

**City of Menahga  
Regular City Council Minutes  
July 8, 2024**

**1. Call to Order**

The Menahga City Council held their Regular Monthly Meeting on Monday July 08, 2024.

Mayor Elizabeth Olson called the meeting to order at 6:00 pm.

**2. Roll Call**

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

Mayor Elizabeth Olson                      Mike Netland                      Dan Warmbold  
Jody Bjornson                                      Durwin Tomperi

City Office Staff present: City Clerk/Treasurer Brett Gagnonpalick

**3. Pledge of Allegiance**

**4. Approval of Agenda**

Netland requested adding Greenwood Connections Board Authority to J. of the Agenda under New Business.

Bjornson requested Agenda item 13- Closed Session - Preliminary consideration of allegations against a City of Menahga Council Member under Minnesota Statutes, section 13D.05 subd 2 (b) to be open and not closed.

**Main Motion: To approve the agenda as amended.**

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

## **5. Communication Appearance Request – Chase Davis, Eide Bailly LLP.**

Eide Bailly representative Chase Davis thanked the City Staff for being cooperative during the forensic audit. Eide Bailly was able to obtain many invoices that were missing. Some companies were unwilling to supply receipts and invoices to the City, as personal email addresses were used to purchase the items. This required involvement from Law Enforcement to obtain the receipts. Once received, the City was aware of what was purchased with tax dollars. They discovered that two vendors were paid twice for the same invoice (a total of over \$3000.00), the vendors were contacted, and the funds were recovered. Many other vendors with smaller amounts were being paid incorrectly, but credits were issued, and all accounts are now current. Due to the fact that the City had separate credit cards for all departments heads, once the receipts were provided, the cardholder was asked to explain all charges. When personal items were found on the receipts, the employee reimbursed the City. The City now has one credit card and all purchases must be made through the City Clerk's office. Timecards and payroll records were reviewed, and discrepancies were discussed with the employees, and reimbursements were made. Mr. Davis reported the need to work on inventory listings of the City's assets.

Having a complete record of receipts was found to be very helpful when it came to performing the yearly audit with Carlson SV. Because of this, the audit amount went from \$13,250 in 2018 to \$21,300 in 2019, \$23,189 in 2020, \$39,166.72 in 2021 to \$18,100 for the 2022 audit fees. It was reported that back in 2021, it also was unclear whether our current auditing firm would continue to audit the 2020 year if the City's financial recordkeeping did not improve. The City did contact the Minnesota State Auditor asking if they would be willing to audit the City, whereby they were unable to do so based on the lack of staffing. Systems have been established so that similar situations in the future will not occur. All City Council Members receive a copy of every invoice prior to approving the bills.

## **6. Public Forum and Correspondence**

### **Joanie Nason – (A non-resident of the City of Menahga)**

Nason stated there were some council members that seem to have forgotten who and what they represent. Nason thanked the City for "gifting me and not auditing me, if there were questions on my bill." Nason believes that the council spends time thinking of ways to "eliminate the competition". "In 2019, the budget was \$5,000.00, when the council found the next year that the unions were going to be a possibility and therefore negotiations were going to be held, the budget increased to \$15,000.00, I believe. I wouldn't be surprised if that amount has doubled halfway through this calendar year." She began to attempt to name and shame the character of a previous Interim City Clerk, whereby Mayor Olson

stopped her comments, since it is noted on the face of the second page of the Agenda that, "Comments from visitors must be informational in nature....and as part of the City Council protocol, it is unacceptable for any speaker to slander or engage in character assassination at a public council meeting."

## 7. Consent Agenda

- **June 10, 2024 Regular City Council Meeting Minutes**
- **June 21, 2024 Budget Meeting Minutes**
- **June 24, 2024 Special Meeting/Work Session Minutes**

**Main Motion: To approve June 10 Regular City Council Meeting Minutes, June 21 Budget Meeting Minutes, June 24 Special Meeting/Work Session Minutes.**

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

## 8. Public Hearing – None

## 9. Acknowledgment of receipt of Commission Minutes – None

## 10. New Business

### a. Sewer Bill Adjustments

There are three water and sewer accounts that for various reasons used excessive water. The water that was used, did not go through the sewer system. Raelyn Johnson – 520 SW Main St. water service was shut off without blowing out the lines. The lines broke and dumped 190,100 gallons of water in the crawl space. Total adjustment to sewer is \$747.15 when the account is paid in full. Kathleen Shepersky – 730 NW 6<sup>th</sup> Lane irrigation usage made her bill high, has since adjusted her irrigation frequency. Amount attributed to irrigation running a lot. \$90.84. Logan Caron – 623 NW 2<sup>nd</sup> St. Called in for a swimming pool fill, meter read prior to fill and after, it was 2200 gallons which equals to an \$8.62 adjustment.

**Main Motion: To approve the sewer adjustments for Johnson in the amount of \$747.15, Shepersky for \$90.84, and Caron for \$8.62.**

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

**b. Revolving Loan Fund Committee (RLF)**

The City of Menahga has monies allocated for the Economic Development. In the past the City has made these monies available for businesses within the city limits, as a low interest loan up to \$25000.00. This is done by an application being submitted by the businesses and is reviewed by a five-member RLF Committee. The RLF Committee then forwards the request on to the City Council for approval. The following individuals are willing to serve on the RLF Committee: Jim Day – Community First Bank, Ginnie Petersen – TruStar Credit Union, Allison Fredrickson – Todd Wadena Electric, Dorothy Ollanketo – Menahga Resident, and the fifth member is the Menahga City Clerk/Treasurer Brett Gagnonpalick.

**Main Motion: To approve Jim Day, Ginnie Petersen, Allison Fredrickson, Dorothy Ollanketo, and Brett Gagnonpalick to the Revolving Loan Fund Committee.**

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

**c. Election Judges**

In preparation for the 2024 election season, Brett Gagnonpalick and Diane Vry have started election training. The following have agreed to serve as Election Judges for the 2024 election season. Larry Murphy, Kari Tomperi, Mona Kennelly, Carol Ann Cleveland, Annamae Holzworth, Mari Gabrielson, Marcy Miller, Melanie Schermerhorn, Diane Vry, and Brett Gagnonpalick.

**Main Motion: To approve Larry Murphy, Kari Tomperi, Mona Kennelly, Carol Ann Cleveland, Annamae Holzworth, Mari Gabrielson, Marcy Miller, and Melanie Schermerhorn as Election Judges for the 2024 elections. Brett Gagnonpalick and Diane Vry shall serve as Election Administrators (Head Election Judges).**

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

**d. GWC insurance Renewal**

Greenwood Connections has received their annual renewal for their Business Insurance Policy from March McLennan Agency, with a renewal date of July 1, 2024. The policy proposal was attached to the meeting packet.

**Main Motion: To approve the insurance policy proposal from Marsh & McLennan Agency for Greenwood Connections in the amount of \$179,233.89, effective July 1, 2024.**

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

**e. Resolution 2024-24 Police Department Donations**

The City of Menahga accepts the generous donations from Todd-Wadena Electric Operation Round Up for \$5,000 and Enbridge in the amount of \$6,000 for a total of \$11,000 for the Menahga Police Department.

**Main Motion: To accept Resolution 2024-24 accepting donations for the Menahga Police Department in the total amount of \$11,000.**

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

**f. Midco Diving Maintenance Agreement**

The City has contracted with Midco Diving and Marine Services in the past to inspect the Clearwell. This is done every three years and will be scheduled for 2025. The inspection will include reports with cameras using EPA Guidelines and State Guidelines. This approval locks in the dates and price for the service. Payment will be issued once service is completed.

**Main Motion: To approve the Tank Maintenance Agreement for 2025 (at 2024 pricing) for the Clearwell Inspection with Midco Diving and Marine services for a total of \$4,651.00.**

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

**g. Disposition of Police Department Firearms**

The Menahga Police Department has three shotguns that are not being used by the department. They are in various conditions and at least one has had significant repairs. Chief Lane would like to dispose of these firearms by trading them to a local dealer who has a Federal Firearms License for a new gun that the department can better use. Chief Lane feels this is the most appropriate way to replace these guns and does not feel comfortable selling these directly to the public. The three firearms are as follows: Remington 870 Police Magnum 12GA shotgun, slug barrel with iron sights S/N: AB28221114M, Remington 870 Tactical 12GA shotgun S/N: R505031H, and Mossberg 500A iron sight barrel S/N: K280983.

**Main Motion: To approve the disposition of three shotguns: Remington 870 Police Magnum 12GA shotgun, slug barrel with iron sights S/N: AB28221114M, Remington 870 Tactical 12GA shotgun S/N: R505031H, and Mossberg 500A iron sight barrel S/N: K280983 listed, through a dealer with a Federal Firearms License, either by trade or outright sale.**

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

**h. Updated Fee Schedule**

Campground Manager Ralph Cox has reported an increase in numbers of individuals that are camping and using the dump station without paying. Because the City has cameras, Ralph and Chief Amy Lane are able to track these people down and get the majority of them to pay. This process is not only annoying, but very time consuming. The hope is that with a 'Skip Fee' these individual will choose to pay rather than take a chance on paying the skip fee. In discussion, Warmbold feels that the dump station fee is too low, as other campgrounds charge a much higher fee. Gagnonpalick is disappointed that conditions warrant this penalty in the first place.

**Main Motion: To approve the updated Fee Schedule to reflect the Skip Fees of \$500 for campsites and \$100 for dump station fees.**

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

**i. Summary of conclusion of Evaluation of Performance of an Individual Subject to City Council Authority under Minnesota State Statute Section 13D.05, subd. 3(a).**

Mayor Olson read the summary as follows: A City Employee evaluation was held in closed session on June 24, 2024, by the entire Council. The following evaluation summary of the Greenwood Connections Administrator Laura Ahlf was she met expectations, with identified opportunity for growth in the area for communication as discussed and determined by Laura Ahlf and the Council.

**j. GWC Board Authority**

Netland asked if the City Council should delegate autonomous authority to the GWC board. He is asking if the City is willing to continue to accrue attorney fees in the efforts to find a solution. The attorney’s findings were received. The discussion was to have it go back to the GWC board for further deliberations. There was much discussion on whether to completely shelve the issue and cease spending lawyer fees or continue to find a method to find a solution. The Council's consensus reached was to have these issues go back to the working committee to explore options.

## 11. Unfinished Business

### a. Set date of next budget meeting.

August 2, 2024 at 2:00 p.m. was set for the next Budget Meeting.

### b. Sale of portion of Railroad Right-Of-Way PID# R17-660-0280 to Hillukka

Duane Hillukka came before the City Council in the Spring of 2024 asking if the City would be willing to sell a portion of the old Railroad Right-of-Way from the south edge of the Right-of-Way of 11<sup>th</sup> Street SE, southerly to the City limits (approximately 100 feet wide by 1200 feet). In closed session on June 21<sup>st</sup>, 2024 and after reviewing the sale information and value estimate provided by Wadena County Assessor Lee Brekke stating a value of \$9,400, the Council decided to offer it to Mr. Hillukka, including the payment of all associated costs for the legal description, deed preparation, and any other cost related to the sale. This parcel will be subject to a city of Menahga future utility easement.

**Main Motion: To approve the sale of the southerly portion of R17-660-0280 from 11<sup>th</sup> St. SE to the City limits, to the Hillukka family for \$9,400.00, with the buyer paying all associated costs relating to the sale. This parcel shall be subject to a City of Menahga future utility easement.**

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

## 12. Consideration of Bills

The Council Members were provided with the actual invoices for the following batches:

- a. Batch #062724SOSLbands - \$3,200.00
- b. Batch #070124SOSL - \$600.00
- c. Batch #070824Checks - \$52,493.25
- d. Batch #070824EFTPYMTS - \$52,112.16

**Main Motion: To approve the payment of the following: Batch #62724SOSLbands - \$3,200.00, Batch #070124SOSL - \$600.00, Batch #070824checks - \$52,493.25, Batch #070824EFTPYMTS - \$52,112.16 for total of \$108,405.41.**

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

**13. Open Session – Preliminary consideration of allegations against a City of Menahga City Council Member under Minnesota Statutes, section 13D.05, subd. 2 (b).**

Mayor Olson' stated that Attorney Nicholas Garcia Lisle of Flaherty & Hood would also be a participant in this matter.

Opening Statement: Mayor Olson stated as follows: The agenda item is Preliminary consideration of allegations against a City of Menahga City Councilmember under Minnesota Statutes, Section 13D.05, subdivision 2(b). The City Council member is Jody Bjornson. Mayor Olson asked if Mr. Bjornson would like the meeting to be open or closed, and Mr. Bjornson's reply was, "open". Pursuant to Minnesota Statutes, Section 13D.05, subdivision 2, Jody Bjornson requested that this portion of the meeting be open.

Background: We are considering the allegations against Councilmember Bjornson described in Flaherty & Hood, P.A.'s memorandum to the City Council regarding the Complaint filed on June 28, 2024. Mayor Olson stated that she would simply refer and recommend that the City Council refer to this matter as the June 28 Complaint.

Process: At this meeting, we should solely consider and determine under the City's Code of Conduct for Elected and Appointed Officials whether:

1. June 28 Complaint constitutes a complaint against Councilmember Bjornson under the Code of Conduct;
2. The factual allegations in the complaint state a sufficient claim of a violation of the Code of Conduct and Statement of Values, and,
3. The complaint has been lodged in good faith and not for impermissible purposes such as delay.

If such determinations are made by the City Council, it must thereafter conduct a hearing on the Complaint under the Code of Conduct within 30 days of such determination. The City Council can determine how to conduct the hearing and operations for actions to take at the hearing based on subsequent advice of legal counsel in advance of the hearing, but, at a minimum, the Code of Conduct requires that the Council give the accused the opportunity to be heard.

Given City Councilmember Bjornson's unique and distinct personal interest in a potential City Council determination to conduct a hearing on a complaint against him, he must abstain from participating in any City Council consideration of whether such a hearing should be conducted on a complaint against him, but he can attend such deliberations. If the City Council, however, determines it will conduct a hearing, then City Councilmember Bjornson will have the opportunity to be heard on the complaint as part of the hearing process though he would not be able to participate in any other fashion.

Council Deliberation: Mayor Olson asked the Council to proceed with determining, again, the following and what action to potentially take as a result: 1. June 28, Complaint constitutes a complaint against Councilmember Bjornson under the Code of Conduct. 2. The factual allegations in the Complaint state a sufficient claim of a violation of the Code of Conduct and Statement of Values; and 3. The Complaint has been lodged in good faith and not for impermissible purposes such as delay.

Councilmember Tomperi stated, "The information that I was provided, there is some basis I think, that we should move forward and flush this out to determine if there was a violation of the Code of Conduct. Olson replied, "So you are saying to hold a hearing?" Tomperi said that it would clear the deck and that would allow Jody Bjornson to speak his piece as well. Netland stated that based on the city attorney 's opinion that was rendered, the City Council should proceed with a hearing.

The following Motions were made after the Council's deliberations:

**Main Motion: The June 28<sup>th</sup> 2024 Complaint constitutes a complaint against Councilmember Bjornson under the Code of Conduct; The factual allegations in the Complaint states a sufficient claim of a violation of the Code of Conduct and Statement of Values; The complaint has been lodged in good faith and not for impermissible purposes such as delay.**

Moved by:	Netland
Seconded by:	Tomperi
Action:	Motion carried on a 4-1 voice vote
In favor:	Tomperi, Netland, Olson, Warmbold
Opposed:	Bjornson

The attorney requested the City Council move to set a date for hearing within 30 days.

**Main Motion: A hearing will be held on July 29, 2024 at the City Council Work Session/Special Council Meeting.**

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

The Attorney then requested the following motion:

**Main Motion: That Durwin Tomperi, councilmember, consult with legal counsel to draft and provide the subject of the allegations and any individual making the allegations at issue with any appropriate notice.**

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

## 14. Adjournment

**Main Motion: To adjourn at 7:28 pm.**

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

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City Clerk/Treasurer, Brett Gagnonpalick

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Mayor, Elizabeth Olson