

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF BIG FALLS, COUNTY OF KOOCHICHING, STATE OF MINNESOTA, INCLUDING ALL ACCOUNTS SUBMITTED BY SAID COUNCIL.

July 14, 2014

The regular meeting of the Big Falls City Council was called to order at 7:00 p.m. by Mayor Marta Lindemanis. Members present were Shawn Pritchard, Les Lepisto, Ken Warner and Donna Dauphinais.

Additions. Donna Dauphinais asked to address the council.

Commissioner Skoe. Mr. Skoe was unable to attend the meeting. He reported to the clerk that a Phase I Environmental Impact study would be needed on the proposed site for the gasification plant. He thinks one may have been done recently, and will continue looking into it.

Consent Agenda. The consent agenda was presented with the following items.

- June Regular and Emergency Meeting Minutes
- June Financials
- Adopt Resolution 2014-03. A Resolution Appointing Election Judges for the 2014 Primary and General Elections.

There was a motion by Shawn Pritchard to approve the consent agenda. Second by Ken Warner. Motion carried.

Disbursements. The disbursements were reviewed. *There was a motion by Ken Warner to approve disbursements in the amount of \$86,284.67 check numbers 14106 to 14200. Second by Les Lepisto. Motion carried.*

Water Project. Mark Hallan with WSN was present to give an update of the Water Project. The city attorney has determined that contract three will have to be re-bid, as changing quantities would result in “negotiating” with one contractor and not with the other. A supplemental application for USDA RD national pool funding will be sent in, and the bids documents need to be changed to reflect the new scope, and then bids let as soon as possible, so the application will be for the exact amount, and not an estimate. *There was a motion by Shawn Pritchard to reject all bids for Contract 3. Second by Donna Dauphinais. Motion carried.* The council reviewed the plans for scaled down distribution plans. *There was a motion by Ken Warner to authorize WSN to proceed with rebidding Contract 3 based on the reduced scope, and to seek funding based on the bids results. Second by Les Lepisto. Motion carried.* The council reviewed a revised compliance agreement with MDH for the arsenic violation. *There was a motion by Ken Warner to approve the compliance agreement listing a return to compliance date of June 30, 2016. Second by Les Lepisto. Motion carried.* The council reviewed the resolution to accept interim financing from MN Rural Water. *There was a motion by Shawn Pritchard to adopt Resolution 2014-04, A Resolution of the City of Big Falls, Approving and Authorizing an Advance Agreement with MN Rural Water Finance Authority and Authorizing Participation in Joint Powers Authority. Second to the motion by Ken Warner. Motion carried.*

Liquor Report. Kari Lehman was present for a report. The 4th of July receipts were reviewed. The wall painting is now complete. A DJ is planned for the Labor Day horseshoe tournament. Kari reported that she has gotten a good response from the Twins radio ads. Some of the wildlife mounts are being returned to their owners. *There was a motion to approve the liquor report by Donna Dauphinais. Second by Ken Warner. Motion carried.*

Fire/EMS. Brent Arnold reported that the department received \$5,000 for their mutual aid with the DNR forest fire. The department would like to put this money toward purchasing a thermal imaging device for fire and rescue. A draft budget has been set, and the public hearing on the budget will be on August 11th, 2014 at 6:45 p.m. in the fire hall. *There was a motion to approve the fire report by Shawn Pritchard. Second by Les Lepisto. Motion carried.*

Maintenance Report. The council discussed the flooding and possible repairs to prevent future flooding. Estimates for drain tiles were reviewed – a two layer tile system would be about \$16,500, with a one layer system at about \$,9800.00. They also discussed the apparent sag in the community building roof. The council all agreed that making sure the roof is safe and getting any necessary repairs done would take priority over the drain tiles. The city engineer agreed to take a

look at it when he comes back for the preconstruction conference. It was generally agreed by the council that the flooding is apparently due the frost going out so late this year, with extreme unusual amounts of rainfall, since this is the only time it has happened in over 50 years. They would like the clerk to look into quotes for getting the floor cracks sealed though, as this may at least slow down any future water damage. Terry reported that two new water service lines are to be installed. *There was a motion by Donna Dauphinais to approve the maintenance report.* Second by Les Lepisto. Motion carried.

Clerk's Report. The Union representative has sent notice asking for contract negotiations. This will begin at the August council meeting. *There was a motion to approve the clerk's report by Ken Warner.* Second by Les Lepisto. Motion carried.

MPCA Report. The council reviewed the Sanitary Compliance Inspection Report from MPCA, and discussed the findings.

CERC. Joan Nelson reported that two CERC board members have resigned. *There was a motion by Shawn Pritchard to appoint Tia Jennerjohn and Geri Long to fill the vacant positions.* Second by Donna Dauphinais. Motion carried. The council reviewed the proposed 2015 CERC budget. *There was a motion by Shawn Pritchard to approve the Budget as drafted with expenditures of \$5,915.00.* Second by Donna Dauphinais. Motion carried.

Revolving Loan Lien. Shelly Mai asked permission to sell an old pickup that was used as collateral on their revolving loan. The money would be paid directly to the city, to apply to the loan, in the amount of \$300.00. *There was a motion by Shawn Pritchard to approve releasing the lien.* Second by Les Lepisto. Motion carried. It was noted that Pete and Shelly Mai spray painted the liquor store ceiling tiles at no cost to the city.

Dental Office. The old raised floor still needs to be removed. The council would like to have the old walls torn out, so that the space is more usable, and the new flooring can cover the entire floor. The clerk is to place a thank you ad in the Ripple for all the volunteers that helped out with the flooding.

Café. The council talked about ideas to try to get the café back up and running. No action was taken.

Councilor. Donna Dauphinais addressed the council. She reported that she is selling her home and will be moving at the end of August. She intends to resign at that time.

There was a motion to take a 10 minute recess by Shaun Pritchard. Second by Ken Warner. Motion carried.
Recessed at 8:55 p.m.

The meeting was called back to order at 9:04 p.m. by Mayor Lindemanis.

Closed Meeting. Mayor Lindemanis stated that the meeting would be closed pursuant to MN Statutes, Section 13D.05 Subd. 3(a), which permits such an action in order to discuss misconduct allegations of an individual who is subject to the authority of the Big Falls City Council. Kari Lehman, who is employed as the Manger for the Big Falls Municipal Liquor Store, is to be the subject of the meeting. Pursuant to MN Statute, Section 13D.05, Subd. 3(a), the proposed closed meeting must be open at the request of the employee who is the subject of the meeting. Kari Lehman was present and did not request that the meeting remain open. *There was a motion by Les Lepisto to close the meeting.* Second by Donna Dauphinais. The motion carried with all in favor. Pursuant to motion, second and vote of the City Council of Big Falls, the meeting was closed.

Reopened. There was a motion by Ken Warner to open the meeting. Second by Donna Dauphinais. The motion carried.

There was a motion by Ken Warner to suspend Kari Lehman from her position as Liquor Store Manger until the investigation of missing Lions Clubs funds is completed, with the suspension due to her failure to perform her duty to ensure that all Pull Tab deposits were deposited in a timely manner, as required by gambling statutes. Second by Les Lepisto, with Donna Dauphinais voting aye and Shawn Pritchard abstaining. The motion carried. Due to the terms of the Lions Club pull tab lease, the city will have to reimburse the Lions for all missing deposit funds.

The next regular meeting is scheduled for Monday, August 11, 2014.

There was a motion to adjourn by Les Lepisto. Second to the motion by Donna Dauphinais. Motion carried.

Adjourned.

Marta Lindemanis, Mayor

Joan Nelson, City Clerk