

**Barnesville City Council
Regular Meeting
August 11, 2008**

Mayor Dahnke called this regular meeting to order at 7:00 p.m. Present were Mayor Dahnke and Council members Roger Cooper, Larry Davis, Jr., Del Ellefson, Jeremy Krause, and Merlin Strom. Absent was Council member Chad Hagen. Others in attendance were COO Mike Brethorst, City Attorney John Shockley, City Clerk Jeri Reep, Public Works Supt. Dave Riddering, EDA Director Karen Lauer, Police Chief Dean Ernst, Sr. Accountant Laurie Schell, Ambulance Manger Jon Yeske, Telephone Supt. Tom Olson, Liquor Store Manager Diane Peterson, Brandon Anderson with People Service, Sean Wahl, Dan Hanson with Ulteig Engineers, Kim Peterson, Sean Wahl, and Pam Aakre with the Record Review.

Mayor Dahnke asked COO Mike Brethorst to take roll call. The next item on the agenda was the pledge of allegiance. All rose to recite the pledge of allegiance.

Mayor Dahnke asked if there were any additions or corrections to the agenda. COO Mike Brethorst stated that we needed to add the 2008 Safe & Sober Resolution and the discussion of a representative from the council to the Potato Days Board.

08-11-08-01 Motion by Mr. Ellefson and second by Mr. Krause to approve the agenda and consent agenda as presented, with the addition of the 2008 Safe & Sober Resolution, and the discussion of a representative from the City Council to the Potato Days Board. Motion carried. The following items were on the consent agenda.

1. Approval of the minutes of the Regular meeting held on July 14, 2008.
2. Department Head reports.
3. Finance report-approval of check numbers 64268-64515 in the amount of \$933,156.60 and EFT payment in the amount of \$103,188.42
4. Approval of the Magnum Electric wiring proposal to install service at the picnic shelter in the park in the amount of \$1545.00
5. Approval of the Dakota Transformer purchase in the amount of \$4850.00.
6. Approval of the T & R Electric transformer purchase in the amount of \$4744.00.
7. Approval of the Nortel Networks upgrade in the amount of \$93,202.00.
8. Approval of the DSL modem purchase in the amount of \$14,000.00.
9. Approval for staff to sign the Accounts Payable Contract from Tribune Media Services.
10. Approval to hire Brenda Amundson as a Liquor Store Clerk at \$8.86 per hour.
11. Approval to hire a flex-liquor store clerk.

Mayor Dahnke stated the next item on the agenda was the board and commission reports.

COO Mike Brethorst informed council members that the ambulance department is considering funding for the Ambulance Dept, similar to the way the Fire Department bills the townships. Mr. Brethorst stated that a letter to the townships would be sent later in the month.

Council member Larry Davis, Jr. informed council members that the bath house at Wagner Park is close to complete, and that Terry Schritz is donating his time to complete the project.

Council member Jeremy Krause informed council members that the Golf Course revenues are close to where they need to be.

08-11-08-02 Motion by Mr. Cooper and second by Mr. Davis to approve the board and commission reports as presented. Motion carried.

Mayor Dahnke stated the next item on the agenda was the public forum. Mayor Dahnke asked if there were any citizens present to be heard. There were none.

Mayor Dahnke stated the next item on the agenda was the resolution to appoint election judges.

08-11-08-03 Motion by Mr. Ellefson and second by Mr. Strom to approve the following resolution to appoint election judges. Those voting in favor of were the following: council members Roger Cooper, Larry Davis, Jr., Del Ellefson, Merlin Strom, and Jeremy Krause. The following voted against: none. Motion carried.

RESOLUTION

CITY OF BARNESVILLE OF CLAY COUNTY, MINNESOTA APPOINTING PRIMARY & GENERAL ELECTION JUDGES FOR THE ELECTIONS OF SEPTEMBER 9TH AND NOVEMBER 4, 2008

WHEREAS: a State Primary and General Election will be held on September 9th and November 4, 2008 respectively; and

WHEREAS: MN Statute 204B, subd. 2, requires election judges for precincts in a municipality be appointed by the governing body of the municipality; and

WHEREAS: the City of Barnesville has one voting precinct; and

WHEREAS: the following City of Barnesville residents have agreed to serve as election judges and have met the qualifications established by the State of Minnesota.

NOW, THEREFORE, BE IT RESOLVED, that the City of Barnesville hereby appoints the following person to serve as election judges for the Primary and General Elections of 2006, with the understanding that amendments may be necessary to the appointments in order to fill vacancies and meet party splits; and approves payment of an hourly wage of \$7.00 per hour during election judge training and time served on election day.

Judges: Darlene Erickson, Pearl Quinnild, Pamela Carr, Mabel Sacrison, Mary Ann Thompson, Joetta Steinke, Maggie Willard, Dar Hines, Vivian Montplaisir, LaVonne Heng, Nancy Holm, Betty Ishaug, Karen Prim and Jeri Reep.

Adopted by the City Council of the City of Barnesville this 11th day of August, 2008.

Fred Dahnke
Mayor

Attest:

Jeri L. Reep
City Clerk

Mayor Dahnke stated the next item on the agenda was the Potato Days Resolution.

08-11-08-04 Motion by Mr. Ellefson and second by Mr. Strom to approve the following resolution. The following voted in favor of the resolution: Council members Roger Cooper, Larry Davis, Jr., Del Ellefson, Merlin Strom and Jeremy Krause. The following voted against: none. Motion carried.

RESOLUTION DECLARING BARNESVILLE POTATO DAYS
A COMMUNITY-WIDE FESTIVAL

WHEREAS: Barnesville Potato Days is an annual festival occurring in the City of Barnesville; and

WHEREAS: Barnesville Potato Days involves activities and entertainment that involve not only the Barnesville community but surrounding communities; and

WHEREAS: Barnesville Potato Days will occur on August 22 through August 23, 2008; and

WHEREAS: the Barnesville City Council desires to promote Potato Days and encourage local businesses to participate in Barnesville Potato Days; and

WHEREAS: it is necessary to designate Potato Days as a community festival to enable and authorize the City of Barnesville to grant community festival special event liquor licenses pursuant to Section 5.33 of the Barnesville City Code; and

WHEREAS: the Barnesville City Council desires to formally recognize Potato Days as a community-wide festival.

NOW, THEREFORE, BE IT RESOLVED, that Barnesville Potato Days is hereby designated a community-wide festival.

BE IT FURTHER RESOLVED that the dates of August 22 and August 23 are designated as dates during which the City of Barnesville may issue special event community-wide festival licenses.

Dated: August 11, 2008

Approved:

Fred Dahnke
Mayor

Attest:

Jeri Reep
City Clerk

Mayor Dahnke stated the next item on the agenda was the request from the VFW Post 4628 for a special liquor license.

08-11-08-05 Motion by Mr. Davis and second by Mr. Strom to approve the VFW Post 4628 for a special liquor license on August 23, 2008. Motion carried.

Mayor Dahnke stated the next item on the agenda was the request from Ratzos Pool Hall for a special liquor license.

08-11-08-06 Motion by Mr. Cooper and second by Mr. Davis to approve the Ratzos Pool Hall for a special liquor license on August 23, 2008. Motion carried.

Mayor Dahnke stated the next item on the agenda was the award of the bid opening at 405 5th Street SE. COO Mike Brethorst informed council members that the city only received one bid, that being from the School District 146, in the amount of \$13,005.00.

08-11-08-07 Motion by Mr. Ellefson and second by Mr. Cooper to accept the bid for the property at 405 5th Street SE, Lots 13-18, Block 5, Original City, PID-5057500430, in the amount of \$13,005.00. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Community Funding projects funding. COO Mike Brethorst informed council members that the Personnel & Finance committee recommends the following funding:

Community Fund	\$20,000 for 4 years
West Central	\$1,600.00 for 5 years
Cemetery Foundation	\$2,500.00
Community Action	\$1,000.00
Old 52 Funding	\$25,000.00
Old City Hall Matching	\$35,000.00

Council member Roger Cooper questioned why we are funding the Cemetery Association. Council member Jeremy Krause stated that they reduced the funding for the Community Fund from \$25,000 to \$20,000.

08-11-08-08 Motion by Mr. Strom and second by Mr. Ellefson to approve the following special projects funding for 2009 as follows: Community Fund-\$20,000 for 4 years, West Central \$1,600.00 for 5 years, Cemetery Foundation-\$2,500.00 Community Action -\$1,000.00, Old 52 Funding- \$25,000.00, Old City Hall Matching-35,000.00. Motion carried.

Mayor Dahnke stated the next item on the agenda was the discussion of the landfill. This landfill is the Barnesville landfill site, located in Wilkin County that was officially closed in 1996. COO Mike Brethorst informed council that this is to transfer the landfill to the MPCA. The city can give the land to the MPCA, but cannot sell the land. Mr. Brethorst stated the next step would be authorization to proceed with the closing of the landfill.

08-11-08-09 Motion by Mr. Cooper and second by Mr. Davis to authorize staff to proceed with the closing of the Barnesville landfill site. Motion carried.

Mayor Dahnke stated the next item on the agenda was the discussion of the representative of the city council to the Potato Days Board. COO Mike Brethorst stated that he would talk to Potato Days Chairperson Theresa Olson about a representative from the council.

Mayor Dahnke stated the next item on the agenda was the Goldfield Telcom quote. Telephone Supt. Tom Olson stated that this is for a 200 modem purchase, and was under the consent agenda.

Mayor Dahnke stated the next item on the agenda was the discussion of the Clay County public safety communications equipment. COO Mike Brethorst stated that this is to allow Clay County

Sheriff's Office to locate public safety communications equipment at the City of Barnesville Water Tank. COO Mike Brethorst stated that the TEC Board recommends this approval.

08-11-08-10 Motion by Mr. Ellefson and second by Mr. Strom to allow the Clay County Sheriff's Office to locate public safety communications equipment at the City of Barnesville Water Tower. Motion carried.

Mayor Dahnke stated the next item on the agenda was the approval of the partial payment #2 from Lako Drilling for the production well No. 10.

08-11-08-11 Motion by Mr. Davis and second by Mr. Cooper to approve the Partial Payment request #2 for the Production Well No. 10 from Lako Drilling in the amount of \$14,967.46. Motion carried.

City Engineer Dan Hanson with Ulteig Engineers informed council that the wells are working, and are producing twice the amount of water as before. The wells are 80' deep, and stated it is a very good well.

Mayor Dahnke stated the next item on the agenda was the Preliminary Engineering Report for the McGrath and Southern City Center.

Mr. Dan Hanson with Ulteig Engineers discussed with council members the condition of the two areas, and the costs to reconstruct the utilities and roadways within these areas. The McGrath area included the paved portion of 2nd Ave. NW west of 4th Street NW, 4th Street NW from 2nd Avenue. SW to 2nd Avenue. NW; 5th Street Sw from 2nd AV. SW to 2nd AV. NW and 6th Street SW from 2nd Ave. SW to Main Avenue. The Southern City Center area includes all streets and utilities located between Front Street and 5th Street SE and 5th Avenue SE south to 9th Avenue SE.

Mr. Hanson stated that the current piping is approximately 40 years old. The estimated costs to repair these areas are as follows: McGrath area-\$1,668,500 and the Southern City Center area-\$5,957,000.

COO Mike Brethorst asked Public Works Supt. Dave Riddering what area he felt should be done first. Mr. Riddering felt the South side should be completed first, that is where they have the most problems. Council members had no further questions for Mr. Hanson. COO Mike Brethorst stated that he would refer this back to the Personnel & Finance Committee.

Mayor Dahnke stated the next item on the agenda was the Safe & Sober Resolution.

08-11-08-12 Motion by Mr. Cooper and second by Mr. Ellefson to approve the following Safe & Sober Resolution. The following voted in favor of: Council members Roger Cooper, Del Ellefson, Larry Davis, Jr., Merlin Strom and Jeremy Krause. Those voting against: none. Motion carried.

**CITY OF BARNESVILLE
CLAY COUNTY, MINNESOTA
RESOLUTION 08-11-08-12**

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT

Be it resolved that the Barnesville Police Department 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, 2008 through September 30, 2009.

The Chief of Police, of the Barnesville Police Department is hereby authorized to execute such agreements and amendments as are necessary to implement the project on behalf of the Barnesville Police Department.

Be it further resolved that the Sheriff of Wilkin County is hereby authorized to be the fiscal agent and administer of this grant on behalf of the Barnesville Police Department.

I certify that the above resolution was adopted by the City Council of Barnesville, Minnesota on August 11, 2008.

SIGNED:

WITNESSETH:

Fred Dahnke
Mayor

Michael M. Brethorst
Chief Operating Officer

Mayor Dahnke stated the next item on the agenda was the 2nd reading of Ordinance 2008-9, an ordinance regulating geothermal heating systems. Council member Merlin Strom asked if we could change the one-time hook up fee to \$2500.00.

08-11-08-13 Motion by Mr. Strom and second by Mr. Ellefson to change the one-time fee for the geothermal heating systems from \$1,000.00 to \$2,500.00. Motion carried.

08-11-08-14 Motion by Mr. Strom and second by Mr. Ellefson to approve the 2nd reading of Ordinance 2008-9. Motion carried.

ORDINANCE NO. 2008-9

AN ORDINANCE TO CREATE AND ENACT SECTION 11.58 OF THE BARNESVILLE CITY CODE RELATING TO GEOTHERMAL HEATING SYSTEMS.

BE IT ORDAINED by the City Council of the City of Barnesville, as follows:

SECTION 1. Section 11.58 of the Barnesville City Code is hereby created and enacted to read as follows:

SEC. 11.58. GEOTHERMAL HEATING SYSTEMS.

Subd. 1. Purpose. The purpose of this ordinance is to regulate the use of geothermal heating systems within the City of Barnesville. In furtherance of this overall purpose, this ordinance is specifically intended to serve the following sub-purposes:

- (a) Conservation and beneficial management of geothermal resources and thermal ground waters in a comprehensive and coordinated manner so as to assure their continued availability and productivity;
- (b) Continued support and assistance for individual private geothermal resources and thermal ground water uses, including residential, institutional, commercial, and industrial activities;
- (c) Maximization of the public welfare and economic benefit to be derived from geothermal resources and thermal ground waters;

(d) Minimization of the potential for damage or degradation to geothermal resources and thermal ground waters; and

(e) Protection of the surface and subsurface environment during development and utilization of geothermal resources and thermal ground waters.

Subd. 2. Definitions. The following terms, as used in this ordinance, shall have the following meanings, unless the context clearly indicates a different meaning is intended:

ALTERING: The deepening, recasting, perforating, re-perforating, the installation of packers or seals, and other material changes in the design of a geothermal heating system.

CITY

ADMINISTRATOR: City Administrator of the City of Barnesville Or the Administrator's authorized representative.

CONSTRUCTING: The boring, digging, drilling, or excavating of a geothermal heating system, including the installation of casing or geothermal heating system screens.

GEOHERMAL FLUID: Any fluid transporting or capable of transporting geothermal heat.

GEOHERMAL

HEAT: Heat derived from geothermal resources, or heat derived from ground water.

GEOHERMAL RESOURCES: The natural heat of the earth, and the energy, in whatever form, below the surface of the earth present in, resulting from, or created by, or which may be extracted from, the natural heat, and all minerals in solution or other products obtained from naturally heated fluids, brines, associated gases, in whatever form, found below the surface of the earth, exclusive of oil, hydrocarbon gas, other hydrocarbon gas, other hydrocarbon substances or helium, but including specifically:

- (a) All products of geothermal processes, embracing indigenous steam, hot water, and hot brines;
- (b) Steam and other gasses, hot water, and hot brines resulting from water, gas, or other fluids artificially introduced into geothermal formations;
- (c) Heat or other associated energy found in geothermal formations; and

(d) any by-product derived from them.

GROUND WATER: Any water, except capillary moisture, beneath the land surface or beneath the bed of any stream, lake, reservoir, or other body of surface water, whatever may be the geological formation or structure in which such water stands, flows, percolates, or otherwise moves.

OWNER: The holder of the record title to real property or the person entitled to use of the thermal ground water at the property.

PERSON: A natural person, firm, partnership, association, social or fraternal organization, corporation, non-profit corporation, trust, estate, receiver, syndicate, branch of government, or similar entities, any group or combination acting as a unit, or the successors or assigns of any of the aforesaid.

POLLUTION: The contamination or other alteration of the physical, chemical, or biological properties of any surface or ground waters which will or can reasonably be expected to render such waters harmful, detrimental, or injurious to domestic, commercial, industrial, agricultural, recreational or other legitimate beneficial use.

RESERVOIR: An aquifer or combination of aquifers or zones containing a common geothermal or ground water resource.

THERMAL GROUND WATER: Ground water which is less than 250 degrees Fahrenheit at bottom-hole temperature, and possessing sufficient heat to be used for a direct thermal application or in conjunction with a ground water heat pump.

Subd. 3. Construction and Severability.

(a) The provisions of this ordinance shall be construed to the maximum extent possible as consistent with applicable state statutes and regulations. If the provisions of this section and state law are in conflict, then state law shall prevail.

(b) It is the intention of the Council that the provisions of this ordinance are severable, and if any provision of this ordinance shall be declared unconstitutional or invalid by the judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining provisions of this ordinance.

Subd. 4. Subsurface Water Management Policy. In furtherance of the purposes of this ordinance, it shall be the policy of the city that all geothermal heating systems existing on the effective date of this ordinance, and those constructed or altered thereafter, be used in such a manner as to:

- (a) Conserve and protect the geothermal fluids and ground water within and adjacent to the city in order to: enhance reservoir productivity and benefit, prevent wasteful extraction and disposal of geothermal fluids and thermal ground water, prevent geothermal fluid and thermal groundwater temperature degradation, prevent thermal pollution of surface environments and water, and prevent harmful intermixing of geothermal fluids and other ground water;
- (b) Allow continued individual utilization of geothermal fluids and thermal ground water for residential, commercial, industrial, and other lawful purposes; and
- (c) Protect the public health, safety, and welfare from improperly constructed, operated, maintained, or abandoned geothermal heating systems.

Subd. 5. Geothermal Heating System. All geothermal heating systems existing or under construction within the city on the effective date of this ordinance shall be known as preordinance geothermal heating systems and shall be subject to the requirements of subsections 4 through 6 and 14 and 15 of this ordinance.

Subd. 6. Registration of Geothermal Heating Systems. Owners of preordinance geothermal heating systems within the city may register their geothermal heating systems with the City Administrator. Such registration shall be voluntary and without cost to the owner. Said registration shall be on forms supplied by the City and may include but are not limited to: the name and address of the owner, specific location of the geothermal heating system, date of construction, depth and diameter of the geothermal heating system, specifications of casing, bottom hole temperature, static fluid or water level, type of geothermal utilization system, accessibility for monitoring devices, and disposal method, if any. The City Administrator shall direct reasonable public notice to the city's inhabitants at large, explaining the registration program and encouraging participation.

Subd. 7. Post ordinance Geothermal Heating Systems.

- (a) All geothermal heating systems constructed or altered within the city subsequent to the effective date of this ordinance shall be known as post ordinance geothermal heating systems and shall be subject to the requirements of Sections 4, 14 and 15 of this ordinance.
- (b) Any pump and dump geothermal heating systems are required to be plumbed directly into the storm sewer system. Properties must be located directly adjacent to a storm sewer main. There will be a onetime \$2,500 fee to connect into the city's system.

(c) Only food-grade or USP-grade propylene glycol may be used as a geothermal fluid. No other materials or additives may be used except for potable water. A permanent sign must be attached to the heat pump specifying that only approved heat transfer fluids must be used.

Subd. 8. Application for Geothermal Heating System Permit. Any person, including the city, desiring to construct, install, or alter a geothermal heating system within the city shall first apply for a geothermal heating system permit at the City Hall on forms provided for that purpose. No person shall commence construction or alteration of a geothermal heating system prior to the owner of a proposed geothermal heating system receiving a permit.

Subd. 9. Application Fee. All applications for a geothermal heating system permit shall be accompanied by an application fee which shall be nonrefundable, such fee to be according to a fee schedule established by City Council resolution.

Subd. 10. Application Review. The City Administrator, or a person designated by the Administrator, shall review each application for conformity with the applicable city ordinances.

Subd. 11. Permit Decision Criteria. Permit decisions shall contain written findings for approval or denial which may include, but are not limited to, the following criteria:

- (a) The estimated hydrological impact of the proposed geothermal heating system's operations upon the reservoir and surrounding geothermal heating systems;
- (b) The adequacy of provisions for environmental protection and public safety; and
- (c) The compliance of the proposed geothermal heating system and its use with this ordinance, the City Comprehensive Plan, and all other applicable laws, ordinances, and regulations.

Subd. 12. Completion Inspection. Upon completion of any geothermal heating system construction or alteration, but prior to regular use, the owner shall promptly notify the City to request a completion inspection and written report thereof to be made for the purposes of assuring compliance with this ordinance.

Subd. 13. Post ordinance Surface Discharges. No geothermal heating system constructed or altered after the effective date of this ordinance shall be operated or altered in such a manner as to cause geothermal fluids or thermal ground water to be discharged onto the surface of the ground or into any public ditch or drainage facility. Construction and routine maintenance of geothermal heating systems shall be exempt from said prohibition; surface discharges for construction and routine maintenance purposes shall be conducted in accordance with written standards issued by the Public Works Director.

Subd. 14. City Inspection and Monitoring of Geothermal Facilities. In connection with the principal functions and activities of the city resource management responsibility, city officials may, upon reasonable notice to the owner, enter upon any property within the city for purposes of inspecting geothermal facilities, or monitoring the operational characteristics of such facilities, when such inspection or monitoring is reasonably necessary to the assessment of other indices related to geothermal or ground water reservoir management, or protection of the public safety and welfare. The city shall provide affected property owners or occupants with reasonable prior notice, describing the nature, purpose, and duration of the necessary inspection or monitoring; such inspections or monitoring shall be conducted in accordance with applicable city and state procedures for inspections. If any person refuses to permit any officer or employee to enter and inspect, the City officer or employee shall not attempt to force entrance, but shall, with the assistance of the City Attorney, seek a search warrant or other appropriate court order.

Subd. 15. Defective Geothermal Heating Systems. Whenever the City Administrator determines that any geothermal heating system within the city is by the nature of its construction, installation, or operation is adversely interfering with other geothermal heating systems, or is polluting groundwater or surface water, the Administrator shall promptly notify the affected owner, by certified mail, of the wasteful or defective geothermal heating system and require said owner to repair or adjust the geothermal heating system within twenty-four (24) hours; a geothermal heating system continuing wasteful or defective operation after expiration of the twenty-four (24) hours may be prosecuted as a violation of this ordinance.

SECTION 2. This ordinance shall take effect upon publication in accordance with the Barnesville City Charter.

PASSED by the City Council of the City of Barnesville this 11th day of August, 2008.

APPROVED BY:

Fred Dahnke
Mayor

ATTEST:

Jeri Reep
City Clerk

First Consideration: June 9, 2008
Second Consideration: August 11, 2008
Adopted: August 11, 2008
Date of Publication: August 18, 2008

Mayor Dahnke stated the next item on the agenda was the 1st reading of Ordinance 2008-10, the Geothermal Heating Systems fee.

08-11-08-15 Motion by Mr. Davis and second by Mr. Strom to approve the 1st reading of Ordinance 2008-10, an ordinance to set the application fee for the geothermal heating systems. Motion carried.

Ordinance 2008-10
AN ORDINANCE TO AMEND CHAPTER 19 OF THE BARNESVILLE
MUNICIPAL CODE RELATING TO CONSOLIDATED FEES, RATES AND
CHARGES:

BE IT ORDAINED by the City Council of the City of Barnesville that Chapter 19 is hereby amended by adding:

CHAPTER 11

SEC. 11.65 GEOTHERMAL HEATING SYSTEMS

Subd. 9	Application Fee	\$150.00
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EFFECTIVE DATE: This ordinance becomes effective upon its passage and enactment, followed by publications according to law.

PASSED AND ADOPTED by the Barnesville City council this 8th day of September, 2008.

By:

Fred Dahnke
Mayor

Attest to:

Jeri L. Reep
City Clerk

First Reading: August 11, 2008
Second Reading: September 8, 2008
Published: September 15, 2008

Mayor Dahnke stated the next item on the agenda was the fencing bid received for the Dennis Braton property. COO Mike Brethorst informed council members that the city received two bids for the fencing project at the Dennis Braton property. Heald's Custom Homes was the lowest bid received in the amount of \$15,025.00.

08-11-08-16 Motion by Mr. Strom and second by Mr. Davis to approve the bid from Heald's Custom Homes, Inc. in the amount of \$15,025.00 to erect a fence at the Dennis Braton property. Motion carried.

Mayor Dahnke stated the next item on the agenda was the 2nd quarter transfers. COO Mike Brethorst informed council members that three banks have been contacted, and the following rates on a new \$200,000 CD is as follows: Midwest Bank-3.4% for 2 years, Wells Fargo-3.7% for 2 years, and the 4M fund-4.25% for 2 years.

08-11-08-17 Motion by Mr. Ellefson and second by Mr. Strom to approve the \$200,000 CD renewal at the 4M fund, with interest 4.24% for 2 years. Motion carried.

Mayor Dahnke stated the next item on the agenda was the probation period for Liquor Store Manager Diane Peterson. City Attorney John Shockley informed council members that they may close the meeting, but the employee has asked that the meeting remain open. Mayor Dahnke next called on Liquor Store Manager Diane Peterson. Ms. Peterson discussed the accomplishments and tasks over the past eight years that she has been the manager, and stated that she felt she should remain the Liquor Store Manager.

08-11-08-18 Motion by Mr. Davis and second by Mr. Strom to terminate Liquor Store Manager Diane Peterson, effective August 12, 2008, with 70 hours severance pay, and to pay the remaining sick and vacation time earned. Council member Jeremy Krause questioned that in the letter of reprimand that Ms. Peterson received; he questioned the amount of hours worked. Mr. Krause stated that the extra hours worked, were from training of employees and meetings. Mr. Krause also stated that it was not stated that the deposits were to be received at City Hall by 10:00 am, that the financial summaries requested were not noted anywhere, and the name of the employee does not matter.

The following voted to terminate Ms. Peterson effective August 12, 2008: Council members Roger Cooper, Del Ellefson, Larry Davis, Jr. and Merlin Strom. The following voted against: Council member Jeremy Krause. Motion carried.

Mayor Dahnke thanked Ms. Peterson for her years of service.

Mayor Dahnke next asked for a motion to adjourn.

08-11-08-19 Motion by Mr. Davis and second by Mr. Ellefson to adjourn the meeting at 8:32 p.m. Motion carried.

Submitted by:

Attest:

Jeri Reep
City Clerk

Fred Dahnke
Mayor

