

**Minutes and Proceedings of the City
Council of the City of Emily in the
County of Crow Wing, State of Minnesota
Including accounts audited by said Council**

May 12, 2009

The Emily City Council met for a regular meeting on Tuesday, May 12, 2009, in the Council Chambers and was called to order by Mayor George Pepek at 6:00 PM. Councilmember Gerhart Hanson, Daniel Barrett, Russ Gustafson, and Bob Swanson were present. Also present was Jeff Ledin of S.E.H., Crow Wing Power Representatives, LMC Attorney Paul Reuvers, Chuck Marohn of Community Growth, Police Chief Bill Bernhjelm, and City Clerk, Patricia Kestner.

COUNCILMEMBER GUSTAFSON MADE A MOTION TO APPROVE THE AGENDA AS ADJUSTED. COUNCILMEMBER SWANSON SECONDED. MOTION CARRIED. Added closed personnel meeting after correspondence.

COUNCILMEMBER HANSON MADE A MOTION TO APPROVE THE CONSENT AGENDA WHICH INCLUDED THE MINUTES FROM THE APRIL 14, 2009 REGULAR COUNCIL MEETING; THE FINANCIAL REPORT FROM APRIL 2009, GENERAL SAVINGS \$138,021.46, SPECIAL SAVINGS \$278,634.76, INVESTMENTS \$435,954.30, TOTAL \$852,610.52; PAYMENT OF CITY BILLS: \$54,971.33 WITH TRANSFER OF FUNDS GENERAL SAVINGS \$45,000.00 AND SPECIAL SAVINGS \$6,465.50 (\$440.50 SCHOOL, \$4,000.00 SEWER, \$2,025.00 RECYCLING) TO CHECKING. COUNCILMEMBER GUSTAFSON SECONDED. MOTION CARRIED.

POLICE DEPARTMENT: Chief Bernhjelm reported there were 27 ICR's. **COUNCILMEMBER HANSON MADE THE MOTION TO APPROVE RESOLUTION 09-09, AUTHORIZING EXECUTION OF AGREEMENT THE EMILY POLICE DEPARTMENT TO ENTER INTO A GRANT AGREEMENT WITH THE MINNESOTA DEPARTMENT OF PUBLIC SAFETY, OFFICE OF TRAFFIC SAFETY FOR THE PROJECT ENTITLED SAFE & SOBER COMMUNITIES DURING THE PERIOD FROM OCTOBER 1, 2009 THROUGH SEPTEMBER 30, 2012. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.**

1ST RESPONSE: Bill Bernhjelm reported the election of officers was held. **COUNCILMEMBER SWANSON MADE THE MOTION TO ACCEPT THE ELECTION OF OFFICERS, MARIANN GUENTZEL AS CHIEF, KEN OFTEDAHL AS ASSISTANT CHIEF, AND LISA SCHWEITZER AS SECRETARY. COUNCILMEMBER BARRETT SECONDED AND MOTION CARRIED.**

FIRE: Chief Randy Moritz reported the turnout gear has been ordered and will be purchased using the 2008 FEMA grant. Paperwork for a 2009 FEMA grant was sent in. This will be used for a washing machine for the turnout gear, air compressor and a new computer. They are also working on a DNR matching grant. **COUNCILMEMBER SWANSON MADE THE MOTION TO APPROVE THE FIRE DEPARTMENT PURCHASE A CAMERA, SPENDING UP TO \$100.00. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.**

COUNCILMEMBER HANSON MADE THE MOTION TO APPROVE LUKE GENZ, CHAD WOSMEK, AND CHAD BULLOCK AS VOLUNTEER FIREFIGHTERS PENDING BACKGROUND CHECK, PHYSICAL AND DRUG TEST. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.

PLANNING & ZONING: **COUNCILMEMBER BARRETT MADE A MOTION TO APPROVE REFUNDING AN AFTER-THE-FACT FEE OF \$350.00 FOR A STRUCTURE THAT WAS A FISH HOUSE TO MR. MEELBERG LESS THE \$35.00 PERMIT FEE. COUNCILMEMBER HANSON SECONDED AND MOTION CARRIED.** The Planning and Zoning Clerk had withheld Mr. Meelberg's check from being deposited so the original check was returned and Mr. Meelberg gave another check in the amount of \$35.00.

An Open House to receive input on resident's views of the City will be held on Friday, May 15th and Saturday, May 16th. The information received will help with the update of the Comprehensive Plan.

Jeff Ledin reported Crow Wing County Highway Department will begin working on the drainage problem in June. Mr. Ledin will set up a meeting with the Maintenance Supervisor, Tony Stockard and Crow Wing County to discuss the bridge maintenance.

Bob Perovich of Tek-Car requested the Council change the terms of their loan with the City for six months, when the economy is better. **COUNCILMEMBER HANSON MADE THE MOTION TO APPROVE EXTENDING THE TEK-CAR LOAN FOR SIX MONTHS. TEK-CAR WILL PAY THE INTEREST ONLY FOR THE MONTHS OF MARCH, APRIL, MAY, JUNE, JULY AND AUGUST, 2009 WITH PENALTY PAYMENTS FOR MARCH AND APRIL IN THE AMOUNT OF \$43.12 EACH MONTH. COUNCILMEMBER BARRETT SECONDED AND MOTION CARRIED.** Council directed the City Clerk to redo the amortization schedule and the note.

The Emily City Council viewed a PowerPoint presentation of proposed manganese mining from Crow Wing Power. An EAW needs to be completed for a demo well. The City's role relates to the City Ordinances. The DNR is the overseer of the EAW. This mining operation will not be open pit nor will it involve chemicals.

PUBLIC FORUM: Darril Wegschied spoke. Felt they were at a disadvantage receiving the information regarding the hydrology study on Friday before the meeting (same day as Council). Dave Johnson stated a well should have been drilled on the property, did not agree with the study. Jan Mosman stated there still was no suggested way of pedestrian safety.

WASTEWATER: Russ Gustafson read the report prepared by Deputy Clerk, Christa Andrews. The report included water meter removal, sewer main cleaning will begin this spring, licensed contractor extension of the licensed period and the need of certificates of abandonment for all properties in the sewer district. **COUNCILMEMBER BARRETT MADE THE MOTION TO APPROVE POSTING FOR WASTEWATER COMMITTEE MEMBERS. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.**

SCHOOL: Russ Gustafson reported the music department may be cut due to the lack of funds; \$10,000.00 is needed for a class two days a week.

CITY HALL: No report.

ROADS: Gary Hanson reported crack sealing has begun and the grader is back in service.

CEMETERY: Bob Swanson reported there were two lots sold and two burials, Donald Banks and Franklin Diedrich. The cemetery is being cleaned for the Memorial Service.

PERSONNEL: There will be a closed meeting after the Council meeting.

PARKS: Will be discussed during new business.

EDA: No report.

ATTORNEY: No report.

UNFINISHED BUSINESS: League of Minnesota Cities (LMC) Attorney Paul Reuvers presented two resolutions to the Council. One would terminate the Environmental Impact Statement for the Northern Lights Over Roosevelt Lake project and one would be refusal to terminate the Environmental Impact Statement. A hydrogeologic assessment for Northern Lights over Roosevelt Lake was completed by H.O. Pfannkuch from the University of Minnesota. Mr. Reuvers again stressed that the City of Emily selected Westwood and not the developer. The developer paid for the additional review. The study concludes that it would take groundwater 5 to 20 years to reach the lake from the development. Councilmembers Swanson, Hanson, Barrett and Pepek accepted the study; Gustafson felt there was not enough information to make a decision. **COUNCILMEMBER BARRETT MADE THE MOTION TO ACCEPT RESOLUTION 09-10, A RESOLUTION REGARDING THE CITY OF EMILY'S TERMINATION OF THE ENVIRONMENTAL IMPACT STATEMENT FOR THE NORTHERN LIGHTS OVER ROOSEVELT LAKE PROJECT. COUNCILMEMBER SWANSON SECONDED. MAYOR PEPEK DIRECTED ATTORNEY REUVERS TO READ THE 11 PAGE RESOLUTION OUT LOUD. VOTE WAS TAKEN, GARY HANSON, DAN BARRETT, BOB SWANSON AYE, AND RUSS GUSTAFSON NAY. MOTION CARRIED.**

Councilmember Gustafson wanted another 60 day comment period regarding the study. Attorney Reuvers stated that is not allowed. The plat of Northern Lights Over Roosevelt Lake will be sent back to Planning & Zoning for recommendations because of the changes to the plans.

Elissa Rogers of BLADC, presented a request from Randy and Nancy Moritz regarding the Tax Increment Financing District No. 1-2 of the City of Emily (Housing Project). **COUNCILMEMBER BARRETT MADE A MOTION TO AMEND TIF DISTRICT NO. 1-2 TO REMOVE THE AGE REQUIREMENT, SENIOR HOUSING, TO LOW TO MODERATE INCOME INDIVIDUALS WITH THE INTENT**

OF AGE 55 AND TO CHANGE THE CONSTRUCTION DATE TO DECEMBER 2010. COUNCILMEMBER GUSTAFSON SECONDED. The buildings are designed for seniors and handicapped but would like to provide housing for working age individuals. According to Ms. Rogers there are four options for the Council: 1. Rescind all documents, 2. Amend the original documents, 3. Suspend TIF checks until in compliance and 4. just ignore. **VOTE WAS TAKEN, RUSS GUSTAFSON VOTED AYE AND DAN BARRETT, GARY HANSON, BOB SWANSON VOTED NAY. MOTION DID NOT PASS.**

COUNCILMEMBER HANSON MADE THE MOTION TO TABLE THE TIF AMENDMENT REQUEST TO BE DISCUSSED AT A SPECIAL MEETING. COUNCILMEMBER BARRETT SECONDED AND MOTION CARRIED. City Clerk, Patricia Kestner, was directed to contact Rebecca Kurtz of Elhers & Associates to find out which date she could attend a Special Meeting, May 19th or May 26th at 10:00 a.m. to discuss both TIF Districts.

Councilmember Hanson asked developer, Randy Moritz, to explain the Emily Meadows parcel that was accepted by the City instead of a park dedication fee. Chuck Marohn stated this is a piece of property that is snowmobile accessible and reserved as open space. Mr. Marohn stated he did not know of the intention of a parking lot.

COUNCILMEMBER SWANSON MADE THE MOTION TO RESCIND THE APRIL 14, 2009 MOTION TO PURCHASE ONE 8 FOOT PICNIC TABLE AND ONE ADA PICNIC TABLE. COUNCILMEMBER HANSON SECONDED AND MOTION CARRIED. The Park Commission would like to order four instead of the two.

NEW BUSINESS: COUNCILMEMBER GUSTAFSON MADE THE MOTION TO APPROVE THE ADDITIONAL COST FOR THE BREAKAWAY SOFTBALL BASES IN THE AMOUNT OF \$105.65 AND TO REIMBURSE CHERYL SWANSON THE NEW TOTAL OF \$388.66. COUNCILMEMBER HANSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER BARRETT MADE THE MOTION TO APPROVE THE CITY TO WRITE A LETTER APPROVING NO REPAYMENT AT THIS TIME OF THE DEED LOAN FOR RUSS PHILSTROM, WHO IS APPLYING TO REFINANCE HIS ORIGINAL MORTGAGE. COUNCILMEMBER SWANSON SECONDED AND MOTION CARRIED.

City Clerk, Pat Kestner, removed the request to attend the liquor licensing training from the agenda.

COUNCILMEMBER HANSON MADE THE MOTION TO APPROVE THE REIMBURSEMENT TO PRISCILLA PEPEK, \$19.23, FOR PAINT FOR THE SWING SET. COUNCILMEMBER BARRETT SECONDED AND MOTION CARRIED.

COUNCILMEMBER SWANSON MADE THE MOTION TO APPROVE SOMEONE OTHER THAN A CITY EMPLOYEE BE RESPONSIBLE FOR THE SOFTBALL BASES. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED. It was stressed that the bases are the property of the City of Emily and if someone other than the softball team wants to use them they are entitled.

COUNCILMEMBER GUSTAFSON MADE THE MOTION TO APPROVE THE PURCHASE OF "FASTEN SEAT BELTS" REFLECTIVE LETTERING AT THE COST OF \$408.00 PLUS TAX AND DASHBOARD LETTERING AT THE COST OF \$45.00 PLUS TAX. COUNCILMEMBER SWANSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER BARRETT MADE THE MOTION TO APPROVE DECERTIFICATION OF TIF DISTRICT 1 LAKE COUNTRY FOODS. COUNCILMEMBER GUSTAFSON SECONDED. BARRETT RESCINDED THE MOTION AND GUSTAFSON RESCINDED HIS SECOND. Discussion will be during the special meeting with Rebecca Kurtz.

COUNCILMEMBER HANSON MADE THE MOTION TO APPROVE SENDING OUT A NOTICE OF RATE CHANGE FOR RESIDENTIAL PROPERTIES TO \$40.00 PER MONTH AND A POSSIBLE PUBLIC HEARING. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER BARRETT MADE THE MOTION TO APPROVE PAT KESTNER ATTEND THE REGION II MEETING IN PEQUOT LAKES, JUNE 5TH WITH REIMBURSEMENT OF MILEAGE. COUNCILMEMBER SWANSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER BARRETT MADE THE MOTION TO APPROVE THE ADDITION OF OPEN MEETING LAW DEFENSE COVERAGE TO THE CITY'S INSURANCE POLICY. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER SWANSON MADE THE MOTION TO APPROVE SENDING THE P&Z ADMINISTRATOR'S LETTER TO THE CROW WING COUNTY BOARD TO WITHHOLD THE CHARGE FOR APPRAISAL, \$425.00, OF THE TAX FORFEITED LAND BEING WITHHELD FROM THE SALE. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.

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COUNCILMEMBER GUSTAFSON MADE THE MOTION TO CLOSE THE COUNCIL MEETING FOR A PERSONNEL MEETING. COUNCILMEMBER SWANSON SECONDED AND MOTION CARRIED. Closed the meeting at 9:58 p.m.

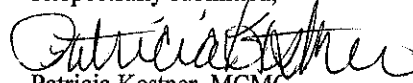
COUNCILMEMBER SWANSON MADE THE MOTION TO RECONVIENE THE COUNCIL MEETING. COUNCILMEMBER BARRETT SECONDED. MOTION CARRIED. Reopened the Council meeting at 10:22 p.m.

COUNCILMEMBER HANSON MADE THE MOTION TO CONTINUE WITH THE PRESENT HOURS FOR THE DEPUTY CLERK, MONDAY THROUGH FRIDAY 9:00 A.M. TO 4:00 P.M. FOR THE SUMMER HOURS. COUNCILMEMBER GUSTAFSON SECONDED AND MOTION CARRIED.

COUNCILMEMBER SWANSON MADE THE MOTION TO ADJOURN THE REGULAR COUNCIL MEETING. COUNCILMEMBER HANSON SECONDED AND MOTION CARRIED.

Meeting adjourned at 10:22 P.M.

Respectfully submitted,



Patricia Kestner, MCMC
City Clerk