald for the 2012 City and Utilities Audit. Seconded by D. Anderson, passed unanimously.

Mayor Edevold closed the meeting at 7:05 to hold personel discussions.

Meeting was re-opened at 7:25 p.m.

Motion was made by D. Anderson to authorize the Mayor and Dept. Head to resolve the issue with employee. Seconded by Michel, passed unanimously.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

**CITY COUNCIL PROCEEDINGS
DECEMBER 4, 2012**

The Bagley City Council met in special session on December 4, 2012 at 6 p.m. in the City Council Chambers.

Present: Mark Edevold, Council Members Andy Anderson, Sidney Michel, Chad Bonik, David G. Anderson, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Bill Masterson, Dennis Merschman, Ruby Bergquist, Sylvia Larson, and Chris Arnold.

TRUTH IN TAXATION meeting was opened. Clerk stated that no changes were made on the 2013 Budget from the last time it was worked on. Total proposed expenses for the year are projected to be \$1,445,786. Proposed income is \$874,401 before Levy of \$571,385 is added on to make a total income of \$1,445,786. Approving the levy at this dollar amount, it would be 8.7% lower than last year's levy.

Mayor commented that his personal taxes were overall down by 5%.

Mayor asked for questions or comments from the Public, which there were none.

Street Superintendent Bill Masterson reported that he has just found out that the State is losing their Blade so there will be no more plowing in the City with a Blade. Sidewalks all through the City will not be cleaned as they have been in the past due to this loss. Masterson has not priced a Bob Cat but Todd Nelson has an extra one that Masterson could keep in the City shop and use for a rental rate of \$85. per hour. Property owners and businesses may need to start taking care of their own sidewalk snow. He would like to try using the rental plan to see how it works. Discussion held on the purchase of a bob cat or small blade. Masterson said that the State will still help with some of the snow but not as often.

Mayor stated that there is no need to hold a Continuation Meeting for the Truth In Taxation which was scheduled for December 6th. Being there was no one present to speak on the Truth In Taxation; Mayor Edevold closed this part of the meeting. Budget and Levy will be finalized at the December 11th City Council Meeting.

Mayor Edevold continued with the regular meeting.

Mayor stated that he and Liquor Store Manager Chris Arnold have been working on a Personal Policy for the Liquor Store. Mayor will send out an email to all members to discuss the policy at the next meeting.

Mayor updated the Council on the new library site. An Auction on the contents was held and over \$9,000 was raised to help the Library Foundation with refurbishing the inside of the building. A second handicap bathroom is needed and some changes inside with doors and walls. Mayor asked if the Council wants to be in on the changes or let the Library Foundation do the work. The City will take over the utility bills when the Library physically moves. Consensus of the Council was to allow the Library Foundation to ahead with the remodeling.

Michel asked if the Liquor Store financing is all in place. Mayor stated that it is being taken care of by the Bank.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDINGS DECEMBER 11, 2012

The Bagley City Council met in regular session on December 11, 2012 at 6 p.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, David G. Anderson, Chad Bonik, and Andy Anderson, City Clerk Treasurer Colleen R. Lindgren, and Deputy Clerk Faye Jacobs.

Also present: Ciera Hartman, Ruby Bergquist, Sylvia Larson, Street Superintendent Bill Masterson, Police Chief Darin Halverson, Dennis Merschman, Utilities Manager Mike Jensen, Les Liljedahl, John Brovold, Liquor Store Manager Chris Arnold, Fire Chief John Gerbracht, Daniel Larson, and Doug Lindgren.

Mayor Edevold called the meeting to order at 6 p.m.

Motion was made by Michel to approve the minutes of the November 13th and December 4th Council meetings. Seconded by Bonik, passed unanimously.

Les Liljedahl, First National Bank, was present to speak with the Council on some financial options for the financing of the new Liquor Store. The bank has approved a loan in the amount of \$450,000. There is a Future Advance Clause which the City could consider if they so choose not to borrow the \$200,000 from the Revolving Loan Funds. The City could borrow these additional funds without any further closing costs. This could be a backup plan to free up funds. Building will be appraised at \$908,000. Motion was made by Michel to pass Resolution #36-12 FINANCIAL AGREEMENT BETWEEN THE CITY OF BAGLEY AND FIRST NATIONAL BANK OF BAGLEY. Seconded by Bonik, passed unanimously. Resolution authorizes the wording for a mortgage future advance clause up to \$200,000 in funds and authorizes the Mayor and City Clerk to sign financing documents.

Liljedahl has spoken to Team and they are waiting to hear from the City, on when the funds are needed.

Mayor reported that a pay request has been received from Gordon Construction, but the City has until January 15, 2013 to pay it.

Clerk went over the November City Receipts and November Budget Reports.

City and Liquor Store outstanding bills were discussed. Clerk informed the Council that the Liquor bills for November total \$48,509.19 with only a checking balance of \$24,000. If the Liquor bills are approved some will need to be held until funds are generated by sales. Motion was made by Michel to approve payment of the City & Liquor Store outstanding bills. Seconded by Bonik, passed unanimously.

Motion was made by Bonik to approve the 2013 City of Bagley Budget. Seconded by Michel, passed unanimously. Proposed expenses for 2013 total \$1,445,786.

Motion was made by D. Anderson to approve the 2013 City Levy in the amount of \$571,385. Seconded by A. Anderson, passed unanimously.

Department Reports: Fire Chief John Gerbracht. Firemen elected officers as follows: Chief-John Gerbracht, 1st Assistant Chief-Tony Marty, 2nd Assistant Chief-Chad Bonik, Secretary-Ben Williams.

Gerbracht stated the Firemen are looking at new overhead doors, openers and safety features for the fire hall. Quotes were gotten from North County Overhead Doors. 3 doors cost \$5,577, three operators cost \$2,397, and remote transmitter at \$30.00. The old doors are in disrepair but could be put up for sale with the openers. The service door also needs to be replaced. Funds would come from the 2012 and 2013 budgets. Motion was made by D. Anderson to

spend up to \$9,000 for new overhead doors and service door. Seconded by Bonik, passed unanimously.

Police Chief Darin Halverson. New computer system is up and running.

Liquor Store Manager Chris Arnold. Sales are up substantially and should be higher in 2013.

Park & Recreation Board Chairman Doug Lindgren. Raffle has been completed. David G. Anderson was the winner of the snowmobile. Ditch has been completed in the park, more black dirt and seeding will be added in the spring. Old bath house repairs are being looked into.

Public Utilities-Mayor Edevold reported that the Broad Band has been fully turned on. NMPA has announced that they will not have any new electrical rate increase for 2013. The Bagley Public Utilities sees no reason to raise rates except the water & sewer rate will go up .25 cents.

Roads & Bridges Superintendent Bill Masterson. Bidding on the vehicles had closed on Monday. Clerk reported that one bid came in on Tuesday and she told the bidder that it was late so the Council could reject it. Mayor would like to open the bid, members agreed. Bid was from Jim LaFriniere. 1985 Ford - \$2,650. 1980 Ford - \$3,100. Motion was made by Michel to reject all bids on the two plow trucks. Seconded by Bonik, passed unanimously. Trucks will be rebid at a later date.

Masterson has gotten a bobcat from Todd Nelson to use this winter on some of the sidewalks. He will look into prices on bobcats with snow blower. Article will be put in the paper so residents know why the snow will not be removed as in previous years.

BIDC Chairman Doug Lindgren. Tower in the Industrial Park is up and running.

City Hall City Clerk Treasurer Colleen Lindgren. Beer Construction has completed 90% on the Obstruction Removal project at the airport and they have requested partial payment in the amount of \$42,921.00. Karvako Eng. and Masterson have agreed that this would be permissible if the Council approves. Motion was made by D. Anderson to approve the partial payment of \$42,921 to Beer, Inc. for work performed at the Bagley Airport. Seconded by Michel, passed unanimously.

Motion was made by D. Anderson to approve the 2013 Dance permit for the American Legion. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve the 2013 Club License for the American Legion pending all insurance papers have been received. Clerk stated that all papers are in. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve 2013 Liquor Licenses for Great Northern Bar & Grill, Main Street Tavern and the Bowl Inn, pending receiving insurance certificate for Main Street Tavern. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to approve 2013 Sunday Liquor Licenses for American Legion, Main Street Tavern and Bowl Inn pending receipt of insurance certificates. Seconded by Bonik, passed unanimously.

No fee has been received from Bagley Motor Sports for their Pawn Brokers License. Motion was made by Michel to table the license until the January 2013 meeting due to not receiving any paper work or fee. Seconded by D. Anderson, passed unanimously. License expires on December 31, 2012.

Motion was made by D. Anderson to approve RESOLUTION #34-12 CITY OF BAGLEY ZONING AMENDMENT, contingent the land is purchased by Daniel Larson. Seconded by Bonik, passed unanimously.

Motion was made by D. Anderson to rescind his motion from November 13, 2012 to pass RESOLUTION #33-12 CALLING A PUBLIC HEARING ON THE ESTABLISHMENT OF TAX INCREMENT DISTRICT NO. 2-3 AND THE ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING THERETO. Seconded by Michel, passed unanimously.

Motion was made by Anderson to approve Resolution #35-12 CALLING A PUBLIC HEARING ON THE ESTABLISHMENT OF TAX INCREMENT DISTRICT NO. 2-3 AND THE ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING THERETO. Seconded by Michel, passed unanimously.

Motion was made by Michel to approve setting the 2013 Regular City Council meetings for the second Tuesday of each month at 5:30 p.m. Seconded by Bonik, passed unanimously. Dates will be as follows: January 8th, February 12th, March 12th, April 9th, May 14th, June 11th, July 9th, August 13th, September 10th, October 8th, November 12th and December 10th, 2013.

Mayor stated that Wednesday December 12th will be a walkthrough of the New Liquor Store will a posted Council Meeting/Construction Meeting at 3:30 p.m. in the Council Chambers.

Mayor said that the Public Utilities Commission have been discussing Rural Water Loan funds for the Broad Band project. They are asking for a loan in the amount of \$143,800 at 2% interest to cover ½ the project and do a sewer line upgrade in the amount of \$90,000. A Resolution to approve the loan can be dealt with at the January City Council meeting. Information was given to each of the members. This loan needs Council approval.

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

Mark Edevold, Mayor

ATTEST:

Colleen R. Lindgren, MCMC
City Clerk Treasurer

Faye Jacobs
Deputy Clerk

CITY COUNCIL PROCEEDING

DECEMBER 31, 2012

The Bagley City Council met in special session on December 31, 2012 at 7:45 a.m. in the City Council Chambers.

Present: Mayor Mark Edevold, Council Members Sidney Michel, David G. Anderson, Chad Bonik and Deputy Clerk Faye Jacobs. Councilman Andy Anderson and City Clerk Treasurer Colleen Lindgren were absent.

Also present: Dennis Merschman, Chris Arnold and Jon Brovold.

Motion was made by Michel to proceed with the meeting without compensation to the Council Members. Seconded by Bonik, passed unanimously.

Discussion was held on the Cooler Shelving for the New Liquor Store. Michel would like to find out if McCollum would be willing to deal with the city on the shelving. Mayor said the Council knows they will be selling the old shelving. There is not as long a lead time on the ordering as previously thought.

Construction is still on schedule for the building.

Michel would like to do some dealing with McCollum. He had told the Council \$15-16,000 just for the cooler at a meeting.

Mayor asked that the Council to authorize Arnold to work on the sale of the old equipment to or through McCollum.

Motion was made by D. Anderson to approve the purchase of cooler shelving from Naylor Heating & Refrigeration in the amount of \$16,356. Seconded by Bonik, passed unanimously.

Bonik feels the Council needs to get moving on selling the old cooler/shelving and building. Michel feels that a realtor should be talked to about the building sale. An appraisal of the building may be needed. Motion was made by Bonik to allow Arnold to move ahead on the sale of the liquor store shelving & cooler. Seconded by D. Anderson, passed unanimously.

Mayor stated that Team wants a Resolution from the Council for the funding they will be loaning to the City.

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

Mark Edevold, Mayor

ATTEST:

Faye Jacobs
Deputy Clerk