

City of Menahga
Special/Work Session Meeting and Joint Meeting with GWC Board
- 2023 Audit and Employee Evaluation City Council Minutes
Monday, June 24, 2024

a. Call to Order

The Menahga City Council held a Special Meeting/Work Session Meeting. Joint Meeting with GWC Board - 2023 Audit and, Employee Evaluation Meeting on Monday, June 24, 2024.

Mayor Elizabeth Olson called the meeting to order at 5:30 pm.

b. Roll Call

Comprising a quorum of the Council, the following members were present:

Mayor Elizabeth Olson Dan Warmbold - Arrived 5:37 Mike Netland

Jody Bjornson – Arrived 5:42 Durwin Tomperi

Administrative staff: Jensine Kurtti – Brett Gagnonpalick

Greenwood Connection (GWC) Board took roll call, which provided a quorum of the GWC Board.

c. Pledge of Allegiance

d. GWC – Joint Meeting with GWC Board Members

1. 2023 Audit Presentation and Board Approval

Jessica Roerock, Sr. Audit Manager of Eide Bailly, presented the GWC 2023 Audit. The report was an unmodified and clean report and, overall very positive.

2. Close GWC Board Meeting - Mayor Olson closed the joint meeting at 6:08 pm. and opened the Special/Work Session Meeting at 6:09 pm.

3. City Council Approval of GWC Audit

Main Motion: To approve the Greenwood Connections 2023 Audit as presented.

Moved by:	Netland
Seconded by:	Tomperi
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

e. Department Reports

- Police – Amy Lane**

 - 1. Monthly Report**

Chief Lane reported 173 calls from May 22nd to June 18th.

The squad that is currently getting outfitted should be ready by the Menahga Midsummer Celebration.

Lane is currently working on nuisance violations. Gagnonpalick is aware of these violations going out. Lane received a \$5,000 grant from Todd-Wadena Electric.

Lane declared she has excess property in the form of two CZ Scorpion EVO 3 A1's. There are three rifles, with two that will be declared excess property.

Lane will do the homework to properly sell two of them to the City of Bagley, if the Council accepts its quote in the amount of \$1,500 each.

Main Motion: To accept Resolution 2024-22 Sale of Excess Property of two (2) Scorpion Rifles to the City of Bagley for a total price of \$3,000.

Moved by:	Netland
Seconded by:	Warmbold
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

- Public Works/Streets - Ronald Yliniemi**

1. Monthly Report

Yliniemi led the discussion off by asking the Council to get rid of around 3 tons of old tires. Wadena Hide & Fur reported they would bring dumpsters up to collect the old tires. The cost to dispose of them is priced around USD \$300/per ton. Yliniemi is requesting consensus for disposal, which the consensus of the Council was to dispose of the tires.

The Consumer Confidence Report affidavit is returned and has been forwarded to the Department of Health. This is an annual report, and a copy is available upon request. Secondary pond discharge has been completed, 13.36 million gallons.

Swimming buoys and the dock have been placed at the City Beach. Tomperi mentioned there were a lot of leaves down by the beach. Yliniemi has said they will be blown out and cleaned up.

Yliniemi has the stencils ordered for the crosswalks. He hopes to have them done prior to the 4th of July.

Yliniemi brought up quotes for the City Shop roof. Discussion followed as to which quote from Pro Contractors or Zulauf Construction met the needs for the shop roof repair/replacement.

Main Motion: To approve the quote from ProContractors for \$54,690.37 for the repair on the Maintenance Shop Roof, ridge vent and purlins, with the knowledge there may be a change order if moldy insulation would need to be removed.

Moved by:	Bjornson
Seconded by:	Netland
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

- **Liquor Store – Heather Shepersky - Absent**

1. Monthly Report

It was noted that the liquor store has continued to turn a profit.

- **Greenwood Connections – Laura Ahlf**

1. Monthly Report

Administrator Laura Ahlf provided the Council with her monthly report. The first order of business was to discuss the removal and replacement of 29,570 sq. ft. of asphalt on the north side of the Assisted Living North area.

Main Motion: To approve Howard’s Driveway Inc for the quote amount of \$49,900.00.

Moved by:	Netland
Seconded by:	Tomperi
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

The census at the time of the meeting was at 86%. Ahlf reported a good profit for the month due to interest coming in.

Ahlf brought up that the deadline for adding items to the Council Meeting agendas. She indicated that she missed the deadline for her the insurance renewal. Olson recommends that Ahlf call the insurance company to explain to them the circumstances. [Summarization – Ahlf is not pleased with the cutoff times for submissions, as they have in the past, changed. Gagnonpalick says the submission times must be 'black and white' otherwise the potential to be abused is there; items being added last minute may not be reviewed by all council members.] Netland inquired if Ahlf could of started the process earlier? Ahlf responded that she started it as early as she could. Tomperi asked if there is a way that the coverage could be extended in order to retain the coverage. Tomperi recommended she call GWC's insurance carrier. Ahlf agreed to talk to the insurance agent. Netland asked if there was a way to take an emergency vote on the matter. Olson responded that if it's not on the agenda, then "no". (Note: Special Meetings do not allow additions to the Agenda after it has been posted/published). Bjornson asked why we call it a special meeting. Olson responded with there are only certain meetings a city Council can conduct. The Council discussed additional possible solutions to this issue of not getting the insurance approved at the time of this meeting. In the event the insurance company gives a hard "no", an emergency council meeting could be convened. Netland reported to Ahlf that the insurance agent has the authority to bind GWC's coverage.

Netland requested Ahlf to give an update on the Ordinance review. Ahlf had a meeting with Flaherty-Hood [participants of the meeting included board members and City Clerk/Treasurer], and they would be able to write authorities for GWC Administrator to sign contracts. Ahlf sent Flaherty-Hood the draft ordinances GWC

has as well as two other bylaws from other City run nursing homes to decrease the time it would take to finalize.

Netland reported that at the end of the meeting, they [attorney's] were talking about giving GWC board some autonomous authorities they were going to research. The City has spent over \$10k on this issue and has been wrestling with this for over a year. Netland believed enough is enough and there should be a cease in incurring additional legal fees. Ahlf is going through the process of finding the legal means to give additional authorities the GWC board and Administrator position. Tomperi's take is that the letter they are going to craft is going to be shared with the Council. Netland brought up again that the attorney's want to create authorities for the GWC Board, autonomous of the City Council, and Netland believes that is fundamentally wrong with the argument being GWC belongs to the City. Netland can't find any examples of the GWC board having issues with the City Council. Ahlf's thoughts are that streamlining the process would be beneficial to the organization, items labeled 'subject to council approval' should be looked at and perhaps some limitations be given to the GWC board to approve, versus the City Council. Ahlf acknowledged that there are some things that the City Council should approve.

Tomperi says "We don't want to tie your hands as far as management of the day-to-day, but the bigger oversites rest with this [City] Council." "I'm not trying to say you're not doing a good job and you need all this oversight from this Council, but ultimately we are representing the taxpayers and the residents of this community who actually own that facility."

Bjornson commented, "I think we need to get to a point where we stop talking to lawyers because their number one priority in life is billable hours, everybody knows that."

Netland says that when it comes to Contract signing, the attorney reported that it's the City Council that defines the 'rails and the ceiling, and defines the box that Ahlf has to operate within, as to what she can sign, what the dollar limits are and those kinds of issues.' Ahlf replied "which has always been the case, basically, it's been in our Ordinance and has been the case in the past as well. There are limits in the Ordinance right now." Durwin mentioned the Council upped the dollar values of the Ordinance (110-2011) to reflect current costs.

Ahlf explained that she follows the Resolution and requests that if there are examples where she doesn't, she would like to know.

There was discussion about what GWC is allowed to do with Contracts, lawyer fees, etc. Administrator Ahlf feels that she should sign Contracts. The by-laws say Contracts [that fall within the limitations of the Resolution] must be approved by the City Council and signed by the Mayor. There was one single example of this

being followed. Netland moved to re-ratify the Resolution. Gagnonpalick clarified the definition of a Contract per MN Statute 471.345: 'a "contract" means an agreement entered into by a municipality for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property.'

Olson stated that per the Resolution, the City Council must first approve all contracts before it is signed by the Mayor.

Ahlf referred to a meeting that occurred June 18th, 2024 where the attorney's found language and provided a path forward to give GWC Administrator authorities to sign contracts. Gagnonpalick counseled not to rush this process as it's been a point of contention for approximately one year and should be done deliberately. Olson explained that there is a resolution in place, and that they are clarifying it tonight.

Ahlf believed that they are clarifying that she approves and signs contracts.

Netland added that the Council must approve [the contracts] before the Mayor signs. There is more back and forth discussion about by-laws of GWC being out of compliance and what governs what in terms of authorities.

Background information: The City Council authorizes the GWC Administrator and GWC Business Office Manager to make payment of regular expenditures for GWC to include payroll expenditures, regular cyclical payments such as utility bills, payment of medical services contracts, pre-approved by Board and Council and payment of all necessary equipment, apparatus and supplies provided, however, that any single capital item of purchase not specifically included in the budget between the amounts of \$5,000 through \$25,000 shall be first approved by the City Council and all capital items of purchase of more than \$25,000 shall be first approved by the City Council per Resolution 110-2011.

Main Motion: To accept the guidelines of Resolution 110-2011 and instruct the GWC Administrator to follow the guidelines effective immediately.

Moved by:	Netland
Seconded by:	Tomperi
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

Main Motion: To approve the Monthly Report and Financials, as presented by GWC Administrator Laura Ahlf.

Moved by:	Bjornson
Seconded by:	Warmbold

Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

- **Park/Beach/Mowing/Bldg Maintenance - Ralph Cox**

Netland asks if the Wi-fi has been fixed at the Campgrounds. Cox responded that it had been fixed and stabilized. There are two access points at the campground, and a third may help extend the coverage more completely. Warmbold brought up that people are parking outside of the designated parking areas at the Campgrounds and asks Cox if anything had been done to remedy the situation. Cox is actively engaging with folks staying there.

Cox made a request for some City of Menahga signage for his City vehicles and equipment. Gagnonpalick and Cox will talk and find a way forward.

Tomperi identified a lot of leaves in and around the beach area and informed Cox that it would be great if they were cleaned up.

- **Fire – Chief Dave Kicker**

- 1. Monthly Report**

Kicker reported three calls which was a slow month.

Netland asked if the Fire Department does training on controlled burns. Kicker responded they can.

(Administrative note: Warmbold wants Kicker’s report to be moved to the very top for the next Special/Work Session Council Meeting. Gagnonpalick noted this and will ensure that it is executed).

- **Administration – Brett Gagnonpalick**

- 1. Monthly Report**

May Budget YTD Rev-Exp, Check Reconciliation, Cash Investments was presented.

2. Sale of Railroad Right-of-Way discussion

There is no requirement to advertise the sale. Kurtti explained it all in detail. Gagnonpalick will get the proceedings moving forward.

3. Jake Huebsch Sourcewell July 12 July E-mail and Discussion

Gagnonpalick reported that Jake Huebsch is moving into another position on July 13th, 2024 and will no longer continue as the City's Zoning contact. Discussion followed that the City needs to obtain all correspondence and e-mails from Mr. Huebsch regarding the Pettow and Hillukka zoning matters. Gagnonpalick would like to maintain a Sourcewell contact for planning and zoning issues.

4. Disposition of Menahga City Hall Staff

Gagnonpalick reported that Alvina is now on an on-call status for Deputy Clerk Schermerhorn. Gagnonpalick still requires the expertise of Kurtti.

Main Motion: To authorize the City Clerk/Treasurer and the City Council Personnel Representatives to determine the end date of the continued employment of Jensine Kurtti.

Moved by:	Tomperi
Seconded by:	Warmbold
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Warmbold, Bjornson, Netland
Opposed:	None

f. New Business

1. Revolving Loan Fund Policy Resolution 2024-23

Main Motion: To approve the Revolving Loan Fund Policies and Procedures Resolution 2024-23.

Moved by:	Netland
Seconded by:	Tomperi
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Netland, Bjornson, Warmbold
Opposed:	None

2. Resolution 2024-25 - Sounds of Spirit Lake Donation

Main Motion: To accept the Sounds of Spirit Lake Donations from West Central Telephone in the amount of \$500 and Kahvila in the amount of \$40 for a total of \$540.00.

Moved by:	Warmbold
Seconded by:	Bjornson
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Warmbold, Bjornson, Netland
Opposed:	None

g. Consideration of Bills

- 1. Batch #061024LELSDUEJUNE - \$70.50**
- 2. Batch #06242CHECKS – \$140,510.42**

Main Motion: To approve Batch #061024LELSDUEJUNE - \$70.50 and Batch #06242CHECKS – \$140,510.42 for a total of \$140,580.92.

Moved by:	Warmbold
Seconded by:	Bjornson
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Warmbold, Bjornson, Netland
Opposed:	None

Mayor Olson closed the Special/Work Session Meeting at 7:50 pm.

g. Closed Session for Evaluation of Performance of an Individual Subject to City Council Authority under Minnesota State Statute Sec. 13D.05, Subd. 3(a).

At 7:32 pm, Mayor Olson stated that the Council would be going into a closed performance evaluation process with an individual subject to City Council's authority under Minnesota State Statute Sec. 13D.05, Subd. 3(a) - Laura Ahlf.

The Performance Evaluation ended at 8:24 and Mayor Olson called the Special/Work Session Meeting back to order for adjournment.

h. Adjournment

Main Motion: To adjourn at 8:25 pm

Moved by:	Netland
Seconded by:	Warmbold
Action:	Motion carried by a 5-0 voice vote
In favor:	Olson, Tomperi, Warmbold, Bjornson, Netland
Opposed:	None

Clerk/Treasurer Brett Gagnonpalick

Mayor Elizabeth Olson