

**CITY OF RANIER
CITY COUNCIL MEETING MINUTES
RANIER COMMUNITY BUILDING
TUESDAY MARCH 17, 2015 @ 6:30 pm**

Mayor Dennis Wagner called the meeting to order at 6:30 p.m. A quorum was present.

Council Present: Mayor Dennis Wagner, Councilmembers JoAnn Kellner, Ron Wilcox and Tony Cole

Absent: Councilmember Todd Coulombe

Others present: Deputy Clerk Tara Mai, Bob Dunbar, Gary and Deborah Abrams, Thomas Hall, Mike Wellcome, Dianna Hoopingarner

CALL MEETING TO ORDER

- To approve tonight's agenda.

A motion to approve tonight's agenda was made by Councilmember Kellner; seconded by Councilmember Wilcox and carried unanimously.

BUDGET/ADMINISTRATION

- To approve the minutes of the previous Council Meeting (02/15/2015).

A motion to approve the minutes from the previous Regular Council Meeting of 02/15/2015 was made by Councilmember Kellner; seconded by Councilmember Wilcox and carried unanimously.

- To approve the List of Claims for February, 2015 expenditures.

The list of claims presented at the Committee of the Whole was amended with additional Liquor and General Claims.

A motion was made by Councilmember Wilcox; seconded by Councilmember Kellner and carried unanimously to approve the February, 2015 list of claims in the amounts of:

\$ 13,113.82	for General Fund
\$ 29,185.54	for Liquor Fund
\$ 66,954.80	for Water Fund

- To accept the account balances for Liquor, General and Water accounts and Profit and Loss Statements for all three accounts.

A motion to accept the account balances and profit and loss statements for the Liquor, General and Water/Sewer Fund was made by Councilmember Kellner; seconded by Councilmember Wilcox and carried unanimously.

- To approve Resolution 2015-02 Ratification of Emergency Contract.

Resolution 2015-02 Ratification of Emergency Contract was drafted in accordance with Minnesota statute to lay out the essential facts surrounding the January 2015 water main break and the City's use of Wagner Construction, Inc. to repair the water main. In accordance with Minnesota's laws prohibiting a conflict of interest by a public official, there are specific exceptions to the prohibition. A city may enter into an agreement where a city official has a "direct or indirect financial interest" **if** the contract does not have to be competitively bid (less than \$100,000) **and** the council passes a resolution setting out the essential facts surrounding the agreement and the nature of the public officer's interest and stating that the contract price is as low or lower than can be found elsewhere. Before a claim is paid, the interested officer must file an affidavit with the clerk describing the services and the financial interest of the public officer; the affidavit is attached to the Resolution 2015-02.

In this specific instance, the water main break occurred on a Friday afternoon; Wagner Construction Inc. is the sole local company that has the equipment, expertise and ability to immediately repair the water main break. Because this was an emergency situation which had to be repaired immediately, time did not allow the City to seek proposals from construction firms outside the local area. Therefore, Wagner Construction was engaged to repair the break.

A motion was made by Councilmember Wilcox; seconded by Councilmember Kellner with Mayor Wagner abstaining and carried to recommend approval of Resolution 2015-02 Ratification of Emergency Contract.

- To approve date of March 26, 2015 @ 4:30 pm for financial auditor's review.

Doug Host from Clifton Larson Allen firm will present the City's 2014 audited financial statement on March 26th @ 4:30 pm.

A motion to set the time and date of March 26th, 2015 at 4:30 pm for the 2014 financial audit presentation was made by Councilmember Wilcox; seconded by Kellner and carried unanimously.

- To approve Resolution 2015-03 supporting Dedicated State Funding for City Streets.

The League of Minnesota Cities and the Minnesota Association of Small Cities are both supporting language to be included in the 2015 Transportation Bill that provides additional dedicated funding for city streets including funding that can be used for non-municipal state aid (MSA) city street maintenance, construction and reconstruction. Resolution 2015-03 mirrors

language suggested by both LMC and MASC. The Resolution will be forwarded to our legislative representatives, Senator Tom Bakk and Representative David Dill.

A motion was made by Councilmember Wilcox, seconded by Cole and carried unanimously to sign a resolution supporting dedicated state funding for streets and roads in small cities.

- To approve Resolution 2015-03 supporting an Early Voting Bill.

The League of Minnesota Cities supports early voting 15 days prior to Election Day. This would streamline the process and would require the early voters to submit their ballot through a secure tabulator just as they would on Election Day. Early voting for Ranier takes place at the Koochiching County Courthouse. Koochiching County Auditor Bob Peterson supports this bill. The Resolution will be forwarded to our legislative representatives, Senator Tom Bakk and Representative David Dill.

A motion was made by Councilmember Wilcox, seconded by Cole and carried unanimously to sign a resolution supporting an early voting bill.

- To approve payment of final 3 Points North Project bill.

In late January of 2015, City Administrator Gautreaux was notified by Wagner Construction Inc. that the final invoice from the 3-Points North project of 2012 had not been paid by the City of Ranier. The final invoice was approved on 7/2/2013 by SEH, the engineering firm on the project. However, the Payment Application #3 was not forwarded to the City of Ranier until January 2015. Gautreaux presented the payment request to Clifton Larson Allen (the city's financial auditors) for review when they were on site in February so that they are aware of the payment and how to accurately account for the payment in the 2012 capital improvement fund.

A motion was made by Councilmember Wilcox; seconded by Councilmember Cole with Wagner abstaining and carried to approve final payment for Three Points North Project.

LIQUOR STORE

- To approve the February 2015 Liquor Operating Statement.

Liquor Store Operating Statement for the month of February 2015 showed a net income of \$10,616.45 or 29.1% compared to February 2014 with a net income of \$3793.25 or 11.8%.

A motion to approve the February 2015 Liquor Store Operating Statement was made by Councilmember Wilcox; seconded by Councilmember Kellner and carried unanimously.

- Overview of MRWA training of 3/11/15.

During an on-site training session with Teri Osterman of Minnesota Rural Water Association, Gautreaux and Mai reviewed water system operations for year-end 2013. In 2013, 1,5967,850 gallons of water were purchased from International Falls Water Department @ \$139,706. We billed for 14,163,58 gallons. The remaining 1,804,270 were unbilled gallons; 11.30% of water purchased was unaccounted for (lost). Industry standard of 9-10 % unaccounted for water is normal due to back flushing and hydrant flushing which should be built into the rate. Reasons behind water loss include inaccurate meter readings from old water meters. (We currently have around 200 meters that are 10 years older or more.) Other causes could be unknown leaks in the system. We haven't reviewed 2014 statistics yet.

Suggestions on how to clean up the water loss issues: Physically read every manual meter (non-remote meters) at least once or twice a year. Replace old meters with radio frequency units or the touch pad units. We currently have around 200 old meters which must be manually read by the customer with the reading sent or called into the City office. Osterman suggested starting with the accounts that don't regularly report their meter readings. New radio frequency meters cost around \$250 each. The City should plan on replacing the old meters and will begin a financial analysis of the project. Wagner suggested that we review our practices and discuss the issue further at the next Committee of the Whole meeting.

OTHER BUSINESS

Citizen Bob Dunbar came to the meeting to complain about drainage issues around his property on Pine Street. The snow melt and storm water from the general area run into his ditch overflowing it. Wagner will look at the drainage and how to correct the issue. Dunbar suggested that the city look at buying a steamer in order to steam the ditches and culverts. Wagner believes that we can contract out the service more economically rather than purchasing a steamer.

Railroad Update. Governor Dayton's Railway Safety Proposal was published this week outlining four specific items: funding grade separations, railway safety, quiet zones, training for first responders and appointment of a Rail Office Director. The proposal listed 75 Minnesota towns that are affected by railways which would receive funding from his proposal. The Mayor and Council were disturbed because Ranier was not on the list of towns to receive assistance. Mayor Wagner and Gautreaux contacted Rep. Dill and Sen. Bakk asking that Ranier be included in any funding proposal.

Councilmember Wilcox reminded everyone of the Ranier Rec Club's Easter Egg Hunt at the Community Hall on Sunday March 29th from 1-3 pm.

Mike Wellcome presented an update on the Voyage Forward initiative. The deadline on answering the four questions has ended. Around 1000 survey responses were received. Ranier had 54 responses. The task now is to create a theme for each answer summarizing citizens' thoughts about Ranier and what is important to citizens who responded to the survey. Wagner agrees that the answers will assist the city in long range planning.

A motion to adjourn the meeting was made by Councilmember Wilcox; seconded by Councilmember Cole and carried unanimously.

THE MEETING ADJOURNED @ 8:15 pm.

Mayor Dennis Wagner

Date

ATTEST:

City Administrator Sherril Gautreaux

Date