

**City of Red Lake Falls
City Council Meeting
June 11, 2018
Minutes**

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Red Lake Falls, Red Lake County, Minnesota was duly held in the Council Chambers of said City on the 11th day of June, 2018.

Members Present: Allen Bertilrud, Justin Carriere, Kevin Brevik, Sara Kenfield, Cheryl Matzke, Neil Knaack

Members Absent: none

Others Present: Kathleen Schmitz, Delray Sparby, Carol Seeger, Barry Glienke, Deb Derouin, Ron Bergman, Laurence Larson, Colleen Hoffman, Rusty Remick, Mitch Bernstein

The meeting was called to order at 6:04 p.m.

Brevik moved, seconded by Matzke, to approve the Agenda with the addition of 6.11 – Tax Abatement–Gullingsrud and 6.12 – Resolution #06-03-2018–Validating Transfer of Property and the addition of Finance Check #040758 to Hoffman, Philipp & Knutson, PLLC for \$16,000. *On vote being taken, the motion was unanimously passed.*

Matzke moved, seconded by Brevik, to approve the Consent Agenda as presented.
Approval of the May 30, 2018 City Council Meeting Minutes
Approval of the Bills and Disbursements
On vote being taken, the motion was unanimously passed.

NEW BUSINESS

6.01 Bid Opening – Bus Barns Removal

Five bids were received for the demolition and removal of the buildings, foundations, and any cement. Alternate bids were also received for adding a Class 5 base for parking over the entire area. Because the alternate bids were not for comparable specifications only the demolition and removal of the buildings were considered. The Class 5 gravel portion may be bid out at a later date.

Carriere moved, seconded by Knaack, to accept the low demolition bid from Bergman Excavating and Landscaping for demolition and removal of the two bus barns for \$14,388 and to bid the alternate gravel portion at a later date.
On vote being taken, the motion was unanimously passed.

6.02 Bid Opening – Phil Cuno Park Property

The twelve lots were divided into three parcels of four lots each and listed for a minimum bid of \$5,000 per parcel. Only one bid was received for the property from Rusty Remick.

The council discussed in depth the details of Mr. Remick's bid and what the costs would be to the city. Attorney Sparby informed the council that his bid is a non-conforming bid as it doesn't meet the requirements of the \$5,000 minimum bid for each parcel, thus the council will have to reject the bid because it is non-conforming.

Brevik moved, seconded by Matzke, to reject all bids.
On vote being taken, the motion was unanimously passed.

The council continued to discuss the offer and negotiate some of the bid items Mr. Remick was requesting of the city. Attorney Sparby noted that the city could not pay for the water and sewer lines up to the houses, only up to the curb stops as public funds cannot be used for private benefit. All offers and counter offers failed.

Brevik moved, seconded by Knaack, to reject the bid from Sparky Properties (Rusty Remick) for the Phil Cuno Park lots.
On vote being taken, Matzke opposed, Bertilrud abstained, motion carried.

Colleen Hoffman, Hoffman, Philipp & Knutson, PLLC, reported on the 2017 City Audit. All of our numbers are good and the city is on track financially. The city's net worth is \$6 million. The council and Ms. Hoffman went over the Statement of Activities for 2017.

Kenfield moved, seconded by Matzke, to accept the 2017 Audit.
On vote being taken, the motion was unanimously passed.

Brevik moved, seconded by Carriere, to rescind the motion from May 14, 2018 to put the city-owned property east of Sportsman's Park up for sale for public bid with a minimum bid of \$3,000. *On vote being taken, the motion was unanimously passed.*

Brevik moved, seconded by Matzke, to quit claim deed the city property that is approximately 75' west and 310' north of Laurence Larson's property line to Laurence Larson for \$2,500 with the city paying for a property survey from Bolton & Menk and Laurence Larson paying to record the deed. *On vote being taken, the motion was unanimously passed.*

Brevik moved, seconded by Knaack, to table a Dance License decision until the owner puts in writing her specific plans with the City sending her a letter expressing their concerns.
On vote being taken, the motion was unanimously passed.

Knaack moved, seconded by Matzke, to approve Resolution #06-02-2018 – Sponsoring Grant Funding-Red Lake River Corridor. *For: Brevik, Knaack, Carriere, Kenfield, Matzke, Bertilrud. Absent: none. Against: none. Motion Unanimously Passed.*

Brevik moved, seconded by Knaack, to refrain from awarding a bid for the street and utility project until we get funding information from PFA.
On vote being taken, the motion was unanimously passed.

Kenfield moved, seconded by Brevik, to accept applicant Shannon Kahkola for Campground Host at Sportsman’s Park this season through September 30, 2018.
On vote being taken, Knaack and Matzke opposed, motion carried.

Brevik moved, seconded by Knaack, to approve the tax abatement for Mike and Nicole Gullingsrud.
On vote being taken, the motion was unanimously passed.

Kenfield moved, seconded by Brevik, to approve Resolution #06-03-2018 – Validating Transfer of Property from 1993 for the purpose of recording the transfer. *For: Brevik, Knaack, Carriere, Kenfield, Matzke, Bertilrud. Absent: none. Against: none. Motion Unanimously Passed.*

The meeting adjourned at 8:49 p.m.

Respectfully submitted,

Allen Bertilrud, Mayor

Kathleen Schmitz, City Administrator