

Minutes and Proceedings of the City
Council of the City of Emily in the
County of Crow Wing, State of Minnesota
Including accounts audited by said Council

June 13, 2023

The Emily City Council met for a regular meeting on Tuesday, June 13, 2023 in the Council Chambers and was called to order by Mayor Tracy Jones at 6:04 p.m. Councilmembers Bryce Butcher, Gerhart Hanson, Andrew Hemphill, and Gregory Koch were present. Jeff Ledin, City Engineer, attended the meeting remotely. Cari Johnson, City Clerk/Treasurer, was present.

The Pledge of Allegiance was recited.

COUNCILMEMBER BUTCHER MADE THE MOTION TO APPROVE THE AGENDA AS PRESENTED. COUNCILMEMBER HANSON SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

Mayor Jones requested a motion of approval of the Consent Agenda including meeting minutes of the May 9, 2023 Council Meeting and the Treasurer’s Report from May 2023: Checking Beginning Balance \$732,605.88 and Ending Balance \$674,171.73; Receipts to General fund \$16,522.54, Sewer fund \$2,507.05, Total \$19,029.59; and Claims for Approval: \$91,681.62 including Pine River State Bank checks #60474 to #60564 and automatic withdrawals #330698 to #330704; Investments \$375,811.46; Total Checking/Investments \$1,049,983.19. **COUNCILMEMBER KOCH MADE THE MOTION TO APPROVE THE CONSENT AGENDA. COUNCILMEMBER HEMPHILL SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

PUBLIC FORUM: Dan Brennan, 40416 S. Bay Drive, reported concerns regarding public input on the mineral leasing and manganese deposit exploration processes, the lack of knowledge regarding details of the processes, the relationships, financial interests, and obligations of the individuals and/or companies backing the manganese deposit exploration, accuracy of information provided on North Star Manganese’s mineral lease application, negotiation of mineral leases without unified mineral interests, possible underground mine shaft through local aquifers, and the projected effect on the local economy from possible digging and disturbance of local waters. Brennan stated community information and clarity is needed.

Sue Airhart, Mill Rd, reported at some point during the drilling in the past the water from her well became unusable due to the quality, smell, taste, and appearance. Airhart reported her water started to clear after the past drilling stopped, but the water quality has started to decline now that current drilling has begun. Airhart reported water samples were taken before the past drilling to determine water quality. Airhart reported at that time it was stated additional water samples would be taken, but no additional samples were taken. Airhart is very concerned about the quality of the City’s drinking water and lake waters.

Shanda Landes had presented a proposal for the Emily Maker’s Place almost two years ago and thanked the Council for approving the use of the space. Landes stated the Emily Maker’s Place vision was to gather, connect, learn, create, and collaborate. Landes stated the Emily Maker’s Place is open for all during the scheduled open studio times.

Dave Bistodeau stated he would be willing to volunteer at the Brush Dump if there are plans to reopen it.

SPEAKERS: Nick Usherwood attended the meeting regarding his Conditional Use Permit application and requested the after-the-fact fine be removed. Usherwood is starting a shop on his property. Usherwood had assumed the use of the building as a shop was grandfathered in.

Minnesota Department of Natural Resources (DNR) representatives Joe Henderson, Lands and Minerals Division Director, Heather Arends, Mineral Potential Manager, and Vicki Sellner, Lands and Minerals Attorney, attended the

meeting to present information regarding recent North Star Manganese (NSM) drilling on private lands and DNR oversight, background information on mineral leasing and exploration, current status of NSM negotiated leases and authorizations, and potential next steps. Henderson reported the DNR received a mineral lease request and it is very early in the review process. Henderson reported there is no project at this time.

Heather Arends gave an overview of the DNR's processes related to exploratory boring. Arends reported the DNR understands there are concerns when drilling is conducted for mineral exploration. The Minnesota Department of Health (MDH) and DNR oversee the state rules regarding exploratory borings. Arends reported that similar equipment is used for drilling a water well, exploratory boring, or research. There are risks with drilling into the ground and providing a conduit for surface water to enter groundwater, so there are rules to ensure that the holes are cased and grouted upon closure to protect the aquifer. The percentage of wells and borings over a 20 year period in the state are 1% mineral exploration, 81.6% water supply, and 17.4% all other purposes. The mineral exploration activity has a higher level of oversight with regular inspections from the time drilling starts to final closure. Arends reported an exploratory bore hole is a small glimpse into the geology of the area, so many bore holes are needed to determine the extent and grade of the potential ore body, number of tons of the ore deposit, the amount of overburden, and rock characteristics when the ore is separated.

Arends reported NSM sought DNR approval to drill exploratory bore holes on 120 acres of lands with private and state ownership. Arends reported state mineral ownership is in the form of coal and iron and all remaining surface and mineral interests for the 120 acres are held under private lease to NSM. Arends reported NSM has surface and mineral agreements with the landowners, but the State is not a party to those agreements. DNR regulatory oversight is triggered when a company starts drilling or conducting exploratory boring. Arends reported in addition to DNR regulatory oversight, there are also a number of registrations, certifications, and licensure requirements from multiple state agencies in order to conduct exploratory drilling in the state. NSM, or their affiliates and contractors, must have these registrations in place before drilling. Arends reported on May 25, 2023 the DNR granted drilling authorization to NSM to explore in the state's mineral interests with the condition that the data must be granted to the DNR upon receipt. Arends reported the authorization expires in one year. Arends reported NSM is required to notify the DNR ten days prior to drilling each exploratory hole and there are currently 19 borings. The DNR inspects each drill hole multiple times. Reclamation of the sites is completed after drilling is complete.

Arends reported once a company has the information from exploratory boring they can start the decision-making process. Arends reported the timeline for a typical mineral exploration program in the state includes 1 to 5 years to develop a business plan and financing, 3 to 5 or more years to develop a land package, and 5 to 15 years for exploration to get to the decision-making process. Arends reported the process has overlapping steps. Arends reported if a company identifies a deposit that could support a mine, which could take 10 to 15 years to determine, the activity transitions into a formally proposed project and that is the point when environmental scoping is conducted.

Arends presented the DNR's leasing history for mineral exploration since 1966: only 5% of the leases are still active, 95% of the leases have terminated, and 99% of the leases terminate within 10 years. The DNR leases lands because most of their lands have fiduciary responsibilities, so the money generated through forestry or mineral leasing is used to fund local and state governments and public schools. When the leases terminate the companies are required to submit drill core samples to the state, as well as additional information. The drill core library maintained by the state is publicly available and uses include aquifer mapping by the U.S. Geological Survey and university research.

Joe Henderson reported NSM requested nonferrous metallic mineral leases for approximately 800 acres of state land in Crow Wing County in May 2021, which started the public review process. Henderson reported the lands could include a combination of school trust, local tax forfeited, or university trust lands, which the DNR administers for the state. The DNR followed their nonferrous mineral lease request process, including posting the lease request information on their website in September and October 2021, conducting regional review with local DNR representatives, conducting local public and tribal outreach, and offering a 30 day public input period. The DNR received input from approximately 230 people. Henderson reported the input included support, opposition, concerns regarding aspects of exploration, and concerns regarding the actions of the current and previous companies. Henderson reported almost half of the input received was requests for information about what the proposed project would be. Henderson stated there is no project. The DNR is reviewing the lease request and, if approved, NSM would follow the mineral exploration program discussed by Arends that takes years to complete before starting the decision-making process. Henderson reported to comply with the law, a company must have control, through

ownership or leases, of adjacent properties to be able to request mineral leases on state or county lands. Henderson reported the DNR is currently evaluating whether to recommend to the Executive Council whether NSM meets the laws and requirements to be offered the leases and the DNR must negotiate the lease terms with NSM. Henderson reported if the DNR chooses to offer the leases, or a subpackage with conditions, to the Executive Council, then the Executive Council would decide whether to approve or deny the leases. Henderson reported the public would have an opportunity to speak to the Executive Council. The Executive Council consists of the Governor, Lieutenant Governor, Secretary of State, State Auditor, and Attorney General.

Henderson reported if exploration were to lead to mine development in the future, then the DNR would work on the following processes: environmental scoping, environmental review, permit to mine, and other state agency permitting processes, including air, water, dam safety, wetlands, etc. Henderson reported there are up to 20 permits required for a mining project. Henderson reported NSM would have to have all permits in place before they could construct or operate. Henderson reported all the processes have opportunities for public input. Henderson reported the DNR has not made a decision, but is at the point where there has been quite a bit of education and the DNR is deciding whether they should go forward to the Executive Council and recommend the 800 acres be leased to NSM.

Henderson reported the DNR urged NSM to speak locally due to the number of questions and comments received during the comment period. Henderson stated the DNR cannot answer questions regarding previous lease holders. Henderson again reported there is no project and the DNR cannot answer questions about a project or what project NSM plans to do. Henderson reported NSM has not developed a project, has requested to lease additional lands, is searching for something that might be valuable enough to be developed, and does not know how that would be developed. Henderson reported the DNR can only provide information about consideration of the lease applications and answer questions about the process.

A question and answer/comment period followed, including:

- What are mineral rights and what does the lease process mean? Henderson stated NSM is asking for leases for publicly held minerals on lands administered by the DNR to explore and determine if they want to propose to be able to mine in the future.
- If the environmental review process is completed after the lease application approval, what is considered before the leases are recommended for approval? Henderson stated the DNR completed public outreach, researched ownership and control, reviewed public lands for local scientific, natural, and wildlife management areas, park areas, or land uses that would require conditions, including threatened endangered species, to ensure that impacts are minimal and not long term. Arends reported the DNR also determines whether the company is financially and technically able to act on the mineral lease.
- At what point would measures be placed to ensure adequate protection if at some point neighboring areas have an adverse impact from exploration activities? Henderson reported special conditions would be added to the lease for anything called out to the DNR and there are also general conditions. Henderson reported the draft lease conditions are public and available prior to the Executive Council meeting where the leases would be considered.
- What about protecting our groundwater? Arends reported that anyone with well interference should contact MDH for assistance.
- When drilling through aquifers, what lubricant is used? Arends reported water treatment level lubricants and drinking water are used for drilling. Arends reported the bore holes would be cased, grouted closed when done, and capped. Henderson reported DNR and MDH are completing regular inspections.
- What about wildlife? Arends reported the DNR's wildlife experts would review wildlife issues during the screening process and lease conditions would be added.
- There was a comment regarding the negative effects to the health of neighbors of open pit manganese mining from the water, soil, and air.
- Would another environmental impact study be needed? Henderson reported an environmental impact study is not required for exploration activities. Henderson reported there is no project, but if there were a project in the future an environmental impact study would be required prior to the project. The environmental impact study would look at the potential and cumulative health effects and community health effects, including water, air, etc. A federal level environmental impact study was conducted that determined simple bore holes or exploration are not a project and are not physically manipulating the environment like a mine project would.
- Should there be additional City workshops to provide information to the public? Henderson stated the DNR could attend a meeting in the future, especially if there are changes. Henderson stated the DNR has not recommended the leases for approval and has not had much new information to present.

- Does NSM need to wholly own the company? Henderson reported NSM has to either own the property or control through leasing.
- At what point would regular water sampling be required through conditions before moving forward with a project? Arends reported MDH has great well interference logs, could help navigate the process, and would work with the company if it was determined the company interfered with groundwater.

Mayor Jones reopened the Public Forum portion of the meeting.

Rick Sandri, CEO, NSM, reported there is no project at this point, except exploration. Sandri reported NSM is exploring on private, but not state lands, and the exploratory drilling has been approved by the state. Sandri reported the exploratory drill holes are 600' deep and once each hole is complete and the rods are pulled the bore hole is cased. Sandri reported after each exploratory bore hole is cased, the top of the pipe is painted for visibility. Sandri reported MDH is completing regular inspections and NSM is receiving positive feedback on their actions. Sandri reported materials from each exploratory bore hole are collected and analyzed. Sandri reported the material is the highest grade manganese in the U.S.

Sandri reported NSM is in negotiations with the state for mineral leases for 800 acres of state land. Sandri reported NSM is in the very early stages of exploration and NSM is years away from making a decision regarding whether there are enough materials to pursue a future viable project from economic, engineering, and environmental perspectives. Sandri reported that exploration is research and development into the ground and NSM is a long way off from any kind of commitment to a mine or project. NSM is currently exploring to see if they can find material of sufficient grade and quantity that allows NSM to raise more money to complete more exploration. Sandri reported NSM is having the material tested in metallurgical labs to see if they could make a product that makes sense. Sandri reported if the product does make sense, then they would start work on engineering and environmental, approach the state with a possible project, and complete the next steps which would be years away. Sandri reported if there are not sufficient tonnages of the manganese, if the manganese cannot be extracted correctly, if the manganese cannot be marketed, and if the manganese cannot be extracted environmentally, then there would be no project. Sandri reported at this time NSM has no idea what a possible future mine would look like.

Sandri requested to work with the Council to set up a public informational meeting.

Public forum comments and information included:

- Concern regarding protection of the water table and nearby Ruth Lake if there were an open mine pit.
- For concerns regarding current water quality, people need to contact MDH. It was reported that water quality issues from the prior activity are happening again after the exploratory drilling.
- The Executive Council meets quarterly.
- There was a concern regarding the length of time the DNR is taking to consider the mineral leases. Henderson reported there was so much misinformation and lack of information that the DNR was waiting for NSM to address the local issues and concerns regarding the previous project, ownership, and what a possible project would be. Henderson reported the DNR's decision is only a leasing decision.
- There was a concern regarding DNR consideration of mineral leases and NSM exploration when NSM does not control through leases or own the adjacent properties and cannot satisfy the requirements for a project. Vicki Sellner reported the DNR is aware of a fractional ownership question on 80 acres of the proposed lease application. Sellner reported the state owns 3/5 of the surface and minerals of the 80 acre parcel and two private owners own the remaining 2/5. Sellner reported the state can lease the portion of the surface and minerals the state owns and it is up to NSM to secure leases with the private owners. Sellner reported the mineral lease does not allow trespassing onto someone else's ownership. Henderson reported if the DNR recommends approval of the lease for the 80 acres, NSM would still need to get approval from the private owners to cross the surface. Sellner reported NSM is not required to have leases with private owners before the mineral leases would be recommended to the Executive Council for approval.

The Council thanked the DNR representatives for attending the meeting.

The Council discussed holding a public informational meeting with all parties involved, including Crow Wing Power, Cooperative Mineral Resources, NSM, Electric Metals, DNR, MDH, etc.

Mayor Jones recessed the regular Council Meeting at 7:15 p.m.

Mayor Jones reopened the regular Council Meeting at 7:23 p.m.

FIRE DEPARTMENT: Council Liaison Hemphill reported the May Fire Department meeting was held with 17 members present and reported 6 fire calls. Equipment and SCBAs were checked. Training was held on search and rescue.

COUNCILMEMBER HEMPHILL MADE THE MOTION TO ADOPT RESOLUTION 23-20 ACCEPTING DONATION TO THE CITY OF \$5,000 FROM THE EMILY FIREMEN'S RELIEF ASSOCIATION TO THE CELEBRATE EMILY DAY COMMITTEE FOR EMILY DAY FIREWORKS. COUNCILMEMBER BUTCHER SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

FIRST RESPONSE UNIT: Council Liaison Hemphill reported the First Response Unit June meeting was held with 9 members present and reported 9 medical calls and 3 trainings in May. Trainings included medical and trauma scenarios, using the what3words application, and did performance review with CRMC education. The First Responders will be working at the upcoming softball tournament. Training is planned on the rescue rig side by side. The July meeting will be held on July 3rd due to the July 4th holiday.

POLICE DEPARTMENT: MAYOR JONES MADE THE MOTION TO APPROVE THE POLICE CHIEF JOB DESCRIPTION AS PRESENTED. COUNCILMEMBER BUTCHER SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

COUNCILMEMBER KOCH MADE THE MOTION TO APPROVE THE AD FOR PUBLICATION FOR A FULL-TIME POLICE CHIEF POSITION AS PRESENTED. MAYOR JONES SECONDED THE MOTION. Discussion included a condensed version will be published in area newspapers. **ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

Clarification from prior meetings included the Cuyuna Police Department had provided a soft quote for police coverage for Emily and the total included one Cuyuna Police Department squad car and the Emily Police Department cannot be reactivated until a Police Chief is hired.

The Crow Wing County Sheriff's Office invoice is for the City of Emily's annual share of LETG base and mobile fees for the County. **COUNCILMEMBER HEMPHILL MADE THE MOTION TO APPROVE PAYMENT OF THE CROW WING COUNTY SHERIFF'S OFFICE INVOICE FOR ANNUAL SHARE OF LETG BASE AND MOBILE FEES FOR \$1,965. COUNCILMEMBER BUTCHER SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

WASTEWATER: The Council discussed the Wastewater Committee's recommendation to waive the \$2,000 residential sewer service connection fee as requested by Jon and Karen Stern for a new home build on Bloomquist Drive and to add a requirement for connection to the City sewer main on Bloomquist Drive, not the lateral line of the business that crosses the property. The property owners applied for a residential building sewer permit. The property owners own a business on an adjacent lot to the west. When the property owners connected the business to the City sewer main their five year old septic system had to be abandoned. The Wastewater Committee had a concern regarding the number of stubs on the City's sewer main at the location. The City has a substantial investment in the sewer system and needs to collect fees to support it. Waiving the connection fee would set a precedent. Jeff Ledin, City Engineer, reported when the system was constructed stubs were added in the obvious places for future homes, but extra stubs were not added. Ledin approved of the Wastewater Committee's recommendation for the new service lateral line to run from the house to the main instead of sharing the business' lateral line. If the home were to share the business' lateral line there could be a dispute if the service line were to get plugged. Ledin reported any work to connect the home's lateral line to the City's main would be within the City's right-of-way and it is critical for the City's Wastewater Operator or Maintenance personnel to observe the work and ensure that it is done correctly. Ledin reported generally cities require the property owner to cover the cost of connection to the sewer main and require the work to be completed to City specifications. Ledin reported when the sewer ordinance was written the sewer connection fees were implemented as a mechanism to assist with repayment of the City's sewer fund because property owners with new connections did not help with the original construction costs. Ledin recommended ensuring the business lateral line would not be located under the new home so the business lateral line could be repaired in the future. **COUNCILMEMBER KOCH MADE THE MOTION TO NOT WAIVE THE \$2,000 RESIDENTIAL SEWER SERVICE CONNECTION FEE FOR JON AND KAREN STERN FOR A**

NEW HOME BUILD ON BLOOMQUIST DRIVE. COUNCILMEMBER BUTCHER SECONDED THE MOTION, ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED. Ledin and the Clerk will work on a letter to the property owners.

The Wastewater Committee recommended working with the Wastewater Operator to develop a packet of information to give to prospective people and contractors wanting to connect to City sewer.

The Council discussed the Wastewater Committee's recommendation to waive the \$2,000 residential sewer service connection fee for an uncharged account at 21216 County Road 1 for an unknown City sewer connection (connected since the fall of 2019) and to start billing for the second quarter of 2023 (starting April 1, 2023). The property owner had applied for a building permit in 2019, but did not apply for a residential building sewer permit. Connection was made from the home to the City's sewer main in the fall of 2019, but the City was not aware of the connection and the property has not been charged connection or quarterly sewer service fees. The contractor should have ensured the property owner had applied for a connection permit and the connection should have been inspected. **COUNCILMEMBER KOCH MADE THE MOTION TO NOT WAIVE THE \$2,000 RESIDENTIAL SEWER SERVICE CONNECTION FEE FOR 21216 COUNTY ROAD 1, TO CHARGE THE \$2,000 RESIDENTIAL SEWER SERVICE CONNECTION FEE, AND TO START QUARTERLY SEWER BILLING EFFECTIVE JUNE 13, 2023. MAYOR JONES SECONDED THE MOTION.** Discussion included Ledin recommended requiring the property owner to pay for televising the sewer service lateral line from the home to the main for the City's Wastewater Operator to review to determine the condition of the line and the connection to the main. **COUNCILMEMBER KOCH WITHDREW THE MOTION. COUNCILMEMBER BUTCHER MADE THE MOTION TO REQUIRE THE PROPERTY OWNER OF 21216 COUNTY ROAD 1 TO APPLY FOR A RESIDENTIAL BUILDING SEWER PERMIT, PAY THE \$50 PERMIT FEE, AND PAY TO TELEVISION THE SEWER SERVICE LATERAL LINE FROM THE HOME TO THE MAIN FOR THE WASTEWATER OPERATOR TO INSPECT. MAYOR JONES SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

The Council discussed the Wastewater Committee's recommendation for Creative Threads to remain on commercial flat rate billing with waiver of current late fee, but any future delinquency will incur late fees. The business owner paid the residential rate for the last quarter, so the difference of \$24.23 would be owed. **MAYOR JONES MADE THE MOTION FOR CREATIVE THREADS TO REMAIN ON COMMERCIAL FLAT RATE BILLING WITH WAIVER OF THE CURRENT LATE FEE, BUT ANY FUTURE DELINQUENCY WILL INCUR LATE FEES, AND TO PAY THE DIFFERENCE OF \$24.23 FOR THE LAST QUARTER. COUNCILMEMBER HEMPHILL SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

PLANNING & ZONING: The Council discussed the Planning Commission's recommendation to waive Nick Usherwood's Conditional Use Permit after-the-fact fine due to loss of the prior Conditional Use Permit when the business ceased operation for longer than one year and then Usherwood started up a different business. **COUNCILMEMBER HEMPHILL MADE THE MOTION TO WAIVE NICK USHERWOOD'S CONDITIONAL USE PERMIT AFTER-THE-FACT FINE. MAYOR JONES SECONDED THE MOTION.** Discussion included Usherwood's grandfather had operated a machine shop on the property, the business ceased operation for longer than one year, so the prior Conditional Use Permit expired. **ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

MAYOR JONES MADE THE MOTION TO APPROVE CROW WING COUNTY'S REQUEST FOR CLASSIFICATION TO NON-CONSERVATION AND FUTURE SALE OF TAX FORFEITED LAND FOR PARCEL ID 21230574 AS RECOMMENDED BY THE PLANNING COMMISSION. COUNCILMEMBER KOCH SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

The Council discussed the Beachcombers Landscaping request for refund of a land use permit fee of \$150 for a denied permit. The Council made the decision to send the request to the Planning Commission for review.

ATTORNEY: No report.

ROADS: Councilmember Butcher recused himself from the meeting.

Mayor Jones opened the sealed quotes for 3,000 yards of Class 5, including optional costs for loading, storage on site, and delivery. The quotes received were:

- Moritz Excavating for 3,000 yards of Class 5 gravel at \$10 per yard for \$30,000, loader availability for \$1.50 per yard with \$30 minimum use, and hauling for \$120 per hour.
- Emily Sand & Gravel for 3,000 yards of Class 5 at \$11 per yard for \$33,000 including storage on site and the price of loading.

The Council reviewed the quotes and determined loading for the Moritz Excavating quote would cost an additional \$4,500, for a total of \$34,500.

COUNCILMEMBER HANSON MADE THE MOTION TO PURCHASE 3,000 YARDS OF CLASS 5 AT \$11 PER YARD FOR A TOTAL OF \$33,000, INCLUDING STORAGE ON SITE AND THE PRICE OF LOADING, FROM EMILY SAND & GRAVEL. MAYOR JONES SECONDED THE MOTION. ROLL CALL VOTE – JONES, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION PASSED. MAYOR JONES MADE THE MOTION TO ADOPT RESOLUTION 23-24 TO CONTRACT WITH A CITY OFFICIAL TO CONTRACT WITH BRYCE BUTCHER, COUNCILMEMBER AND OWNER OF EMILY SAND & GRAVEL, TO PURCHASE 3,000 YARDS OF CLASS 5 AGGREGATE. COUNCILMEMBER HEMPHILL SECONDED THE MOTION. ROLL CALL VOTE – JONES, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION PASSED.

Councilmember Butcher rejoined the meeting.

City Engineer Ledin provided an S.E.H. Agreement for Professional Services for repair of the Emily Dam. The plan would be for the contractor to complete the work in the fall when there is minimal water going over the dam.

COUNCILMEMBER HEMPHILL MADE THE MOTION TO APPROVE THE S.E.H. AGREEMENT FOR PROFESSIONAL SERVICES FOR 2023 EMILY DAM REPAIR INCLUDING PREPARATION OF QUOTE PACKAGE FOR \$5,800, CONTRACT ADMINISTRATION FOR \$5,800, AND CONSTRUCTION OBSERVATION FOR AN ESTIMATED FEE OF \$1,600, FOR A TOTAL OF \$13,200. COUNCILMEMBER KOCH SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

The Council thanked Ledin for attending the meeting.

MnDOT plans to repair the storm drain area from Lake Street to Emily Lake after July 4, 2023.

MAINTENANCE: Maintenance Supervisor Brian Foster reported the fishing pier has been deployed on Ruth Lake, cemetery work, park work, grading roads, cutting trees, and Brush Dump work. Foster reported the Brush Dump was closed to the public 3 weeks ago due to overwhelming use requiring Maintenance personnel to dedicate 20 to 30 hours every two weeks to the Brush Dump. Brush Dump use is now under control. Foster reported people from outside of Emily were using and abusing the Brush Dump. The Brush Dump is for property owners and residents of Emily only. The Brush Dump will remain closed and Emily property owners and residents may contact Foster to request access. The Council directed the summer intern to develop a flier to request volunteers for the Brush Dump to be open every other Saturday. An incentive for volunteering would be the ability to check out a key to the Brush Dump during business hours.

Council Liaison Hanson reported inspecting the roads with Foster and Alex Voit, S.E.H., in preparation for the Feasibility Study for a 2024 road improvement project. More road inspections may be necessary.

CITY HALL: No report.

CEMETERY: Council Liaison Butcher reported lots sold and burials.

PARKS: Two trees were damaged during the June 2022 storm in the Downtown City Park. The City received the funds from the insurance claim for the park pavilion damage and replacement of the trees. The trees would be 8 to 10' tall and have a diameter of about 4". **COUNCILMEMBER KOCH MADE THE MOTION TO HIRE LANDSBURG LANDSCAPE NURSERY TO PLANT ONE WHITE PINE AND ONE NORWAY PINE TREE IN THE DOWNTOWN CITY PARK FOR \$2,998 WITH 25% DOWN. COUNCILMEMBER BUTCHER SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

LIBRARY: No report.

PERSONNEL: COUNCILMEMBER HEMPHILL MADE THE MOTION TO APPROVE PAYOUT OF DAMIEN STALKER'S UNUSED AND ACCRUED VACATION AND SICK LEAVE PER THE POLICE CHIEF EMPLOYMENT AGREEMENT AND PERSONNEL POLICY FOR A TOTAL OF \$6,925.46 ON JULY 5, 2023 INCLUDING REQUIRED WITHHOLDINGS. MAYOR JONES SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

EMILY WATERS: No report.

ECONOMIC DEVELOPMENT: No report.

CODIFICATION: No report.

UNFINISHED BUSINESS: Rick Sandri, North Star Manganese (NSM), provided a report. Sandri reported NSM continued exploration drilling on leased lands with the intent to expand knowledge of the Emily Manganese Deposit generated from prior exploration programs. Sandri reported as of the end of May twenty-one diamond drill holes had been drilled and completed to date. NSM's environmental consultants visit the site weekly to ensure all activities meet the State's environmental requirements and that the operations are in compliance. The DNR and MDH have also visited the site and will be doing so periodically during the drilling program. NSM continued its discussions with the DNR on its mineral lease applications on State mineral lands in the Emily area. The activity will be ongoing through 2023. Additional information on the Emily project is reported periodically by NSM's parent company, Electric Metals.

The City's grant application for Sourcewell Impact Funding for purchase of audio system equipment for the Council Chambers was not chosen during the grant lottery.

NEW BUSINESS: MAYOR JONES MADE THE MOTION TO APPROVE PROCLAMATION 2023-01 RECOGNIZING NATIONAL PREGNANCY AND INFANT LOSS REMEMBRANCE DAY. COUNCILMEMBER HEMPHILL SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

MAYOR JONES MADE THE MOTION TO ADOPT RESOLUTION 23-01, AMENDED, STATING ANNUAL DESIGNATIONS AS AMENDED. COUNCILMEMBER KOCH SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

MAYOR JONES MADE THE MOTION TO ADOPT RESOLUTION 23-21 ACCEPTING DONATION TO THE CITY OF A BENCH FROM THE BAGS TO BENCHES PROGRAM FOR THE CITY'S BASEBALL FIELD PARK FROM THE LAKERS LIONS. COUNCILMEMBER KOCH SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

COUNCILMEMBER BUTCHER MADE THE MOTION TO ADOPT RESOLUTION 23-22 ACCEPTING DONATION TO THE CITY OF \$5,000 FROM THE OUTING CHAMBER OF COMMERCE TO THE CELEBRATE EMILY DAY COMMITTEE FOR EMILY DAY FIREWORKS. MAYOR JONES SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

COUNCILMEMBER HEMPHILL MADE THE MOTION TO ADOPT RESOLUTION 23-23 FOR SUBMISSION OF COMMUNITY BOOST FUNDS GRANT APPLICATION TO SOURCEWELL TO APPLY FOR A GRANT TO PURCHASE ONE MICROPHONE FOR THE COUNCIL CHAMBERS FOR \$535 AND DUAL COMPUTER MONITORS WITH STAND AND INSTALLATION FOR CLERK'S OFFICE COMPUTER USED BY INTERN FOR \$427 FOR A TOTAL OF \$962. COUNCILMEMBER BUTCHER SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON, HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.

The Council reviewed Sourcewell programs for local government, including grant programs, consultant reimbursement, internship reimbursement, regional safety groups, EMS training reimbursement, etc.

The Council reviewed a legislative recap update from the League of Minnesota Cities (LMC), including paid family and medical leave insurance program, earned safe and sick time, PERA one-time COLA increase, legalization of adult-use cannabis, creation of statewide regulatory framework for adult-use cannabis, City's role in cannabis regulation, one-time public safety aid, housing programs, authorization for religious institutions to site sacred settlements of micro units on religious property, funding for Small Cities Assistance, funding for Local Road

Improvement Program, funding for Local Bridge Replacement Program, and open meeting law revision for remote attendance.

CORRESPONDENCE: Discussion included Ehlers reported refunding of existing bonds would not generate sufficient savings to be considered, LMC plans a dues schedule increase of 4.5% for fiscal year 2023-2024, Office of the State Auditor regarding participation in the Performance Measurement Program, Crow Wing County Community Services regarding invitation to June Brainerd Lakes Area Drug Education/Opioid Settlement Group Meeting, and Pine River Watershed Alliance regarding their annual meeting.

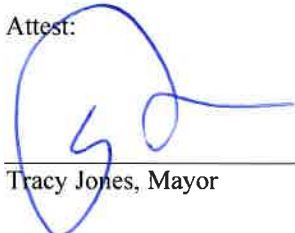
SCHEDULED UPCOMING MEETINGS: None.

**COUNCILMEMBER BUTCHER MADE THE MOTION TO ADJOURN THE MEETING AT 8:49 P.M.
COUNCILMEMBER KOCH SECONDED THE MOTION. ROLL CALL VOTE – JONES, BUTCHER, HANSON,
HEMPHILL, AND KOCH VOTED AYE. THE MOTION CARRIED.**

Respectfully submitted,


Cari Johnson, MCMC, City Clerk/Treasurer

Attest:


Tracy Jones, Mayor