

Special Council Meeting
 January 3, 2011
 Medford City Hall
 7:00 PM

Members present were Thomas, DeMars, Grayson, and Hitchcock. Others attending were Loren Lodge, Amber Kniefel Rich Kucera, and Marie Sexton.

Members absent were Merritt.

Mayor Thomas called the meeting to order at 7:05 p.m.

The purpose of tonight's meeting is the annual organizational meeting.

Motion by DeMars, seconded by Grayson to approve the agenda as presented. Carried.

Resolution 2011-01 Establishing 2011 City Fees. Rich Kucera suggested adding the fee for accepting septage at the wastewater treatment plant. The rate should be added as a \$13.25 flat rate plus \$8.50 per 1,000 gallons.

DeMars discussed the park fees and the renting of the park. Funding for the repairs to the park are not known at this time. Kniefel will continue to take names for the large and small pavilion, but the use of the rest of the park will be decided at a later time.

Motion by Hitchcock, seconded by DeMars to approve Resolution 2011-01 establishing 2011 city fees as amended. Carried.

Motion by DeMars, seconded by Grayson to approve Resolution 2011-02 stating the annual city designations as presented. Carried.

Motion by DeMars, seconded by Grayson to approve Resolution 2011-03 establishing 2011 adjusted water and sewer rates. Carried.

Motion by DeMars, seconded by Grayson to approve Resolution 2011-04 establishing 2011 adjusted water and sewer fees. Carried.

EDA Appointments

Mayor Thomas asked Greg Hitchcock to be one of the council representatives on the EDA board. Hitchcock accepted. Mayor Thomas had intended to ask Chad Merritt to join the EDA also. Councilmember DeMars offered to stay on the board. The two council representatives on the EDA board will be Greg Hitchcock and Brenda DeMars.

At the January regular council meeting, Mayor Thomas would like to discuss the option to pay council members that are appointed to city boards.

Well Head Protection Committee – City needs to have a council representative on this board.

Mayor Thomas offered to be the council representative.

Additional Council Responsibilities

Mayor Thomas reminded the council that packets of information for all regular council meetings are available for pick up at City Hall the Friday before the council meeting.

Motion by DeMars, seconded by Grayson to adjourn the meeting at 7:22 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
January 24, 2011
7:00 p.m.
City Hall

Mayor Thomas called the meeting to order at 7:00 p.m. Members present were DeMars, Grayson, Hitchcock, and Merritt. Others attending were Loren Lodge, Rich Kucera, Rick Hager, Julie Bruessel, Zack Cates, Vonnie Cates, and Marie Sexton.

Motion by Grayson, seconded by DeMars to approve the agenda as presented. Carried

Motion by DeMars, seconded by Grayson to approve the minutes as presented. Carried

Motion by Grayson, seconded by DeMars to approve the December and January city and liquor store bills. Carried

Motion by DeMars, seconded by Grayson to approve the January 2011 check register. Carried

Concerns from the general public/requests from organizations.
None.

Presentation from Mr. Rod Yates, OTB Destinations. Mr. Yates did not attend the meeting. The Mayor and City Administrator provided their opinion of OTB Destinations. Mr. Yates believed that a project would need between six months and a year to prepare due to the banking industry. The general consensus was that the project could be doable, but that more information would be needed.

Planning and Zoning Board did not meet.

EDA did not meet.

Parks Board did not meet. Marie Sexton gave an update on grants she had obtained for bike racks. Motion by Grayson, seconded by DeMars to have Sexton continue to look at other grants for the park. Motion by DeMars, seconded by Grayson to appoint Alicia Hermes to the Park Board.

Fire Chief Hager gave the Fire Department report. Motion by DeMars, second by Merritt to pass Resolution #2011-05. Carried. Motion by Grayson, second by DeMars to take sealed bids for old ambulance. Carried.

Zack Cates addressed the Council on a project he wanted to do in the park. Mr. Cates wanted to clean up the park to get a merit badge. Mayor Thomas said that due to the nebulous nature of the park Mr. Cates may want to reconsider his plans and do his cleanup later in the year. Mr. Cates to check back with the City later in the year.

City Engineer gave an update on the water project. Nothing new to report due to weather. Motion by Grayson, seconded by DeMars to approve Pay Request #6 from Wapasha Construction for \$91,701.61. Carried. An open house was discussed by Council.

Motion by Grayson, second by Hitchcock to approve Change Order #1 in the amount of \$64,846 for a generator. Carried.

City Attorney reported on Christ the King Church. A plat was submitted to Council. Council consensus to have the City Attorney submit the plat to Christ the King Church for action at the next meeting.

Motion by Thomas, second by DeMars to pass Resolution 2011-05 Certifying Unpaid Bills to Steele County. Carried.

City Administrator did not have anything in addition to his written report.

Public Works Director Kucera addressed the Council. Council consensus to take sealed bids on the League of Minnesota Cities website for the generator. Council consensus to call Celebrations new owner to have an agreement in place for parking. Ron Harmer is the new FEMA contact for Medford. The burden of proof is on the City to prove damage to the wastewater plant.

Old Business

Motion by Thomas, second by Merritt to approve the policy for mailbox damage. The City will provide a replacement mailbox upon proof that the mailbox had been damaged by the snowplows.

The minute correction from October 25, 2010 Regular Meeting did not have any action.

Motion by Thomas, second by DeMars to allow for Council to be paid for EDA board attendance. Carried.

Council discussed the correspondence from the State Auditor regarding Medford's General Fund deficits. Council consensus to have the City Administrator provide a mock schedule for Council to look at for the next meeting.

Ms. Julie Bruessel gave an update on the warming house. There is an average of 8.6 people using the facility per day. The range of people has been from twenty to zero with the facility being closed some days due to weather. Grayson spoke regarding the donations. Council consensus to keep the facility open until at least the next meeting.

Council discussed snow plowing. Kucera has begun splitting out snow plowing time separately. Council consensus to split out the time and expenses for snow plowing starting in 2012. Lodge reminded Council that it would take between three and five years before a good trend could be established.

Council consensus for there to be two winners of the logo design for the water tower project. The logo picked by Council uses parts of two different designs. Lodge to let winners know.

Next regular council meeting will be Monday, February 28, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 9:12 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Administrator.

Regular Council Meeting
February 28, 2011
7:00 p.m.
City Hall

Mayor Thomas called the meeting to order at 7:01 p.m. Members present were DeMars, Grayson, Hitchcock, and Merritt. Others attending were Loren Lodge, Rich Kucera, Rick Hager, Marie Sexton, Ric Hanson, Pat Merritt, and Theresa Sierakowski.

DeMars requested to add an item regarding a parade committee report to the agenda. Motion by DeMars, seconded by Grayson to approve the agenda as amended. Carried

Motion by Grayson, seconded by DeMars to approve the minutes as presented. Carried

Motion by DeMars, seconded by Grayson to approve the January, February and March city and liquor store bills. Carried

DeMars inquired as to the status of the law enforcement contract with Steele county. Motion by Grayson, seconded by Hitchcock to approve the February 2011 check register. Carried

Concerns from the general public/requests from organizations.
None.

Presentation from Mr. Ric Hansen, Jaguar Communications. Mr. Hansen introduced his company which provides high speed internet and their interest in Medford. Jaguar Communications provides fiber to the home and has cable and high speed internet. Hansen explained that Medford is on their list for potential upgrades this year due to grant applications with the Mayor Clinic. The company would like to begin the process of obtaining a video franchise with the City. Council instructed Administrator Lodge and City Attorney Rahrack to work with Jaguar.

Mr. Pat Merritt reported on the Planning and Zoning February meeting. A public hearing was held on Scenic Heights Division, lots 4 and 5. Recommendation from the Planning and Zoning Committee to the Council to vacate the easement between lots 4 and 5 and to allow the combination of the two lots. Motion by DeMars, seconded by Grayson to have the City Attorney draw up the necessary resolutions on the property as set forth on the surveyor's certification. Motion carried.

Administrator Lodge and Councilmember DeMars reported on the EDA meeting. The Medford Bucks drawing was held and Lodge has contacted the winners. Lodge to have the content loaded into the website as soon as there are two people in the office. The election of officers was postponed until all EDA members are present.

Ms. Theresa Sierakowski spoke on behalf of the Park Board, inquiring as to the status of several park projects covered by FEMA. Mr. Rich Kucera, Public Works Director will be addressing this in his report.

Motion by Grayson, seconded by DeMars to pass Resolution #2011-08, accepting a \$700.00 SHIP grant for additional bike racks. Motion carried.

Administrator Lodge provided an update to the warming house. It was open 37 days with minimal closing during December through February 13th. A total of 329 people utilized the warming house and ice rink this year. January had 207 people. No incidents were reported.

The Fire Department had nothing to report.

The City Engineer provided a written report to the Council. The Council liked the design for the water tower and requested that it be approved.

Motion by DeMars, seconded by Hitchcock to authorize payment #7 from Wapasha Construction, Co. Inc. for \$150,457.20. Motion carried.

Administrator Lodge explained the McDonald's engineering charge of \$650.00 to the council. Discussion about the ability of McDonald's to use the plans if they didn't use the city contractor. Lodge explained that plans were not drawn up. No council action.

City Attorney Rahrack discussed the Christ the King Church situation. The Church is checking with the Diocese as to who can actually sign the document. North Park was also discussed. Rahrack's contention was that it is County property.

Motion by Hitchcock, seconded by DeMars to pass Resolution #2011-07, accepting donation from the George Wilday Family. Motion carried.

Motion by DeMars, seconded by Grayson to pass Resolution #2011-09, accepting donation from Bubba's Bar. Motion carried.

There were no questions regarding the City Administrator's monthly report. Lodge informed council that he has contacted our state representatives regarding the sales tax election. Representative Fritz' office has gotten with Lodge. Senator Parry's office has not.

The Park Chalet was discussed. Lodge explained that FEMA would in all likely hood pay for the repair of the Chalet if it were repaired in the exact same place as it exists. The Minnesota DNR has sent a letter informing the City that the Chalet cannot be rebuilt in the exact same place as it currently exists. The DNR states that it must be moved. Mr. Kucera informed the Council that there are other grant programs that can be investigated to help pay for Chalet repair. However those are dependent upon both the FEMA and DNR processes and will take a long time. Kucera would be surprised if there was any construction on the Chalet before the fall. Lodge and Kucera inquired of the Council as to which direction they wanted to go. Discussion followed. Council consensus was to hold a joint Park Board and City Council meeting on April 5, 2011 to explain the issue to the public. Council consensus that Lodge and Kucera should investigate all avenues for federal and state programs to provide funding for the Chalet.

Kucera went over his public works report and the FEMA applications with the Council. There are three projects which have been submitted to FEMA for their review.

Lodge explained the analysis of the Council policy on unreserved funds. The general fund has been found by the State Auditor to be in severe deficit. Lodge presented a five year and seven year schedule of amounts that would need to be added to the existing tax levy. Motion by Grayson, seconded by DeMars to approve the Council policy on unreserved funds and to forward it to the State Auditor's office. Motion carried.

Motion by Hitchcock, seconded by Grayson to approve the draft report that Lodge presented. Motion carried.

In new business Councilmember DeMars talked about a parade to be held on June 17, 2001. DeMars is on the committee that is coordinating the parade.

Next Council meeting date is March 28, 2001 at 7:00 PM. Motion by DeMars, seconded by Grayson to adjourn. Motion carried.

Minutes approved at _____ meeting.

Submitted by _____ City Administrator.

Regular Council Meeting
March 28, 2011
7:00 p.m.
City Hall

Members present were Thomas, DeMars, Grayson, and Merritt.

Members absent were Hitchcock.

Others attending were Loren Lodge, Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Seth Peterson, Mark Rahrick, Butch Schultz, Vern Wheeler, Paul Wencl, Scott Hanson, Del and Julie Sprank.

Mayor Thomas called the meeting to order at 7:01 p.m.

Agenda: Addition under Administration Department, i, g. Resolution #2011-15: Vacation of the Gillis Property Drainage and Utility Easement.

Motion by DeMars, seconded by Grayson to approve the agenda as amended. Carried

Motion by DeMars, seconded by Grayson to approve the February minutes as presented. Carried

Motion by Grayson, seconded by DeMars to approve the March city and liquor store bills as presented. Carried

Motion by Merritt, seconded by DeMars to approve the February 2011 check register numbers 1398-11323 as presented. Carried

Concerns from the general public/requests from organizations.

Chief Deputy Sheriff, Scott Hanson introduced himself to the council. Mr. Hanson informed the council that a law enforcement representative will begin attending council meetings to answer questions and hear concerns. The council will also get an update of law enforcement activity each month.

Del and Julie Sprank gave a presentation to the council concerning a possible adult care facility in Medford. Mr. and Mrs. Sprank own Heritage House in Faribault and would like to expand to Medford. Steele County currently has a moratorium on the new construction of adult care facilities. Mr. and Mrs. Sprank are asking the council for a letter of support to be given to Steele County expressing the need for an adult care facility in Medford.

On behalf of the council, Mayor Thomas, expressed the interest of having an adult care facility in Medford. Mayor Thomas sees no problem with sending a letter of support to Steele County. The Mayor also informed Mr. and Mrs. Sprank to contact Pastor Rudloff, Trinity Lutheran Church, for more information on senior citizen programs in our community.

Planning and Zoning Board. Pat Merritt, Zoning Board Chairperson, presented the minutes from the March Planning and Zoning meeting. The Planning and Zoning Board gave a recommendation to the City Council to move the chalet at the Straight River Park so that it is out of the 100 year floodplain.

No action needed by the council.

EDA did not meet.

Park Board did not meet. City Administrator, Loren Lodge, presented information to the council concerning the Park Endowment Fund interest earned in 2010. The interest from the Park Endowment Fund can be used for park related expenses or can remain in the savings account to continue to collect interest.

Lodge recommended to the city council to transfer the \$244.66 to the general fund to be used for park related expenses.

Motion by Grayson, seconded by DeMars to transfer the \$244.66 worth of interest from the savings account to the general fund for park expenses. Carried.

Administrator Lodge reported that Marie Sexton would like to apply for another SHIP Grant to promote the Medford Pool. The grant would offset the cost of having a few free swim days. Council agreed to allow Sexton to apply for the grant.

City Engineer gave an update on the water project.

Pay request #8 from Wapasha Construction in the amount of \$85,040.20.

Motion by Grayson, seconded by DeMars to approve Pay Request #8 from Wapasha Construction for \$85,040.20. Carried.

Mayor Thomas informed the council on his meeting with Roger Borwege. Mr. Borwege is concerned with the pumping at the Wastewater Treatment Plant. Water is being pumped from the plant so that the buildings do not flood. The water is flowing to Mr. Borwege's property. Mr. Borwege does not want the water to be pumped towards his property. Rich Kucera and Seth Peterson have been working on a plan to keep the water from being pumped to Borwege's property. Mark Rahrlick will be working with Borwege's attorney on other possible solutions.

City Attorney. Mark Rahrlick presented an amendment to section 4.51 the recording and conveying ordinance. The Planning and Zoning Board will need to hold a public hearing to discuss the amendment to this section.

City Clerk

Motion by DeMars, seconded by Grayson to approve resolution 2011-10 accepting the \$5 donation from Bryce Butler for the Medford Park Endowment Fund. Carried.

Motion by Grayson, seconded by Merritt to approve resolution 2011-11 accepting the \$10 donation from Randy Hrdlichka for the Medford Park Endowment Fund. Carried.

Motion by DeMars, seconded by Grayson to approve resolution 2011-12 accepting the \$1,030 grant from SHIP for the purchase of bicycle racks for the Medford Park. Carried.

Motion by DeMars, seconded by Grayson to approve resolution 2011-14 authorizing the City of Medford to be a party to the Minnesota Water Agency Response Network (MnWARN). Carried.

Motion by Grayson, seconded by DeMars to approve the amendment to section 4.33 of the Medford City Code. Carried.

Motion by DeMars, seconded by Merritt to approve resolution 2011-13 approving the publication of an ordinance by title and summary section 4.33. Carried.

Motion by DeMars, seconded by Grayson to approve resolution 2011-15 approving the vacation of a drainage and utility easement on the Gillis property in the Scenic Heights Addition. Carried.

City Administrator

Loren Lodge presented an award to Rich Kucera and the public works staff from the Minnesota Pollution Control Agency recognizing their efforts to comply with the MPCA's permit program. The City of Medford is winner of 6 certificates of commendation since 1980.

Mayor Thomas and City Administrator Lodge went to the capitol to testify on the City's behalf for the need of a 1/2% sales tax. The bill is currently in the House and awaiting approval.

Rich Kucera will be giving a presentation on the chalet at the meeting being held on Tuesday, April 5, 2010.

Cell Phone Policy – The policy allows for public works staff to use their personal cell phones instead of city issued phones. Employees would be reimbursed \$10 per month to use their own phones.

Motion by Grayson, seconded by DeMars to adopt the personal cell phone policy. Carried.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera would like to move forward on the repairs and renovations needed to open Straight River Park. Kucera is recommending to the city council to use the funds from the budget under capital outlay for the fire hall repairs and truck and equipment repairs. If FEMA decides to reimburse for the park repairs, the money would replenish the outlay that was used.

Councilmember DeMars is concerned with making the repairs to the park too early in case of additional flooding. Kucera reassured the council that additional flooding will have no effect on the repairs he is intending to do.

Kucera is researching possibilities on keeping the electrical damage free in case we get a flood of that magnitude again.

Street sweeping bids – Kucera received two street sweeping bids and is asking for council direction on the company to attain for this year's street sweeping.

Wigham Services has done the street sweeping in the past. Wigham Services bid the sweeping at \$1,995.00. Wolff & Son's Yard Services is a local company and bid the sweeping at \$1,865 plus tax.

Motion by Grayson, seconded by DeMars to approve and hire Wolff & Son's Yard Services for the 2011 street sweeping at the bid quote of \$1,865 plus tax. Carried.

Councilmember Grayson asked Kucera about the main break and shutting down the entire city from the use of water. The valves used to control the water flow need to be exercised and some possibly need to be fixed. This is a large expense and should be budgeted for. In the future, when the water tower is emptied, the city may have to be on a boil order.

Old Business

Councilmember Merritt asked about the status of Jaguar Communications. Administrator Lodge has sent a draft franchise agreement for Jaguar Communications to review. Attorney Rahrick is reviewing the US Cable franchise agreement.

Next regular council meeting will be Monday, April 25, 2011 at 7:00 p.m.

Board of Appeal and Equalization meeting will be Wednesday, April 27, 2011 at 7:00 p.m.

Motion by Grayson, seconded by Merritt to adjourn at 8:40 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Joint Council Meeting with the Park Board
 April 5, 2011
 Medford City Hall
 7:00 PM

Council members present were Thomas, Merritt, and Grayson

Council members absent were DeMars and Hitchcock

Park Board members present were Theresa Sierakowski and Alicia Hermes

Park Board member absent was Sharon VanEsch

Others attending were Loren Lodge, Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Keith Maas, Christian Hanson, Art Hanson, Emma Kniefel, and Clara Kniefel.

Mayor Thomas called the meeting to order at 7:05 p.m.

The purpose of tonight's meeting is to discuss the Straight River Park repair and renovation costs and to get an update on where the City is at with FEMA funding and other options. Comments and questions from the community were encouraged.

Motion by Merritt, seconded by Grayson to approve the agenda as presented. Carried.

Rich Kucera presented a power point presentation on the damage to the park.

- a. Playground needs fabric and woodchips - \$6,800.00
- b. All the electrical needs to be replaced – All the panels, outlets and switches were under water - \$8,600.00
- c. Sand needs to be brought in for the volleyball court, sandbox, and horseshoe pits - \$1,177.90
- d. Tennis court and basketball court needs to be cleaned - \$2,060.00
- e. Chain link fence needs to be replaced - \$7,390.00
- f. Work needs to be done to the parking lot, pathways, picnic tables, softball infield – Cost to replace the 9 picnic tables that were lost - \$2,501.26
- g. Chalet repair cost - \$96,071.00

The focus was on two parts – the chalet by itself and then the rest of the park assets grouped together

Keith Maas shared his concern with the chalet. Mr. Maas does not want to see the chalet get torn down. He feels the building is already there and the city should just fix it. Administrator Lodge explained that the chalet had been inspected by Mike Nelson, Steele County Building Inspector. The finding was that the chalet was more than 51% damaged. The chalet would need to be completely cleaned out and repaired and brought into ADA compliance. The repair cost of \$96,071 is the estimate to do this. The Minnesota Department of Natural Resources has expressed their dismay with the city involving the chalet. The chalet was built in violation to the city's floodplain ordinance and against the recommendation of the DNR. The DNR will not give approval to fix the chalet were it currently stands. The DNR also recommended to FEMA to deny all funding requests submitted for the chalet. FEMA took the DNR recommendation and denied funding for the chalet. The only way to fund the repair/replacement of the chalet is through donations and/or tax payer dollars.

Mr. Maas suggested that the city go ahead and fix the chalet where it stands. He feels the DNR never responded to the chalet in the past and will not respond to it now.

Mayor Thomas stated he has not personally decided whether or not the city should challenge the DNR's stance on the chalet situation.

Marie Sexton was completely against the idea of not complying with the DNR. The DNR has helped the city on numerous occasions with grant funding. If the city challenges the DNR on the floodplain, it will hurt the community on all levels. Mrs. Sexton feels it is time to bring the chalet in compliance with both the city floodplain ordinance and the DNR. She feels it was built with volunteers and donations before and it can be done this way again.

Administrator Lodge explained that the DNR has put in writing that if the city violates the floodplain ordinance again, they will remove the city from the National Flood Insurance Program. If the city is not a member of the NFIP, no one in town will be able to get flood insurance. The DNR has been very clear with the city that the chalet was in direct violation of the codes and that the city will not be rewarded with state or federal funding to fix the problem.

Pat Merritt suggested to move the chalet and possibly ask the public how they feel about paying for the repair/rebuild with tax payer dollars.

Overall group consensus is to move the chalet out of the floodway and to try and raise donations and funds through volunteerism.

On the topic of the rest of the park assets, group consensus is to move forward and fix the park so that it can be opened up the spring.

Mr. Maas questioned the costs for the different aspects of the cost that Kucera presented. Lodge and Kucera explained that the costs presented were to repair each piece to the way that it was before. Those costs were submitted to FEMA. If the city is granted the funds from FEMA for these projects, the city must follow what was submitted. If the city decides to change something from what was originally submitted, FEMA could decide not to fund. Any changes would then have to be resubmitted and reapproved.

Art Hanson felt the electrical could wait, but the rest needed to be taken care of for the safety of the children.

Sierakowski and Hermes stated that they would like the park to be repaired and get it open to the public.

Sexton and Kniefel felt the electrical could not wait due to renting the pavilions and the need for lights and electricity.

Mayor Thomas advised the council that the purpose of this meeting was for the council to listen to the presentation and the comments from the public. A special meeting will be set up for the council to take action on the next steps. The special meeting will be held on Wednesday, April 13, 2011 at 7:00 PM.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
 April 13, 2011
 Medford City Hall
 7:00 PM

Council members present were Thomas, Merritt, DeMars, and Grayson

Council members absent were Hitchcock

Others attending were Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Keith Maas, Alicia Hermes, Theresa Sierakowski, Sharon VanEsch, and Ron Karow.

Mayor Thomas called the meeting to order at 7:00 p.m.

The purpose of tonight's meeting is to discuss and take action on the Straight River Park repairs and get an update on the chalet.

Motion by Grayson, seconded by Merritt to approve the agenda as presented. Carried.

The council needs to take action on whether or not the city will move forward with the park repairs before getting approval from FEMA on possible funding. The council will handle each park item separately:

- Picnic Tables – replacing 9 picnic tables - \$2,501.26

If the city alters in any way from what was submitted to FEMA on the project reports, the city will have to submit the changes and risk being denied funding for the changes.

Keith Maas asked about getting the tables out of the Straight River.

Ron Karow commented on the danger of leaving the tables in the river.

Councilmember DeMars asked if the tables were accessible for removal.

Kucera stated that some of the tables are accessible and will be removed when the river levels drop. Kucera has also spoken with Steele County Tactical Response for possibly removing these tables for training.

Motion by Grayson, seconded by DeMars to wait to build the picnic tables until we hear back from FEMA and to retrieve the picnic tables that are in the river as soon as they are accessible. Carried.

- Chain Link Fence \$7,390.00

Councilmember Grayson asked about replacing the fence along the right side of the ball diamond.

Consensus was that the ball diamond does not get used very often. Discussion on the option of not replacing the fence and if funding gets approved by FEMA, the option of using the funds for another park project. Kucera stated we would have to apply for an alternate project.

Motion by Grayson, seconded by Merritt to wait to replace the chain link fence until FEMA funds are approved or to use the funds for an alternate project. Carried.

- Sand in the sandbox and volleyball courts - \$1,177.90

Kucera explained that a certain sand type was submitted to FEMA that would restore the sand back to the way it was originally done. This is special sand that comes from Mankato.

Mayor Thomas spoke with representatives from Owatonna and Faribault that told him they get the washed mason sand from the Medford block plant. Keith Maas stated that the sand is the same.

Motion by DeMars, seconded by Thomas to get the washed mason sand from the Medford block plant. Carried.

- Cleaning of the tennis court and basketball court - \$2,060.00

This quote includes hiring a professional to come in and clean the tennis courts. City staff could clean the tennis courts with a power washer and a fire truck, but this could destroy the new surface and paint.

Motion by DeMars, seconded by Merritt to wait to professionally clean the tennis courts until FEMA funds are approved. Carried.

- Playground woodchips and fiber - \$6,825.00

Pat Merritt feels that getting the playground equipment safe is very important. Council discussed the option of using city staff to do all the labor of installing the fiber and woodchips. Marie Sexton stated that this is a massive project and should be done by the professionals. Kucera explained to the council that city staff is virtually booked until the second week of May.

Councilmember Merritt felt the other projects could wait and city staff should do the work in order to save the city money in case FEMA funds are not approved.

Councilmember Grayson was concerned with the amount of time it will take city staff to complete this project. Kids are using the park everyday and we need to make it safe for them as soon as possible.

If city staff does the work, Kucera will need to submit a change request to FEMA because this varies from the original plan that was submitted.

Motion by Merritt, seconded by DeMars to have city staff do the work and finish the playground project by May 11, 2011. Yes: Merritt, DeMars, Thomas No: Grayson Motion Carried.

- Repair all the electrical - \$8,600.00

Electrical work has to be done by a licensed electrician. Kucera will send out a request for proposal for the electrical work. Kucera will send the RFP to R & K Electric, Cole's Electric, Cedar Lake Electrical, Dynamic Electric, and McMartin Electric.

The city will not be raising the electrical panels.

Motion by Thomas, seconded by Grayson to allow Kucera to let out for bids with a closing date of April 20, 2011 with a work completion date of May 11, 2011, making sure there is a \$100 fine per day if the project is not completed by May 11, 2011. Carried.

- Chalet

Mayor Thomas has done some research and found that the city will not be given state or federal funding for the project. There is a possibility of being removed from the National Flood Insurance Program. There could be possibilities of raising the chalet. A meeting has been set up with our DNR representatives to give city staff flood ordinance training. The meeting will be held on Tuesday, April 19, 2011 at 10:00 AM.

The county is in the process of updating all the floodplain maps in the county. The maps should be ready by this Friday.

Ron Karow asked if the DNR can tell the city to tear down the chalet.

Mayor Thomas answered that the DNR will not make the city tear the chalet down, but they will request that FEMA remove the City of Medford from the National Flood Insurance Program.

Ron Karow does not feel that there is more than 50% damage to the chalet.

Councilmember Grayson stated that the city still needs to have a plan for how to pay for the chalet, whether we repair or rebuild.

Motion by DeMars, seconded by Grayson to adjourn the special meeting at 8:05 PM.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 April 25, 2011
 7:00 p.m.
 City Hall

Members present were Thomas, DeMars, Grayson, Merritt, and Hitchcock.

Members absent: None.

Others attending were Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Seth Peterson, Mark Rahrack, Bill Goldy, Todd Kavitz, Tracy Linse, Debra Tenold, Ally Linse, Krystal Hanson, Natalya Decordova, Kori Dodge, Lexi Mechura, Alison Ryan, Kristina Niner, John Vick, and Lon Thiele

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: Under Park Board add #3 SHIP Grant, #4 Sand at the Park, under Public Works Department ii. FEMA update, under New Business v. Employee Injury at Muni

Motion by DeMars, seconded by Grayson to approve the agenda as amended. Carried

Motion by DeMars, seconded by Grayson to approve the March regular meeting minutes and the April 5 and 13 special meeting minutes as presented. Carried

Motion by DeMars, seconded by Grayson to approve the March and April city and liquor store bills as presented. Carried

Motion by Hitchcock, seconded by DeMars to approve the March 2011 check register numbers E1415-1442, 4389-5351, 11324-11353, and 38804-38982 as presented. Carried

Concerns from the general public/requests from organizations.

Sheriff, Lon Thiele, introduced himself to the council. Council asked Sheriff Thiele about a signed 2011 law enforcement agreement between Steele County and Medford. Sheriff Thiele will check into this and get the city a signed copy of the agreement.

Update on the Adult Care Facility in Medford – Mayor Thomas spoke with the Steele County Administrator, Riaz Aziz. Mr. Aziz would like to speak with Julie Spronk and Paul Wencil.

Deb Tenold – Girl Scout Day Camp – Ms. Tenold would like to hold the Girl Scout day camp at the Straight River Park on the ball field. Ms. Tenold is asking the council to waive the park rental fee for the group.

Motion by DeMars, seconded by Grayson to waive the park rental fee for the Girl Scout day camp. Carried.

Civic Club – Parade Permit – John Vick requested approval for the annual City of Medford parade and for the council to waive the parade permit fee of \$25.

Motion by Grayson, seconded by Hitchcock to approve the parade permit and waive the \$25 parade permit fee. Yes: Grayson, Hitchcock, Merritt, Thomas Abstain: DeMars Carried.

Planning and Zoning Board. Pat Merritt, Zoning Board Chairperson, presented the minutes from the April Planning and Zoning meeting. The Zoning Board held a public hearing on the amendment of city code ordinance section 4.51 recording and conveying real property. The Planning and Zoning Board gave a recommendation to the City Council to approve the amendment of section 4.51 as presented.

Motion by Merritt, seconded by Grayson to approve the amendment to section 4.51 recording and conveying real property. Carried.

Merritt, Zoning Board Chair, asked about the 30 minute meeting minimum requirement. He explained that not all meetings require 30 minutes. If there is nothing for the board to discuss, the meeting will be cancelled. Kniefel will put the cancelled meeting notice in the paper and on the window at City Hall.

Councilmember DeMars felt that all boards should stay for a meeting at least 15 minutes in order for the meeting to be counted as a meeting and therefore get compensated for attending.

Motion by DeMars, seconded by Hitchcock to reduce the minimum time requirement down to 15 minutes in order for the meeting to count as a meeting and get compensated for attending. Carried.

EDA – Brenda DeMars presented the minutes from the EDA meeting. Dennis Burgess is requesting an EDA loan to remodel office space in the building on Main Street. Mr. Burgess already has an EDA loan with the city and this would get added to that loan. The application will be reviewed at the next EDA meeting on Wednesday, May 18, 2011.

Park Board – Mayor Thomas would like the council to appoint Heather Grambart to the Park Board.

Motion by Thomas, seconded by Merritt to appoint Heather Grambart to the Park Board. Carried.

SHIP Grant – Marie Sexton – presented a letter from Steele County stating that the city has been approved for a SHIP Grant to cover a free swim day at the Medford Pool. The SHIP logo will need to be used when advertising for this event.

Motion by Grayson, seconded by DeMars to accept the SHIP Grant for the free swim day at the Medford Pool. Carried.

Councilmember Merritt asked the council and Rich Kucera about the sand at the park. He felt there was enough sand in the volleyball court and asked if the public works staff could just rake the sand.

Motion by Merritt, seconded by Grayson to hold off on installing any new sand until the city gets a response from FEMA. Carried.

City Engineer gave an update on the water project.

Pay request #9 from Wapasha Construction in the amount of \$167,586.16.

Motion by Grayson, seconded by DeMars to approve Pay Request #9 from Wapasha Construction for \$167,586.16. Carried.

Pay request #4 from General Construction in the amount of \$32,300.00

Motion by Hitchcock, seconded by Grayson to approve Pay Request #4 from General Construction for \$32,300.00 Carried.

City Attorney. Mark Rahrlick, presented information regarding an agreement between the City of Medford and Roger Borwege. This agreement would pertain to emergencies and would allow the city to discharge water across Borwege's property. Rahrlick will draft the agreement and present at the May council meeting.

Christ the King Church – Rahrlick presented a proposed agreement between the City of Medford and Christ the King Church. The diocese would rather have a parking lot use agreement than grant the city an easement. Council wants verbiage that agrees to having access to the parking lot a certain percentage of everyday. The length of the agreement needs to be changed from 20 years to 99 years. The church would like a certificate of liability insurance listing them as additionally insured. Rahrlick will report back to the diocese on these amendments.

City Clerk

Motion by DeMars, seconded by Hitchcock to approve resolution 2011-16 certifying unpaid water bills to Steele County payable on 2012 taxes. Carried.

Reliance Bank CD – The City of Medford has a CD with Reliance Bank in the amount of \$126,742.29. Mayor Thomas is requesting of the council to withdraw this CD early due to lack of cooperation between the city clerk, the mayor and Reliance Bank staff. The early withdraw fee is about \$350. Mayor Thomas would like to bring the money back to the Medford bank.

Motion by DeMars, seconded by Grayson to cash in the CD at Reliance Bank and deposit the funds in the city's checking or savings account until research is done on different banks and CD rates to be presented at May's regular meeting. Carried.

City Administrator Resignation

Motion by DeMars, seconded by Merritt to accept Loren Lodge's resignation as city administrator for the City of Medford. Carried.

Motion by Thomas, seconded by DeMars to hire Bill Goldy from I & S Group in the interim to focus on financials, budgeting, research, etc. for up to 8 hours per week at \$65 per hour. Carried.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera presented that the lease on the John Deere Loader is up this year. The city could put the current loader up for sale. If the loader does not sell, we could trade it in. Kucera recommends to the council to approve the order and lease of a 2011 John Deere 544K for \$150,778.00. Leasing a new loader saves the city \$18,815.00 this year. The lease payments starting next year, for the next 5 years would be \$13,287.00.

Council asked about buying the loader. Kucera and Goldy will look into loan rates and present at the next council meeting.

FEMA – The city received a letter stating the approval of \$47,304.62 for the emergency response and the debris removal projects Kucera submitted.

Cole's Electric won the bid for the electrical work at the park.

Kucera is working on a new ordinance pertaining to fats, oils, and grease.

New Business

Motion by DeMars, seconded by Grayson to approve resolution 2011-15 accepting the \$20 donation from Reliance Bank for the Medford Park Endowment Fund. Carried.

Medford Senior High Students – Town Clean-up Day – The council is in favor of the clean-up day and is willing to offer garbage bags and the disposal of the garbage collected on that day. Mayor Thomas would like all the grades involved to coordinate to do the clean-up day on the same day.

City Staffing – Mayor Thomas proposed gathering bids for the city administrator position and engineering services.

The administrator bids would include eight hours of service per week proposed as one yearly rate. The main duties would include attending council meetings and working with the EDA.

The engineering bids would include eight hours of service per week proposed as one yearly rate with special projects being negotiated project by project at an hourly rate.

Additional staffing ideas were:

- Code Enforcement being handled by an independent contractor
- Kniefel to work with the zoning board
- Kucera to work with the park board
- Dennis Clark to be moved to full-time and pick-up additional responsibilities
- Kucera to handle some administrative duties
- City council to handle all personnel issues
- Mayor to meet with all department heads on a regular basis

Proposals are to be in the council packets in sealed envelopes.

Additional city council concerns. An employee fell on the ice at the Muni while on duty.

Next regular council meeting will be Monday, May 23, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 9:05 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
Board of Appeal and Equalization
April 27, 2011
7:00 p.m.
City Hall

Mayor Thomas called the meeting to order at 7:00 p.m. Members present were Thomas, DeMars, Merritt, Hitchcock and Grayson.

Others attending were Amber Kniefel, Steve Halverson, Greg Nelson, and Bill Effertz.

The purpose of this meeting is to allow property owners the opportunity to review the market values for tax purposes as set by the Steele County Assessor's office.

Steve Halverson gave an overview which compared Medford's tax base and taxable market values to other communities in Steele County.

John Prondzinski, parcel #16-101-1808, contacted the county assessor with concerns with his property valuation. Mr. Prondzinski asked that the valuation be increased from \$129,900 to \$133,400.

Motion by Grayson, seconded by DeMars to accept the assessor's recommendation of increasing the valuation for parcel #16-101-1808. Carried

1st State Bank of Red Wing, parcel #16-101-0213, contacted the county assessor and asked for the valuation to be decreased from \$167,400 to \$160,100.

Council questioned the reasoning behind the recommended decrease. The assessors explained the overall decrease, number of commercial sales, and condition of the building all factored into the decision.

Motion by Grayson, seconded by Thomas to leave the valuation as originally noticed and defer back to the county. Carried.

Jon Possehl, parcel # 16-111-0207, contacted the county assessor with concerns with his property valuation. Mr. Possehl would requested to have the property reviewed and possibly have the valuation decreased. The assessor's presented a decrease in valuation from \$241,900 to \$224,500.

Council questioned the reasoning behind the recommended decrease. The assessors explained the overall decrease and the number of residential sales in the area all factored into the decision.

Motion by Grayson not to accept the recommendation from the assessor's office and leave the valuation as originally noticed. Motion dies for lack of second.

Motion by Merritt to defer this property valuation back to the county. Motion dies for lack of second.

Motion by DeMars, seconded by Hitchcock to reduce the valuation by \$5,000 to a valuation of \$236,900. Carried.

County Board meeting is June 16, 2011 at 4:00 p.m.

Motion by DeMars, seconded by Merritt to adjourn the board of appeal and equalization at 7:35 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
May 23, 2011
7:00 p.m.
City Hall

Members present were Thomas, DeMars, Grayson, Merritt, and Hitchcock.

Members absent: None.

Others attending were Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Seth Peterson, Bill Goldy, Todd Kavitz, Brent Kavitz, Lon Thiele, Pat McCauley, Andy Brandel, Gene Luedtke, Kris Stinocher, Malonna Krogh, Michael Collins, Tom Olinger, Vern Wheeler, Dennis Clark, Mike Nelson, Riaz Aziz, Brian Johnson, Becca Rodenborg, Rick Hager, John Anhorn, and Butch Schultz.

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: No changes.

Motion by DeMars, seconded by Grayson to approve the agenda as presented. Carried

Motion by DeMars, seconded by Grayson to approve the April 25 and 27 meeting minutes as presented. Carried

Motion by DeMars, seconded by Merritt to approve the April and May city and liquor store bills as presented. Carried

Motion by Grayson, seconded by DeMars to approve the April 2011 check register numbers E1443-1459, 11354-11386, and 38983-39064 as presented. Carried

Concerns from the general public/requests from organizations.
None.

Abdo, Eick & Meyers – Tom Olinger presented the 2010 annual city audit. Mr. Olinger summarized the audit and explained to the council that the general fund deficit is at (\$253,520). The State Auditor's office recommends having at least a positive \$200,000 in the general fund. Mr. Olinger offered to the city to have Abdo, Eick & Meyers develop a five year cash flow chart that will guide the council to correct the general fund deficit. Mayor Thomas asked Mr. Olinger to put together a proposal that will show the expense to the city to develop the cash flow chart.

Planning and Zoning Board. No meeting this month.

EDA – Brenda DeMars presented the minutes from the EDA meeting. Dennis Burgess is requesting an EDA loan to remodel office space in the building on Main Street. Mr. Burgess already has an EDA loan with the city and this would get added to that loan. Mr. Burgess is requesting a \$13,000 loan at 2.5% interest.

EDA recommendation to the council is to approve Dennis Burgess's loan request.

Motion by DeMars, seconded by Grayson to approve the loan request of \$13,000 at 2.5% interest for 3 years secured by a second mortgage. Carried.

Park Board – No meeting this month.

Riaz Aziz, Steele County Administrator, gave the council an update on the 800 MHz Radio System agreement. This is an agreement with Steele County to have access to the system. The system is called Allied Radio Matrix for Emergency Response (ARMER). It is a communication system designed to provide outdoor portable radio coverage throughout the State of Minnesota.

Mayor Thomas would like city attorney, Mark Rahrck, review the agreement before the city signs it.

Motion by DeMars, seconded by Grayson to allow the Mayor and clerk to sign the agreement after the attorney reviews it. Carried.

City Engineer gave an update on the water project.

Pay request #10 from Wapasha Construction in the amount of \$20,987.44.

Motion by Grayson, seconded by DeMars to approve Pay Request #10 from Wapasha Construction for \$20,987.44. Carried.

Pay request #5 from General Construction in the amount of \$34,200.00.

Motion by Hitchcock, seconded by Merritt to approve Pay Request #5 from General Construction for \$34,200.00. Carried.

Steele County Building Inspector – Mike Nelson – Updated the council on the progress made on rental housing inspections. The most problematic regulation has been with the bedroom egress windows.

Pat McCauley is the owner of one of the houses that is used for rental housing. Mr. McCauley is asking for council direction on the regulations for bedroom egress windows. Mr. McCauley would like the city to follow the way the City of Owatonna regulates windows.

Mike Nelson checked with the Owatonna Fire Department and would like to continue the inspections using the information from them as a guide.

Mayor Thomas stated that the ordinance needs to be followed. He requested that Mike Nelson and Pat McCauley work together to come to an agreeable solution. Both parties said they would work together.

City Clerk – Amber Kniefel – researched different banks and CD rates for investing \$125,000 for one year. The highest CD rate was offered from First State Bank of Red Wing at 1.30%.

Councilmember Grayson suggested putting the \$125,000 in a savings account at United Prairie Bank at 1.18%.

Councilmember DeMars stated that the money should stay in a CD.

Motion by Hitchcock, seconded by DeMars to allow Kniefel to invest the \$125,000 in a CD at First State Bank of Red Wing for one year. Carried.

Motion by Grayson, seconded by DeMars to approve resolution 2011-20 certifying unpaid water bills to Steele County payable on 2012 taxes. Carried.

City Administrator

Bill Goldy informed the council that he would be attending the PFA audit on Thursday, May 26, 2011 at 2:00 p.m.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera reported that the Straight River Park is now open. FEMA approved the park repair projects in the amount of \$38,168.36.

Bolton and Menk quoted the city to perform a flood study to be able to leave the chalet in its current location. The study would cost approximately \$5,700.00. A flood study would be required in order to have a building in the floodplain.

Motion by Thomas, seconded by Hitchcock to remove the chalet from its current location. Carried.

Mayor Thomas asked that the zoning board and city staff discuss ways of removing the chalet.

Steele County Recycling Center – Kucera would like to contact Mary Overlee-Olson to discuss building an enclosed area in the parking lot once the project is complete. Possibly having larger dumpsters instead of the small cans that are currently being used. Council is in favor of Kucera calling Ms. Overlee-Olson.

Kucera is working with Anita Benson on an agreement for North Park for snow storage and maintenance.

Vern Wheeler and Dennis Clark are now Certified Pool Operators.

Kucera presented that the lease on the John Deere Loader is up this year. The city could put the current loader up for sale. If the loader does not sell, we could trade it in. Kucera presented a memo that researched the option of purchasing the loader with different terms. Kucera recommends to the council to approve the order and lease of a 2011 John Deere 544K for \$150,778.00. Leasing a new loader saves the city \$18,815.00 this year. The lease payments starting next year, for the next 5 years would be \$13,287.00.

Councilmember Grayson asked questions regarding purchasing a used loader.

Councilmember Merritt asked about renting a loader for just certain months of the year.

Kucera felt the best option for the city would be to continue leasing. Mayor Thomas agreed.

Motion by Grayson, seconded by Hitchcock to allow Kucera to put the loader up for sealed bids with a minimum purchase price of \$96,000 and to approve the order and lease of the 2011 John Deere 544K for \$150,778.00 with the stipulation that Kucera call one more leasing company to verify that we are getting the best deal. No: Merritt Yes: Grayson, Hitchcock, Thomas, DeMars Carried.

Wastewater Treatment Plant – Biosolids handling and treatment. The capacity for biosolids is 220,000 gallons. The city hauled and applied 290,500. Kucera would like Bolton & Menk to do a study on how to fix this issue. Bolton & Menk quoted the study would cost \$3,500.00.

Motion by Grayson, seconded by DeMars to allow Bolton & Menk to the wastewater treatment plant study for \$3,500.00. Carried.

New Business

Motion by DeMars, seconded by Grayson to approve resolution 2011-17 accepting the SHIP Grant of \$400 for the free swim day at the Medford Pool. Carried

Motion by DeMars, seconded by Merritt to approve resolution 2011-18 accepting the \$250 donation from First State Bank of Red Wing, Medford for the Medford Park Endowment Fund. Carried.

Motion by DeMars, seconded by Grayson to approve resolution 2011-19 accepting the \$20 donation from Pat and Kay Merritt for the Medford Park Endowment Fund. Carried.

Proposals for City Administrative Services – Pete Connor presented a quote to be hired as the city's administrative consultant. Mr. Connor would charge \$40 per hour for regular city administrative duties for 8 hours of work a week. Regular administrative duties beyond the set 8 hours would also be charged \$40 per hour. The charge for project work, such as code enforcement, will be \$30 per hour. Mr. Connor will be an independent contractor. Mark Rahrlick will need to draft the contract to be agreed upon by both parties.

Motion by Thomas, seconded by DeMars to allow Mark Rahrlick to draft a contract for Pete Connor to be contracted for administrative services at \$40 per hour for regular duties and \$30 for special projects. Carried.

Proposals for City Engineering Services – The city had four proposals given to the council for engineering services.

I & S Group – Andy Brandel and Bill Goldy – Mr. Brandel spoke on behalf of I & S Group. I & S Group is an engineering and architectural firm in which all services are located in house. All the general engineering services would be billed at \$55 per hour.

Bolton & Menk – Seth Peterson – Mr. Peterson is the current city engineer. Bolton & Menk specializes in water, wastewater, and storm water. Bolton & Menk presented that they would develop for the city, a capital improvement plan free of charge. General engineering services would be billed at \$60 per hour.

Jones, Haugh, and Smith – Brian Johnson spoke on behalf of Jones, Haugh, and Smith. This is a local company that does engineering work around Owatonna, Albert Lea, and Austin. General engineering services would be billed at \$60 per hour.

Civil Enterprises – Todd Kavitz and Brent Kavitz – Todd Kavitz spoke to the council. Mr. Kavitz presented that Civil Enterprises would be able to keep costs and over head to the city down by having limited staff. Civil Enterprises would consult with other firms to be able to execute projects. General engineering services would be bill at \$1,000.00 per month including one council meeting a month and 8 hours of general engineering per week.

Mayor Thomas asked Mr. Kavitz about him being a current developer and owning land within the city and how being city engineer would be affected.

Mr. Kavitz responded that he was not aware of any conflicts this would cause. Any future development projects would need to be addressed at that time.

Council discussion.

Councilmember Hitchcock has been impressed with Bolton & Menk.

Councilmember DeMars agrees.

Councilmember Grayson would like to see I & S Group be hired on as the city engineer with the benefit of still having Bill Goldy to ask questions to.

Public Works Director – Rich Kucera – stated that the city needs an engineering firm that specializes in water, wastewater, and storm water.

Motion by Thomas, seconded by DeMars to continue with Bolton & Menk as our city engineers and stay with the current contract through 2011. Carried.

Public Works Staffing – Rich Kucera presented an extensive list of all the public works duties.

Mayor Thomas stated that he and the council need to start listening and relying on city staff more. Mayor Thomas would like to move Dennis Clark to full-time. The city needs to do more with less and do it with the staff we already have.

Councilmember Grayson agrees.

Vern Wheeler, full-time public works worker, stated that it takes time to learn all the public works duties, and especially now with the new water treatment plant coming on line they will be very busy.

Motion by Hitchcock, seconded by Grayson to move Dennis Clark to full time status range 9, step 2. Carried.

Sales Tax Update – Mayor Thomas would like to thank John Anhorn for going to the capital to testify on behalf of the city for the ½ percent sales tax. Patti Fritz and Mike Perry spoke on behalf of the city as well. Mayor Thomas reported that everything went very well that day.

Council Member Resignation – Greg Hitchcock submitted a letter of resignation from the Medford city council. The resignation will be effective July 1, 2011.

Mayor Thomas would like to put this open seat up for application. The council can appoint to fill the seat until the next general election in which a special election will need to be held. Kniefel will get this in the CAST.

Chad Merritt agreed to replace Hitchcock as council representative on the EDA board.

Motion by Thomas, seconded by Grayson to accept Greg Hitchcock's resignation from the Medford city council. Carried.

Additional city council concerns. Rich Kucera asked about starting the rest of the park projects. The park projects submitted to FEMA have been approved. Kucera would like approval to add sugar sand to the volleyball courts since this is one of the approved projects.

Motion by Grayson, seconded by Merritt to allow Kucera to add sugar sand to the volleyball courts. Carried.

Kniefel will get information to the CAST about the chalet.

Next regular council meeting will be Monday, June 27, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Merritt to adjourn at 9:52 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
June 27, 2011
7:00 p.m.
City Hall

Members present were Thomas, DeMars, Grayson, and Merritt.

Members absent: Hitchcock

Others attending were Pete Connor, Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Seth Peterson, Mark Rahrlick, Lon Thiele, Becca Rodenburg, and Theresa Sierakowski.

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: Under city engineer add Jones' concerns with water main project.

Motion by Merritt, seconded by DeMars to approve the agenda as amended. Carried

Motion by DeMars, seconded by Merritt to approve the May 23, 2011 meeting minutes as presented. Carried

City and Liquor Store Bills – Councilmember Merritt asked Kucera about the jetter truck storage bill and the bill for the new computer at the water treatment facility.

Motion by DeMars, seconded by Grayson to approve the May and June city and liquor store bills as presented. Carried

Motion by DeMars, seconded by Grayson to approve the May 2011 check register numbers E1460-1477, 11387-11414, and 39065-39138 as presented. Carried

Concerns from the general public/requests from organizations.

None.

Steele County Law Enforcement – Sheriff Thiele informed the council that there will be extra patrol around Medford due to an increase of reported nuisances.

Planning and Zoning Board. Pat Merritt presented the minutes from the June Planning and Zoning Board meeting. Zoning Board will be holding a public hearing in July for the amendment to the city code pertaining to variances. Merritt asked the city attorney for research on storage containers. Rahrlick responded that storage containers would more than likely follow under the code for storage sheds, but he would look into it further and get back to us.

Park Board – Theresa Sierakowski presented the minutes from the June Park Board meeting. The Park Board recommends to the City Council to allow Pat Merritt and the Boy Scouts to clean up the sign area at Frank Woodfill Wildlife Refuge.

Motion by DeMars, seconded by Grayson to allow Pat Merritt and the Boy Scouts to clean up the sign area at Frank Woodfill Wildlife Refuge. Carried.

EDA – No meeting.

City Engineer – Seth Peterson gave an update on the water project.

Pay request #11 from Wapasha Construction in the amount of \$89,388.83.

Motion by Grayson, seconded by DeMars to approve Pay Request #11 from Wapasha Construction for \$89,388.83. Carried.

Pay request #6 from General Construction in the amount of \$33,535.00.

Motion by DeMars, seconded by Grayson to approve Pay Request #6 from General Construction for \$33,535.00. Carried.

Councilmember Grayson would like the city to host an open house event on Tuesday, August 2, 2011. This is the annual "Night to Unite". Grayson felt that could be the night to give tours and answer questions involving the city facilities. Peterson volunteered on behalf of Bolton & Menk to donate funds for food. All city staff and board members could be here, as well as Peterson to help answer questions. Grayson will begin organizing the event.

Councilmember DeMars presented a concern on behalf of the Jones family about the water main project. The City has a 30 foot easement across the Jones' property. Jones would like to meet with the city engineer and go over specific concerns. Peterson said he would meet with Jones.

City Attorney – Mark Rahrck informed the council that the Burgess loan has been completed.

Rahrck is waiting for the final agreement from the Christ the King Church.

Borwege Easement Agreement at the wastewater treatment plant. Borwege met with Mayor Thomas and would like to go over the proposed agreement that Rahrck drafted. Borwege would like to do this without involving his own attorney.

City Clerk – Amber Kniefel – City Hall Hours and Staffing. The city hall will be closed when Kniefel and Connor are not in the office. Kniefel will post the hours that city hall will be closed as far in advance as possible.

First State Bank Signature Cards – Mayor Thomas, Councilmember DeMars and Kniefel need to sign the paperwork at the bank.

City Administrator – Pete Connor addressed the council concerning the agreement for services. Connor will begin focusing on the budget, financials, and the bonds. Connor will get to code enforcing, but stresses to the council that there are very important matters to begin working on.

Mayor Thomas would like to get approval from the council to be able to approve additional hours for Connor as needed. Councilmember Grayson would like to review the budget every month.

Motion by Grayson, seconded by DeMars to approve the city administrative services agreement. Carried

Motion by Grayson, seconded by DeMars to allow the Mayor to approve up to 8 hours of additional time as needed for Connor per week. Carried.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera informed the council about new requirements for the pool that have to be implemented. The city will have to install a handicap lift chair. Kucera will look at this for the budget for 2012.

The fats, oils, and grease ordinance was presented. Councilmember Merritt asked how the proposed ordinance pertains to McDonald's. Rahrck and Kucera stated that McDonald's would be reviewed and would possibly have to come into compliance with the new code.

Motion by Thomas, seconded by DeMars to approve Ordinance 2011-3 an ordinance regulating fats, oils, and grease into the city system. Carried.

Motion by Grayson, seconded by DeMars to approve resolution 2011-22 allowing the city to publish this ordinance by title and summary. Carried.

Kucera will attend the next Park Board meeting to discuss the park and pool with the board.

Street Maintenance – Mayor Thomas and Councilmember Merritt would like to look at the roads Kucera is proposing to do maintenance on before the work is started.

City Green Space – The city owns green space in the Jones addition. Kucera uses this area for brush, street sweeping accumulation, etc. Kucera would like to build a fence to screen the area from public view. This would help with staffing hours trying to keep the area maintained at all times.

Council consensus is that the fence is not needed at this time. City staff needs to continue maintaining the area to keep it free of grass and weed growth.

New Business

Connor attended a local option sales tax meeting that was held with the Department of Revenue. Connor felt the commissioner sounded very supportive.

Chalet Removal – Originally, it was understood that parts of the chalet would be given away to people that requested them. Kucera drafted a material request form and the information went to the CAST that way. The council would like to have someone take the entire building, not give away pieces of the chalet. Kucera and Kniefel will continue taking the requests and present the information at the July meeting.

Applications for the open council seat. Kniefel sent this information to the CAST. City Hall will continue collecting the applications until the July packets go out. The appointment will be made at the July meeting.

Motion by Grayson, seconded by DeMars to approve resolution 2011-21 accepting the donations from United Snack Group, Wal-Mart, Gopher Sport and Culver's for the free swim day at the Medford Pool. Carried

League of MN Cities Insurance Renewal – Councilmember Grayson would like to research the city's insurance. Council would like to have Dave Rubey attend a council meeting to go over the city policy.

Motion by Thomas, seconded by DeMars to accept the liability coverage waiver form and the city does not waive the monetary limits on municipal tort liability established by MN Statute 466.04. Carried.

Five Year Financial Plan – Abdo, Eick & Meyer proposed to create a five year financial plan to assist the city in correcting the general fund deficit.

Council decided not to accept the proposed plan in hopes that Connor will be able to assist the city with the deficit.

The Medford Diamond Association would like to do work on the ball fields at Straight River Park for their little league teams. The Park Board will discuss this at their next meeting.

Kniefel will look into a towing contract to assist with code enforcement.

Additional city council concerns.

Council would like to give a huge thank you to the volunteers who coordinated the Medford Parade this year!

Patti Fritz will be in attendance at the July meeting for a presentation to the Medford Fire Department volunteers who helped with the flood of 2010.

Next regular council meeting will be Monday, July 25, 2011 at 7:00 p.m.

Motion by Grayson, seconded by Merritt to adjourn at 9:17 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
July 18, 2011
Medford City Hall
7:00 PM

Council members present were Merritt, DeMars, and Grayson

Council members absent were Thomas.

Others attending were Pete Connor, Amber Kniefel, Rich Kucera, Bill Goldy, and Tom Olinger.

Acting Mayor DeMars called the meeting to order at 7:01 p.m.

Motion by Grayson, seconded by Merritt to approve the agenda as presented. Carried.

City Financial Plan – Tom Olinger of Abdo, Eick & Meyers – presented a sample of what a five year financial plan would look like. Mr. Olinger spoke to the council of the importance of a long range plan and the City getting on track to fixing deficits. Abdo, Eick, & Meyers would develop a specific plan for the City of Medford addressing every financial need and giving direction for five years out. City Administrator Connor illustrated to the council to have vision beyond 2012, further into the future. The city needs to take a serious look at planning ahead. The five year financial plan with definitely help the city plan for the future.

Motion by Grayson, seconded by DeMars to approve Abdo, Eick, & Meyers to develop a five year financial plan for the City of Medford for the amount of \$5,000.00 payable in two installments, \$2,500.00 in 2011 and \$2,500.00 in 2012. Carried.

Proposed 2012 Preliminary City Budget – Bill Goldy presented a memo explaining key points of the proposed 2012 preliminary budget. The approved preliminary budget is due to the county by September 15, 2011.

The council will need to study the proposed budget and the options laid out by Goldy and Connor. Three levy increase options were presented; a 7.5%, a 10%, and a 12.5%. The budget also includes significant increases to the water and sewer bills. In order to cash flow the debt service payments on the wastewater facility PFA loan and the water treatment facility PFA loan, the flat rates will need to be increased. Projected water flat rate is \$26.00 and projected sewer flat rate is \$16.75.

No action was taken on the budget at this time. The budget will continue to be discussed over the next couple council meetings until it needs to be submitted to the county.

Motion by Merritt, seconded by Grayson to adjourn at 8:45 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 July 25, 2011
 7:00 p.m.
 City Hall

Members present were Thomas, DeMars, Grayson, and Merritt.

Members absent: None

Others attending were Pete Connor, Amber Kniefel, Rich Kucera, Marie Sexton, Pat Merritt, Seth Peterson, Mark Rahrlick, Lon Thiele, Becca Rodenburg, Theresa Sierakowski, Dave Rubey, Joan Pirkl, Martha Arnold, Dennis Morgan, Jon Chappuis, Tim Amberg, John Anhorn, Trevor Davis, Curt Edel, Eric Finholdt, Nick Goodnature, Brad Hager, Rick Hager, Matt Mullenbach, Todd Peterson, Tony Renchin, Dan Simon, Mike Smith, Shane Yule.

Mayor Thomas called the meeting to order at 7:01 p.m.

Agenda: Under X. B. instead of the EDA add Dave Rubey, under X. C. add karaoke request at Straight River Park, under XI. A Fire Department add Fire Truck Usage for turkey barns, under Vii. After Christ the King Agreements add Christ the King bingo permit request, under XI. E Public Works Department add jetter truck.

Motion by DeMars, seconded by Merritt to approve the agenda as amended. Carried

Motion by DeMars, seconded by Grayson to approve the June 20, 2011 regular meeting minutes and the July 18, 2011 special meeting minutes as presented. Carried

City and Liquor Store Bills – Mayor Thomas asked Kucera about the reimbursement request submitted by Kucera for \$200 for truck rental. Kucera gave specific reasons for the use of the truck.

Motion by Merritt, seconded by DeMars to approve the June and July city and liquor store bills as presented. Carried

Council would like to review the city's policy for use of personal employee equipment.

Check Register: Grayson asked about the NSF checks and the fees.

Motion by DeMars, seconded by Grayson to approve the June 2011 check register numbers E1478-E1503, 11415-11459, and 39139-39202 as presented. Carried

State Representative, Patti Fritz, gave a presentation honoring the Medford Fire Department for their efforts dealing with the 2010 flooding. Patti Fritz personally acknowledged fire department staff with a resolution of recognition.

Christ the King Church Agreements – General Agreement and the Parking Lot Use Agreement

The General Agreement basically fixes the property lines to officially record what everyone thought the property lines were to begin with.

Motion by Grayson, seconded by DeMars to approve the general agreement and authorize the Mayor to sign the agreement. Carried.

Parking Lot Use Agreement – Mayor Thomas asked about the plowing portion of the agreement. Thomas asked that verbiage be added for instances of "special events" at the church. Kucera explained that the code specifies city plowing procedures. Rahrlick will add to the agreement that city staff will follow current snow plowing policy.

Motion by DeMars, seconded by Grayson to approve the Parking Lot Use Agreement as amended. Carried.

Christ the King Church Request to Conduct Bingo

Motion by Grayson, seconded by DeMars to approve the bingo application from Christ the King Church. Carried.

Concerns from the general public/requests from organizations.
 None.

Steele County Law Enforcement – Sheriff Thiele spoke about "Night to Unite". The City of Medford will be hosting an Open House that evening. Thiele will add the City's information to the Steele County newsletter.

Planning and Zoning Board. Pat Merritt presented the minutes from the July Planning and Zoning Board meeting. Planning & Zoning Board held a public hearing to amend the verbiage of the code relating to variances. No public were in attendance. Zoning Board is making a recommendation to approve the variance amendments as presented.

Motion by DeMars, seconded by Merritt to approve Ordinance 2011-4 amending Medford City Code Section 4.10 relating to the definition of variance. Carried.

Motion by Merritt, seconded by DeMars to approve Ordinance 2011-5 amending Medford City Code Section 4.12, Subd. 3, Subsection A relating to variances. Carried.

Motion by Grayson, seconded by DeMars to approve Resolution 2011-25 allowing the city clerk to publish these ordinance amendments by title and summary. Carried.

Dave Rubey – City Insurance Policy. Mr. Rubey presented to the council a breakdown of the what the city premiums would be with different deductibles. The liquor liability has been completed and proof of insurance has been sent to the State.

Mr. Rubey cut his commission this year.

Motion by DeMars, seconded by Grayson to increase the property deductible to \$1,000. Carried.

Fire Trucks Spraying Turkey Barns – For many years the City of Medford fire trucks and fire department staff have been hired by Jennie-O Turkey Store to spray water over the turkey barns in extreme heat. The city double checked with Dave Rubey and the League of MN Cities as to whether insurance would cover the fire trucks and staff for this use. Mr. Rubey verified to the council that using the trucks and staff in this manner is covered by insurance. The underwriters did suggest that the city have a hold harmless agreement in place with the Turkey Store. Rahrlick will work on this.

Park Board – Theresa Sierakowski presented the minutes from the July Park Board meeting. The Medford Diamond Association attended the Park Board meeting and is asking for approval to do work on the ball field in Straight River Park. Jon Chappuis was in attendance to answer questions from the council. The Diamond Association would like to turn the ball field into a little league field. They will cover the expenses to needed to get the field to the standard that is needed for little league. The City would still need to take care of the mowing. The fence would be replaced using the money from FEMA.

Mayor Thomas asked about concession stands and possibly drafting a maintenance agreement between the Diamond Association and the City.

The Diamond Association would like to begin working on the field this year in order to begin holding tournaments starting next year's season. The season runs June to July and usually is Monday through Thursday with some weekends.

Rahrlick will contact Mr. Chappuis and draft an agreement for the council to review at the next council meeting.

Motion by Grayson, seconded by DeMars to use FEMA money to install a new fence around the ball field the same as it was before the flood. Carried.

Park Board would like the Public Works staff to install more signage listing the park rules.

The remembrance plaque for Pam Mueller has not been installed yet. Kucera will get this done.

The city council will hold a special meeting about the pool to discuss new handicap requirements and maintenance issues.

Karaoke Request – A group renting the large pavilion would like approval to have karaoke at their party on Sunday, August 7, 2011. It will be for a couple of hours in the afternoon.

Motion by DeMars, seconded by Thomas to allow karaoke in the park on Sunday, August 7, 2011. Carried.

City Engineer – Seth Peterson gave an update on the water project. The water treatment facility is fully operational. The old water tower will be coming down the first week of August.

Pay request #12 from Wapasha Construction in the amount of \$31,800.71.

Motion by Grayson, seconded by DeMars to approve Pay Request #12 from Wapasha Construction for \$31,800.71. Carried.

Pay request #7 from General Construction in the amount of \$18,525.00.

Motion by Grayson, seconded by DeMars to approve Pay Request #7 from General Construction for \$18,525.00. Carried.

Pay request #3 from Hesselton Construction in the amount of \$41,306.62.

Motion by Grayson, seconded by DeMars to approve Pay Request #3 from Hesselton Construction for \$41,306.62. Carried.

City Attorney – Discussion has been completed.

City Clerk – None.

City Administrator – Pete Connor presented a code enforcement update. There are questions arising about a fence that has been recently installed. The main topic of discussion was the city code ordinance that requires a fence to be two feet off the property line. After a lengthy discussion, the city council directed Mr. Connor to meet with the property owner to discuss the city code and means to rectify the situation.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera presented two bids for the removal of the chalet. One bid from Wolff & Son's Yard Services came in at \$5,095.00 to install silt fence, demolish the building, remove the debris & concrete, remove the tile and linoleum from the floor. The other bid was from Hagen Excavation in the amount of \$1,950 to remove, dispose of and clean up the chalet site. All disposed of material will be taken to the Steele County landfill.

City Hall received two requests for materials from the chalet. Gene Luedtke would like the two ceiling fans and two bathroom light fixtures. Vince Steinbauer would like four of the white plastic tables. For liability reasons, city staff will need to remove these items from the chalet. Luedtke will be billed for the labor.

Motion by Grayson, seconded by Thomas to approve the Hagen Excavation bid for \$1,950.00 to remove, dispose, and clean up the chalet site and for city staff to remove the ceiling fans and light fixtures at the expense of Luedtke. Carried.

Bulk Water Rates – Our current rate structure is a minimum fee of \$20.00 per time plus \$6.00 per thousand gallons. The new bulk water system we have installed is programmed to bill per thousand gallons. Kucera recommends to the city council to amend the bulk water rates to charge \$7.00 per thousand gallons.

Motion by Grayson, seconded by Merritt to change the bulk water rates to \$7.00 per thousand gallons without the \$20.00 per time minimum charge. Carried.

Loader Lease – John Deere increased their offer to purchase back the loader from \$89,000.00 to \$97,000.00. The city will then pay off the lease and use the additional revenue towards the lease of a new loader. This will reduce the payments for the next five years to roughly \$9,000.00 per year. Saving the city approximately \$4,500.00 in the 2012 budget.

Motion by DeMars, seconded by Grayson to approve the sale of the loader to John Deere in the amount of \$97,000.00 and to lease a new loader according to the recommendation made by Kucera. Yes: Thomas, Grayson, DeMars No: Merritt Carried.

Old Business

Applications for Open Council Seat – The council called a special meeting on Monday, August 1, 2011 starting at 6:30 p.m. to hold interviews of the interested applicants for the council seat.

New Business

Motion by Merritt, seconded by DeMars to accept resolution 2011-23 a \$20 donation from Eldred and Mary Phillips for the Park Endowment Fund. Carried.

Motion by DeMars, seconded by Grayson to accept resolution 2011-24 a \$10 donation from Pat and Kay Merritt for the Park Endowment Fund in memory of George Dusek. Carried.

Straight River Enterprises Cleaning Contract for the Muni

Motion by Merritt, seconded by DeMars to approve the Straight River Enterprises cleaning contract for the Muni. Carried.

Additional city council concerns.

The local option sales tax request was approved by the legislature. The sales tax question will be on the ballot at the November 2012 general election.

Grayson gave an update on Night to Unite. Fire trucks will be at the old football field, Owatonna Bus Company is donating the buses and drivers, Bolton & Menk donated \$200.00, Wapasha Construction donated \$150.00.

Council gives a huge thank you to all those who donated to the Night to Unite Open House!

Grayson would to create a certificate to acknowledge the Medford students whose drawings were picked for the new water tower logo.

Next regular council meeting will be Monday, August 22, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Merritt to adjourn at 9:57 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
 August 1, 2011
 Medford City Hall
 6:30 PM

Council members present were Thomas, Merritt, DeMars, and Grayson

Council members absent: None

Others attending were Pete Connor, Amber Kniefel, Pat Merritt, Theresa Sierakowski, Jason Winter, Marie Sexton.

Mayor Thomas called the meeting to order at 6:33 p.m.

Motion by Merritt, seconded by DeMars to approve the agenda as presented. Carried.

The purpose of the special meeting is interview the applicants interested in the open council seat. Upon the resignation of Greg Hitchcock, the city council chose to open the council seat up for applications. This term will run until the end of 2012. A special election will be held at the November 2012 general election to finish the four year term.

The applicants are Theresa Sierakowski, Jason Winter, and Marie Sexton.

Each applicant was given one half hour to answer various questions from the council. The topics of interest were the city pool, answering questions of residents, the general fund deficit, and water bills.

Theresa Sierakowski feels issues of concern are the general fund deficit and keeping the small town feel in the City of Medford. Sierakowski feels our parks and pool are an asset that benefits the community by drawing people to Medford. Sierakowski feels she would be able to handle concerned citizens by speaking with them in a calm manner without being rash or harsh.

Jason Winter feels his four years experience on the Merton Township Board could be a benefit on the council. Winter's concerns are the general fund deficit and the parks. When responding to citizen concerns, Winter will do his best to answer questions, but also encourage citizens to come to council meetings. Winter's goals would be to help get the budget turned around and figure out new revenue sources for the City.

Marie Sexton has been on the city council almost consecutively since 1997. Sexton feels her experience with facilitating grants and recruiting people to donate time, money and efforts to the city is very important. Sexton feels that concerned citizens need to feel that they have been heard and their concern is taken seriously, that they can trust you. Sexton's main concerns are the general fund deficit and the parks and pool.

Mayor Thomas stated that each of the applicants are qualified and would deserve a seat on the council. The Mayor asked each of the council members to state who they would like to vote for.

Mayor Thomas voted for Marie Sexton.

Chad Merritt voted for Marie Sexton.

Jessica Grayson voted for Marie Sexton.

Brenda DeMars voted for Marie Sexton.

Motion by Thomas, seconded by DeMars to appoint Marie Sexton to the open council seat to be sworn in at the August regular meeting. Carried.

Motion by Merritt, seconded by DeMars to adjourn at 7:45 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
August 22, 2011
7:00 p.m.
City Hall

Members present were Thomas, DeMars, Grayson, Merritt, and Sexton.

Members absent: None

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, Vern Wheeler, Butch Schultz, and Seth Peterson.

Others attending were Pat Merritt, Becca Rodenborg, Frank Panos, Jeff Irvine, Don Katra, and Rick Hanson.

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: Move Jaguar Communications up on the agenda before Planning & Zoning and add under city attorney ii resolution setting a public hearing on vacation.

Motion by Grayson, seconded by Merritt to approve the agenda as amended. Carried

The oath of office was given to Marie Sexton.

Motion by Sexton, seconded by Merritt to approve the July 25, 2011 regular meeting minutes and the August 1, 2011 special meeting minutes as presented. Carried

City and Liquor Store Bills – Councilmember Grayson asked about the I & S Group bill and the township road maintenance agreement. The Shane Yule bill for the jetter truck storage was inputted incorrectly. Mayor Thomas asked for an explanation of the boot allowance for city staff.

Motion by DeMars, seconded by Grayson to approve the July and August city and liquor store bills as corrected. Carried

Check Register: Councilmember DeMars asked about the NSF checks and the fees, the Gopher State One Call locate checks, and the old payroll checks that were re-issued.

Motion by DeMars, seconded by Sexton to approve the July 2011 check register numbers E1504-E1520, 11460-11509, and 39203-39339 as presented. Carried

Concerns from the general public/requests from organizations.
None.

Steele County Law Enforcement – None.

Jaguar Communications – Rick Hanson spoke with the council about the interest to move forward with a franchise agreement with the City of Medford to install fiber optic cable. The installation would include the entire city limits. Connor called for references from the cities of Dundas and Hayfield. Neither city gave a negative response for the work done by Jaguar Communications. Rahrck and Connor will draft a franchise agreement for the council review.

Motion by Sexton, seconded by Merritt to allow Jaguar Communications to move forward with the process of installing fiber optic in Medford pending the approval of a franchise agreement. Carried.

Planning and Zoning Board. Pat Merritt presented the minutes from the August Planning and Zoning Board meeting. Planning & Zoning Board held two public hearings.

The first hearing was for a replat of the north two lots of the Medford Furniture Outlet. Design Homes will be purchasing these lots and the replat is to combine the two lots into one.

Jeff Irvine and Don Katra, Design Homes, were in attendance. Mr. Irvine gave an explanation of the business and the proposed site plan for the property. Mr. Irvine and Mr. Katra met with Anita Benson, Steele County Engineer, about the driveway access and a possible turn lane. The Zoning Board recommendation to the city council is to approve the proposed preliminary/final plat as presented.

Motion by Sexton, seconded by Merritt to approve the preliminary/final plat for Block 1, Lot 1 Design Homes Addition. Carried.

The second public hearing was for the Panos Property. The Zoning Board was presented with a plat making the property two parcels. The minimum requirement for a lot frontage is 75 feet. The preliminary/final plat presented is showing a 65 foot frontage. A variance request was submitted for the frontage on the Cabinet Shop parcel. The proposed plat also shows a side set back on the Cabinet Shop parcel of 9.3 feet and a fence running through both properties. The Zoning Board's recommendation to the City Council is to have the Panos' move the west side line .7 feet to come into compliance with the 10 foot side set back and also to move the fence two feet off the property line to come into compliance on fence set backs. The board then recommends approving the variance of 9.3 feet to the lot frontage requirement making the frontage 65.7 feet. The board recommends approving the preliminary/final plat as amended, moving the west line .7 feet, moving the fence two feet from the property line, and approving the variance of 9.3 feet to the lot frontage requirement.

Motion by Sexton, seconded by Grayson to approve the preliminary/final plat subject to the line being moved to 10 feet on the west side,

Motion was rescinded by Sexton and Grayson.

Motion by Sexton, seconded by Grayson to approve the preliminary/final plat subject to the line being moved .7 feet on the west side and the fence being moved to comply with the two foot setback. Carried.

Motion by Grayson, seconded by DeMars to approve the variance request to the lot frontage of 9.3 feet making the frontage 65.7 feet instead of 75 feet. Carried.

Panos Rezone Request – The Cabinet Shop parcel is zoned residential. The request is to rezone the parcel to commercial. The grandfathering provision was discussed and the city attorney clarified that the property can continue to run as a woodworking shop. The property can be sold and it can still run as a woodworking shop. If someone wants to change the use, they would need to come to the city and ask for approval.

Mr. Panos withdrew his rezone request. Kniefel will draft a letter confirming the understanding of the withdrawn rezone request.

EDA – None.

Park Board – Appointment of Jeanette Sanford to the Park Board.

Motion by Thomas, seconded by Merritt to appoint Jeanette Sanford to the Park Board.

Park Board minutes need to be clarified. Connor will speak with the board.

City Engineer – Seth Peterson gave an update on the water project. The water treatment facility is fully operational.

Peterson presented that there are some contingency funds available through the water project that if used, would not affect the ending load amount, water bills, etc. The City operates a water treatment facility, two water towers, four wells, a pressure reducing/booster station on the water side. Also, three lift stations and a wastewater treatment facility.

The metering system on the all the facilities need to be updated. The existing meters do not function properly and need to be replaced so proper reporting can be submitted to the state. Approximate cost and details will be presented next month.

A computerized reporting system called Supervisory Control and Data Acquisition (SCADA) would help with the efficiency and ease of record keeping. Currently, all reporting and record keeping is done manually. SCADA will cut down on the amount of time employees spend at all the locations, increasing productivity.

Currently, the city uses phone lines for means of communication between all the facilities and city staff. Peterson is suggesting that the city look into switching to a radio communication. The city spends approximately \$405/month on dedicated phone lines for both the water and wastewater system. A radio system would not have a monthly charge. The cost to the city is the initial installation charge. The payback on a radio system would be about five years.

Mayor Thomas stated that he is not against the technology improvements, however, he would like Peterson to look into the existing infrastructure first to determine if the contingency funds can be used for fixing those things first.

Councilmember Grayson would like to see quotes on all three of the suggestions from Peterson.

City Attorney – Medford Diamond Association Agreement – Rahrick presented a draft agreement between the City and the Diamond Association for the possible updating and use of the ball field for little league tournaments and practices. The agreement has been given to Jon Chappuis.

A public hearing needs to be held on the vacation of the Christ the King parking lot as another step to completing the process of fixing the lot lines. Kniefel will publish the notices and send out the letters.

Motion by DeMars, seconded by Grayson to approve resolution 2011-29 setting a public hearing on vacation of the parking lot at Chris the King Church. Carried.

City Clerk – Kniefel informed the council that a reimbursement check went out to the Outlet Center due to double billing.

City Administrator – Pete Connor updated the council on the current status of the Nylon Board USDA loan. Rural Development would like to clear the City from this loan. Connor will work with Rural Development to accomplish this.

Public Works Department

Public Works Director, Rich Kucera addressed the Council. Kucera presented seal coating cost estimates for the 2009 area of our street maintenance schedule. There is \$15,000.00 in the budget. The bids will be higher than this. Kucera recommends using the \$18,500.00 saved from the loader lease to continue with the seal coating schedule so we do not fall any further behind. Kucera is recommended to the council to approve moving forward with the street project with a not to exceed cost of \$27,300.00.

Motion by Sexton, seconded by Grayson to allow Kucera to move forward with the 2009 street seal coating schedule with a not to exceed cost of \$27,300.00. Carried.

The City has two generators that are not needed and can be sold. Kucera contacted Ritchie Bros. with the possibility of selling the generators at the auction. Kucera recommends to the city council to sell the 200 Amp generator at the Ritchie Bros. Auction. Kucera recommends selling the 60 Amp generator to a business owner who has offered the city \$200.00.

Motion by Grayson, seconded by DeMars to allow Kucera to sell the 200 Amp generator at the Ritchie Bros. auction. Carried.

Motion by Thomas, seconded by DeMars to sell the 60 Amp generator to Advantage Lime & Trucking, LLC for \$200.00. Abstain: Grayson Yeah: Thomas, DeMars, Sexton, Merritt Nay: None. Carried.

Old Business

New Business

Motion by Grayson, seconded by DeMars to accept resolution 2011-25 a \$200 donation from Bolton & Menk for Night to Unite. Carried.

Motion by Merritt, seconded by DeMars to accept resolution 2011-26 a \$150 donation from Wapasha Construction for Night to Unite. Carried.

Motion by Sexton, seconded by Merritt to accept resolution 2011-27 a \$25 donation from Gene Luedtke for the Straight River Park. Carried.

Motion by Merritt, seconded by Sexton to accept resolution 2011-28 a \$5 donation from Patrick Lehrer for the Medford Park Endowment Fund. Carried.

US Cable – Connor informed the council that US Cable is being sold to Midcontinent Communications. Connor recommended to the city council to approve the resolution US Cable needs in order to move forward.

Motion by Grayson, seconded by Merritt to approve the resolution 2011-30 for the acknowledgement of the sale of US Cable to Midcontinent Communications. Carried.

Meeting date changes – Mayor Thomas would like all the boards, the Zoning Board, Park Board, and EDA, to adhere to the set meeting dates. A change of meeting date should only happen in an emergency.

Additional city council concerns.

Council needs to set a special meeting to discuss the preliminary 2012 budget. The preliminary budget needs to be submitted to the Auditor's office by September 15, 2011.

Special meeting is set for Monday, August 29, 2011 at 6:00 PM.

Next regular council meeting will be Monday, September 26, 2011 at 7:00 p.m.

Motion by Grayson, seconded by DeMars to adjourn at 9:27 p.m. Carried

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Special Council Meeting
August 29, 2011
Medford City Hall
6:00 PM

Council members present were Thomas, Merritt, DeMars, Sexton, and Grayson

Council members absent: None

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, and Seth Peterson.

Others attending: None.

Mayor Thomas called the meeting to order at 6:01 p.m.

The purpose of the special meeting is to discuss and take action on the 2012 preliminary city budget.

Mayor Thomas opened the meeting focusing on the staff memo that described changes to the budget made after the last council meeting. City staff met and added various capital outlay amounts giving a more realistic look at the expenses the city is facing. The levy increase with these changes is not feasible. Council discussed line by line and came to consensus as to which budgeted items would remain in the preliminary budget. Mayor Thomas would prefer to keep the preliminary levy increase to around 10%-12.5%.

In addition to the expenses, the city needs to take into account the approximate \$250,000 general fund deficit.

The majority of the capital outlay items were deleted from the budget. Street repair and maintenance dollars stayed in the budget. A handicap lift chair and a chlorine regulator for the pool stayed in the budget. Capital outlay for city trucks, the water fund and the sewer fund stayed in the budget. Council felt we needed to focus on the general fund deficit right now.

Discussion of the water/sewer bills. Council consensus is to increase the water and sewer usage rates by 5%. The water flat rate will be \$26.00 per account and the sewer flat rate will be \$16.50 per account. The increase to the flat rates will cover the PFA loan payments. Without these increases, the city will start pulling from reserves at an even higher rate causing the reserves to deplete in a matter of a few years.

Council decided on a 12.5% total preliminary levy increase for 2012.

Motion by Sexton, seconded by Grayson to approve the preliminary budget subject to the changes agreed upon by the council with a total preliminary levy increase of 12.5%. Carried.

Motion by DeMars, seconded by Grayson to adjourn at 8:45 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 September 12, 2011
 7:00 p.m.
 City Hall

Members present were Thomas, DeMars, Grayson, Sexton, and Merritt.

Members absent: None

City staff and consultants in attendance were Amber Kniefel, Mark Rahrlick and Seth Peterson.

Others attending were Pat Merritt and Bill Cervenka.

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: No changes.

Motion by Grayson, seconded by Sexton to approve the agenda as presented. Carried

Motion by DeMars, seconded by Merritt to approve the August 22, 2011 regular meeting minutes and the August 29, 2011 special meeting minutes as presented. Carried

City and Liquor Store Bills

Motion by Grayson, seconded by DeMars to approve the August city and liquor store bills as presented. Carried

Check Register

Motion by Sexton, seconded by DeMars to approve the August 2011 check register numbers E1521-E1538, 11510-11555, and 39340-39421 as presented. Carried

Concerns from the general public/requests from organizations.
 None.

Steele County Law Enforcement – None.

Consent Agenda – Agenda items are approved by one motion unless a Council member requests separate action. Consent agenda items include:

Resolution 2011-31 accepting a \$5 donation from Cory Christenson for the Medford Park Endowment Fund.

Motion by Grayson, seconded by Sexton to approve the consent agenda items as presented. Carried.

Planning and Zoning Board. Planning and Zoning Board have not held their September meeting yet. Pat Merritt, Zoning Board chairperson, requested of the city attorney information regarding the public hearing set up for Monday, September 19 for the parking lot vacation at the Christ the King Church.

EDA – None.

Park Board – Theresa Sierakowski presented the minutes from the September Park Board meeting. Park Board made a recommendation to the council for city staff to install a fence post at Frank Woodfill Wildlife Refuge to deter people from driving down to the canoe launch area. Sierakowski asked about the status of the Frank Woodfill Wildlife Refuge as to whether it is annexed or not. The area has been conveyed to the City of Medford, but has not been annexed. Pat Merritt offered to donate up to \$100 to defer the costs to annex Frank Woodfill Wildlife Refuge into the City. Council directed Rahrlick to begin the annexation procedure.

Council would like to set up a joint City Council meeting with the Park Board. The Park Board will be holding the annual walk through of the park and pool on Wednesday, September 21, 2011 at 6:30 p.m. Council decided to call a special meeting to join the Park Board on the walk through on Wednesday, September 21, 2011 at 6:30 p.m.

Another special meeting between the City Council and the Park Board is set for Monday, October 3, 2011 at 7:00 p.m. for discussion of the park and pool.

City Engineer – Seth Peterson presented a memo addressing three options for the use of the contingency funds from the water project.

Option 1 – New meters for the Outlet Center wells 1 & 2 and Well 1. The meters are not working properly and do not provide the necessary data to the city. Estimated cost for this project is \$19,500.00.

Option 2 – Redo electrical at Well 1. The existing wiring and electrical work is original to the well and is need of replacement. Estimated cost for this project is \$12,500.00.

Option 3 – Conversion to a radio communication system for the water facility. All the major water system components would be controlled/monitored through radios instead of phone lines. Estimated cost for this project is \$26,300.00.

Total cost for all three projects would approximately be \$58,300.00. The City has approximately \$63,000.00 left in contingency funds.

Mayor Thomas is in favor of options 1 and 2. Instead of the new radio communications, Mayor Thomas would like to use the contingency funds to fix gate valves. It costs approximately \$10,000.00 to completely replace one gate valve. Council consensus is to allow Peterson to move forward with options 1 & 2.

Motion by Sexton, seconded by Grayson to allow Peterson to move forward on the new meter installation at the Outlet Center wells and Well 1 at the estimated cost of \$19,500.00 and to redo the electrical at Well 1 for an estimated cost of \$12,500.00 using the water project contingency funds. Carried.

Peterson presented information for our Public Works Director, Rich Kucera. Kucera needed the council to be aware of the effluent line at the wastewater treatment plant. The effluent line is the discharge line that runs to the Straight River. This line has been getting plugged up causing the treatment plant to flood. Tree roots are the main cause of this. Peterson is suggesting a slip line through the effluent line. A slip line coats the inside of the pipe with a plastic material that will not be punctured by tree roots. Council would like Kucera and Peterson to come up with solutions to the problem and present at the next council meeting.

City Attorney – Jaguar Franchise Agreement will be presented at the next council meeting.

City Clerk – None.

City Administrator – None.

Public Works Department – None.

Old Business

None.

New Business

I & S Group Proposal for Planning and Administrative Assistance – Currently a full-time city administrator is budgeted for next year. Bill Goldy with I & S Group is an excellent resource for the City. Right now, if the city needs additional assistance I & S Group is called. The agreement is tabled and the discussion will continue at the next council meeting.

Motion by Grayson, seconded by Sexton to approve resolution 2011-32 adopting the 2012 preliminary tax levy. Carried.

Additional city council concerns.

None.

Next regular council meeting will be Monday, October 24, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 8:10 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting Joint with the Park Board
September 21, 2011
Medford Pool and Straight River Park
6:30 PM

Council members present were Thomas, Merritt, DeMars, Sexton, and Grayson

Council members absent: None

Park Board members present were Sierakowski, VanEsch, and Sanford

Park Board members absent: Hermes (came to beginning of meeting, but needed to leave)

City staff and consultants in attendance were Pete Connor, Amber Kniefel, and Rich Kucera

Others attending: Pat Merritt

Mayor Thomas called the meeting to order at 6:32 p.m.

The purpose of the special joint meeting is for the Medford Pool and Medford Straight River Park annual walk through.

The annual walk through is performed to evaluate the park and pool needs as far as infrastructure, maintenance, improvements, etc.

Discussion of the park and pool will be at the next special joint council and park board meeting being held on Monday, October 3, 2011 at 7:00 p.m. at City Hall.

Motion by DeMars, seconded by Sexton to adjourn at 7:20 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting Joint with the Park Board
October 3, 2011
Medford City Hall
7:00 PM

Council members present were Thomas, Merritt, DeMars, and Grayson

Council members absent: Sexton

Park Board members present were Sierakowski, Hermes, VanEsch, and Sanford

Park Board members absent: None.

City staff and consultants in attendance were Pete Connor, Amber Kniefel, and Rich Kucera

Others attending: None.

Mayor Thomas called the meeting to order at 7:00 p.m.

The purpose of the special joint meeting is for the discussion of the Medford Pool and Medford Straight River Park annual walk through.

Pete Connor presented a power point presentation with pictures based on what the council and park board saw on the walk through of the Medford Pool and Straight River Park.

Discussion on possibilities for the concrete slab where the chalet used to sit, added concrete around the basketball hoops, new sand in the volleyball courts, the sand diggers and the sand box area, the horseshoe pits, the large pavilion, the baseball field, the bathrooms on the hill, the furnace in the bathrooms, and a possible drinking fountain.

Discussion on the amount of work needed at the pool. Councilmember Merritt and Public Works Director Kucera will be working together on the pool improvement possibilities.

Discussion on the ice rink and warming house location. Mayor Thomas asked the park board to come with a recommendation as soon as possible and to keep in mind that donated funds were used to move the ice rink to its new location.

Discussion on the idea of a chalet. Park Board needs to discuss this and come with a recommendation on need and possible location.

Mayor Thomas suggested to the park board to discuss and make recommendations based on all the areas that have been discussed. Suggestions were to possibly make a future park and pool plan. Mayor Thomas asked the board to work with Rich Kucera on costs.

Motion by DeMars, seconded by Merritt to adjourn at 8:55 p.m. Carried

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Regular Council Meeting
 October 24, 2011
 7:00 p.m.
 City Hall

Members present were Thomas, DeMars, Grayson, Sexton, and Merritt.

Members absent: None

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, Mark Rahrlick and Seth Peterson.

Others attending were Theresa Sierakowski, Pastor Doug Jones, Debbie Jones, Joe Erler, Hazel Chapi, Tina Rogers, and Mary Spitzack

Mayor Thomas called the meeting to order at 7:00 p.m.

Agenda: Under Council Committees-Add D. Administration, Meeting Attendance and Participation, Under Planning & Zoning i. add Resolution 2011-39, Under New Business B. Change the date from December 17 to December 19.

Motion by DeMars, seconded by Merritt to approve the agenda as amended. Carried

Motion by DeMars, seconded by Sexton to approve the September 12, 2011 regular meeting minutes, the September 21, 2011 special meeting minutes and the October 3, 2011 special meeting minutes as presented. Carried

City and Liquor Store Bills-Grayson asked about the painting bill from Jeff Leehe and DeMars asked about the fire department bill to Whitewater Wireless.

Motion by Sexton, seconded by Merritt to approve the September and October city and liquor store bills as presented. Carried

Check Register-Sexton asked about the dehumidifier.

Motion by Sexton, seconded by DeMars to approve the September 2011 check register numbers E1539-E1554, 11556-11583, and 39422-39485 as presented. Carried

Concerns from the general public/requests from organizations.
 None.

Steele County Law Enforcement – None.

Consent Agenda – Agenda items are approved by one motion unless a Council member requests separate action. Consent agenda items include:

Resolution 2011-33 accepting a \$10 donation from John and Rita McGaheran for the Medford Park Endowment Fund in memory of Frank Woodfill.

Resolution 2011-34 accepting a \$5 donation from Bryce Butler for the Medford Park Endowment Fund.

Resolution 2011-35 accepting a \$5 donation from Minerva Cassek for the Medford Park Endowment Fund.

Resolution 2011-36 approving the certification of unpaid water bills to Steele County.

Resolution 2011-37 accepting a \$10 donation from Wayne Klinkhammer for the Medford Park Endowment Fund.

Resolution 2011-38 accepting a \$20 donation from Pat and Kay Merritt for the Medford Park Endowment Fund.

Motion by Sexton, seconded by Grayson to approve the consent agenda items as presented. Carried.

Planning and Zoning Board. There was no Zoning Board member in attendance. Kniefel presented the recommendation to the council regarding the approval of the vacation request initiated by the City of Medford for a portion of the Christ the King Church parking lot.

Resolution 2011-39. Rahrick explained that this is another step in finalizing the agreement between the City and the Church concerning the property lines.

Motion by Grayson, seconded by DeMars to approve resolution 2011-39 approving the vacation request of a portion of the Christ the King Church parking lot. Carried.

Connor presented information on the recommendation from the Zoning Board approving an interim use permit for BBMM, LLC. BBMM, LLC is requesting approval for the use of the Celebrations building for North Elevation Church. City code requires a conditional use permit for the use of a church in a C-2 district. The City has the option of using an interim use permit in any instance where a conditional use permit is permitted.

Rahrick explained that a conditional use permit stays with the property indefinitely. Conditions can be added to an interim use permit that requires review after a certain amount of time.

Council asked the Pastor how often the church is going to have garage sales. Pastor Jones answered that it is about once a year.

Mayor Thomas is concerned with available parking. The City has a parking lot use agreement with BBMM, LLC for the use of the parking lot for the Municipal Liquor Store in exchange for the plowing of the parking lot in the winter months. Mr. Erler responded that he has no intention on changing that agreement.

Thomas would like to add a condition to the interim use permit to be reviewed after one year.

Motion by Sexton, seconded by DeMars to approve the interim use permit to BBMM, LLC for the property located at 217 N Main St for the use of a church (Elevation North Church) with a condition that the permit needs to be reviewed after one year. Carried.

EDA – None.

Park Board – Theresa Sierakowski presented that the Park Board recommendation for the ice rink and warming house is to move it back down to Straight River Park.

Councilmember Sexton is not in favor of moving the ice rink down to Straight River Park. Sexton listed many reasons for not being in favor of the move: no bathrooms, it is difficult to get an ice base on the volleyball courts, costs money to move it, difficult to clean the ice off, the rinks are smaller.

Mayor Thomas asked how the ice rink attendants would be funded. MARC donated the funds to pay for the attendants last year.

Council asked the Park Board to discuss this again and research donations, attendance, coordinator, etc.

Administration, Meeting Attendance, Participation

Mayor Thomas feels the council and the boards need to get more engaged, need more focus. The council needs to show more staff support.

The Mayor is asking the Chairs of the board to talk with the board members about coming to meetings, taking the meetings seriously, keeping the scheduled meetings, attending council meetings to give reports.

Mayor Thomas also addressed the city's consultants, Seth Peterson about getting the water project tied up and the resident complaints taken care of, and Mark Rahrick about getting information to the city in a timely manner.

Mayor Thomas believes the City needs to get back to a full-time administrator. Pete Connor is not able to be here on a full time basis. Thomas believes a full time administrator will be more available to the public and give additional leadership and stability to the city.

Administrator Connor spoke about the council having a set of expectations for the administrator. Connor feels the council should be more engaged with city business in order to be able to address and answer questions from the public. Council needs to determine a vision and strategy to help this community grow.

Connor will lead the recruitment effort for the next full time administrator. Mayor Thomas would like to see a new administrator by the first of the year. It was agreed that this might be too fast.

Council is to e-mail Connor of their expectations for the new administrator and that is what Connor will look for in the candidates.

City Engineer – Seth Peterson presented a memo addressing an option for the use of the contingency funds from the water project.

Public Works staff flushed all the hydrants during the last week. The alarms for the new tower were erratic and unpredictable. A pressure transducer would solve this issue by giving more accurate readings.

Mayor Thomas would still like to see the contingency funds used for fixing gate valves. Kucera, Public Works Director, explained to council that without an entire water infrastructure study, we cannot pin point faulty valves. Thomas would like Peterson to look into whether or not a water infrastructure study would qualify for the use of the contingency funds.

City Attorney – Mark Rahrck

Medford Diamond Association – Jon Chappuis has no changes to be made to the draft agreement. Council discussed mowing the ball field. Kucera will only have staff mow when it is regularly scheduled to be mowed, no special requests will be taken. Council would like this added to the agreement.

Motion by Sexton, seconded by DeMars to approve the Medford Diamond Association Agreement pending Rahrck adding an amendment clarifying city responsibility with mowing the ball field according to policy and ordinance. Carried.

Jaguar Franchise Agreement – Rahrck presented a draft franchise agreement along with points to discuss with the council. Rahrck will make sure the agreement states all the installation of the lines will be underground and the insurance coverage will be \$1,000,000. Rahrck will make the changes and Connor will submit the agreement to Jaguar for approval.

Motion by Merritt, seconded by DeMars to approve the franchise agreement subject to the amendments discussed and to authorize the mayor and the clerk to sign the agreement before sending it to Jaguar. Carried.

Frank Woodfill Wildlife Refuge – The City needs to authorize at least two people that can be on a joint committee with the township. The two members of the committee will be the Mayor and the chairperson of the Zoning Board.

City Clerk – None.

City Administrator – Connor informed the council that a draft transient merchant ordinance has been submitted to Rahrck for review. Connor has drafted a fabric structure ordinance that will also be submitted to the attorney.

Public Works Department – Kucera presented a memo addressing an update to the control panel at lift station 2. The low bid came in from Quality Flow for \$14,960.00. The update was budgeted and the council told Kucera to move forward with the plans. Kucera informed the council that the water tower at the Outlet Center is in need of some maintenance. Kucera suggested that the Capital Improvement Plan should include painting the tower both inside and out.

Old Business

I & S Group Proposal for Planning and Administrative Assistance – Council consensus is to not sign an agreement with I & S Group at this time. A full-time administrator is in the budget. Connor has been directed to move forward with posting and recruiting a new administrator.

New Business

Truth in Taxation Hearing has been scheduled for Monday, December 19, 2011 at the beginning of the regular December council meeting at 7:00 PM. Questions and concerns from the public will be heard during this time.

Additional city council concerns. A special meeting has been called for Monday, November 7, 2011 at 7:00 PM. Kniefel has been directed to add the 2012 Budget and Levy discussion to this special meeting agenda.

Next regular council meeting will be Monday, November 28, 2011 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 9:40 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special City Council Meeting
November 7, 2011
Medford City Hall
7:00 PM

Council members present were Thomas, Merritt, DeMars, Sexton, and Grayson

Council members absent: None.

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, Vern Wheeler, and Dennis Clark.

Others attending: Pat Merritt

Mayor Thomas called the meeting to order at 7:00 p.m.

Motion by Sexton, seconded by Merritt to approve the agenda as presented. Carried.

Discussion and possible approval of amendments made to City Code Section 4.71 Flood Plain Management Ordinance 2011-6.

Chairperson Pat Merritt of the Zoning Board presented the recommendation to city council to approve the draft of Section 4.71 Flood Plain Management as presented.

There were no questions from the council concerning the proposed amendments.

Motion by Sexton, seconded by Grayson to approve the amendments to City Code Section 4.71 Flood Plain Management Ordinance 2011-6 as presented. Carried.

Motion by Sexton, seconded by Merritt to approve Resolution 2011-41 authorizing the clerk to publish this ordinance by title and summary. Carried.

Discussion of the 2012 Budget and Levy

Administrator Connor presented a preliminary budget with a few minor changes. Administrator Connor feels this is a good solid budget.

Kniefel presented a memo outlining the changes city staff are recommending based on current budget numbers. A few minor adjustments to the revenues were needed and thus adjustments are also recommended on the expenditures.

Council went through the revenue budget page by page. No additional changes were made.

Council went through the expenditure budget page by page. No additional changes were made.

Connor presented information on the employee wage increase and the health stipend.

The health stipend was discussed. The City pays each employee a health stipend of \$475 per month in lieu of health insurance. Mayor Thomas expressed to the council that when the health stipend was initiated, he felt that it may have been a little too high. However, currently, Thomas feels that the \$475 per month is a fair amount and the city will probably have to look at raising the amount in the future.

Councilperson DeMars also felt the stipend of \$475/month was a fair amount.

Grayson would like to the City to look into a Flex Plan for the stipend. Connor explained that administratively a flex plan would end up costing the city more.

Council consensus is to leave the health stipend at \$475 per month for full-time employees.

Employee Wage Increase

Connor presented a memo that addressed two options. The City has currently anticipated increasing all employee wages by 3%. The City adopted an employee wage scale in 2009 to assist with keeping the city in compliance with pay equity. The difference of expenditure between a 3% increase and following the adopted wage scale is \$2,518.00. Connor presented that

the city could stay in compliance with the wage scale without having to cut any additional expenses from the budget by holding off the increase until the first pay period of March 2012.

Performance evaluations were discussed as a basis of determining wage increases. Evaluations have been done on a yearly basis, but no wage increases have been allotted since 2008.

Council consensus is to follow the wage scale on all employees and to begin the increase in March 2012.

Motion by Grayson, seconded by DeMars to approve the budget revisions as presented and to present this budget to the public for the truth-in-taxation hearing on December 19, 2011. Carried.

Motion by DeMars, seconded by Grayson to adjourn at 8:38 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 November 28, 2011
 7:00 p.m.
 City Hall

Members present were Thomas, Grayson, Sexton, and Merritt.

Members absent: DeMars.

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, Mark Rahrlick and Seth Peterson.

Others attending were Theresa Sierakowski, Pat Merritt, Lon Thiele, Chris Gannon.

Mayor Thomas called the meeting to order at 7:06 p.m.

Agenda: No changes.

Motion by Merritt, seconded by Sexton to approve the agenda as presented. Carried

Motion by Sexton, seconded by Merritt to approve the October 24, 2011 regular meeting minutes. Carried

City and Liquor Store Bills-Councilmember Merritt asked about the fire department bill for painting the ambulance that was donated to the city. Sexton asked about the bill for the pool license.

Motion by Sexton, seconded by Merritt to approve the October and November city and liquor store bills as presented. Carried

Check Register-Sexton asked about the fire department bill for the grant writing and the Muni bill for the new cooler.

Motion by Sexton, seconded by Grayson to approve the October 2011 check register numbers E1555-E1570, 11584-11611, and 39484-39611 as presented. Carried

Concerns from the general public/requests from organizations – Pat Merritt asked the city attorney about the status of the Frank Woodfill Wildlife Refuge annexation into city limits. Rahrlick responded that he is working on it.

Steele County Law Enforcement – Sheriff Thiele was in attendance and inquired of the council the city's snow mobile ordinance. Kniefel answered that there is a snow mobile ordinance in place.

Mayor Thomas asked Sheriff Thiele to have law enforcement monitor the traffic speed on Main Street. Mayor Thomas also asked about the semi-trucks parked on residential streets. Sheriff Thiele will look into both situations.

Steele County Emergency Management – Chris Gannon presented to the council a resolution joining the City of Medford with Steele County in a Five Year All-Hazard Mitigation Plan.

Motion by Sexton, seconded by Grayson to approve resolution 2011-43 adopting Steele County's All-Hazard Mitigation Plan. Carried.

Consent Agenda – Agenda items are approved by one motion unless a Council member requests separate action. Consent agenda items include:

Resolution 2011-42 accepting a \$13,000 donation from the Medford Fire Relief Association for use towards the Medford Pool and the Medford Municipal Complex land payment. Carried.

Motion by Sexton, seconded by Grayson to approve the consent agenda items as presented. Carried.

Planning and Zoning Board. Chairperson Pat Merritt presented the minutes for the Planning & Zoning Board meeting.

Merritt asked the council for direction on a discussion from the Zoning Board about allowing churches in a commercially zoned districts. The Zoning Board had a 2-2 tie vote.

Sexton does not see any reason to not allow churches in a C1, C2, or C3 district. Sexton does not want to limit the sale of the buildings.

Council consensus is to hold a study session on churches in commercial districts.

Peddlers, Solicitors, and Transient Merchants Ordinance – Zoning Board recommendation was to approve the draft with the changes suggested by the city attorney.

There are signs posted stating a license is required, but the current code states that peddlers, solicitors, and transient merchants are not allowed. The city needs an ordinance regulating peddlers, solicitors, and transient merchants.

Motion by Merritt, seconded by Grayson to approve Ordinance 2011-7 regulating peddlers, solicitors, and transient merchants subject to adding an exemption for invited guests selling at a residence.

Additional discussion on invited guests and times for allowing the activity to take place.

Motion for approval of Ordinance 2011-7 rescinded first by Merritt seconded by Grayson. City staff will research this type of ordinance more and present at the next council meeting.

Fabric Structures Ordinance – Rahrick stated that fabric structures over 120 sq ft must meet building code. Steele County Building Inspector would issue a permit and inspect the structure, if they don't meet the code, they will not be allowed. Zoning permits would be required for a fabric structure under 120 sq. ft. and need to follow the regulations for a building.

Interim Use Permit Language – Ordinance 2011-8 amendment does not change the current code. The amendments elaborate how an interim use permit works. A public hearing needs to be held at the next Zoning Board meeting.

Zoning Board took a vote on a discussion changing the use designation district for appliance repair shop, auto accessory store, auto repair, and auto dealership.

Council consensus is to leave the code as it stands.

Alley Research – Kniefel, Kucera, and Connor are looking at all the alleys to see if they can be vacated. Some of the alleys may have utilities under them.

EDA – Administrator Connor presented the EDA minutes from the meeting on November 16, 2011. No council action required.

Councilmember Sexton asked about grant money for the EDA. Connor explained that an application would be filled out with a specific purpose in mind for the use of the funds.

Park Board – Theresa Sierakowski presented the Park Board meeting minutes from the November 1st and 15th meeting. Park Board would like to survey the community on the interests for the parks and pool. The survey information would lead to a 3 year park recommendation plan. The Park Board would like to ask the Medford School if any of the classes would like to be involved with the survey as part of a lesson.

The Park Board would like to recommend to the city council to leave the ice rink and warming house at the old school location for one more year. This would give the city more time to develop a park plan. Recommendation is to only have the warming house open on weekends and school holidays.

Mayor Thomas suggested to not open the ice rink this year due to lack of funds.

Councilmember Merritt agrees with holding off on the ice rink for one year. He would also like an explanation in the CAST.

Motion by Thomas, seconded by Grayson to not open the ice rink this year, if there is citizen concern about not having the warming house in the park, council will visit that issue when it occurs. Carried.

Park Board would like the city to have a Facebook page. Mayor Thomas feels this would be a city administrator responsibility and we can talk about that when the new one hired.

City Engineer – Seth Peterson presented a memo addressing the water project final punch list items. The final pay requests will be coming. The City has a two year warranty with the contractors and access to their bonds if needed.

The Capital Improvement Plan is just about finished and will be presented at an upcoming council meeting.

Mayor Thomas asked about the over flow valve on the water tower. Peterson said the valve would not be used unless there is a malfunction with the controls. A berm is installed that will direct the water to the south and the east. Future plans involve installing storm sewer that would also take care of any over flow from the tower.

Peterson stated that the concerns from the Jones' and Kavitz have been taken care of.

City Attorney – Mark Rahrck presented a policy relating to the annexation of lands within agricultural areas.

Motion by Sexton, seconded by Grayson to approve the policy relating to annexation of land within agricultural areas. Carried.

City Clerk – Amber Kniefel presented Resolution 2011-40 closing the Scenic Heights fund to the General Fund.

Motion by Grayson, seconded by Merritt to approve Resolution 2011-40 closing the Scenic Heights Fund #406 and transfer the remaining deficit balance to the General Fund #101. Carried.

City Administrator – Connor informed the council that around 25 applications have been submitted for the city administrator position. Connor would like to have citizen involvement in screening the applicants. The ad will close on November 30, 2011.

Mayor Thomas would like to have city staff involved with the screening of the applicants. Thomas feels the citizens elect the council to make these decisions.

Councilmember Grayson likes the idea of citizen involvement.

Councilmember Sexton feels the council should be involved with the entire screening and interview process. Sexton feels citizens can attend the interviews and listen. Sexton wants to see 4-6 qualified applicants for interviewing.

Councilmember Merritt feels Connor should be the only one to pick the candidates. Merritt feels city staff should not be involved.

Administrator Connor explained that if the process is done correctly, three candidates will be enough. This is a managed process and it is important to have the senior employees involved.

The goal is to have a new administrator here by February 1, 2012.

Council consensus is to allow Connor to move forward with his process.

Public Works Department – Kucera informed the council that he will be reviving the Well Head Protection Committee. Currently, Kucera and Mayor Thomas are the only ones on the committee.

Kucera would like approval from the council to sell the old sander at a Ritchie Bros. auction. Councilmember Merritt would like to have someone from Met-Con come and look at the sander first.

Mayor Thomas did not want to put this equipment up for sealed bids and advertise it. Council approved Kucera to sell the sander at the Ritchie Bros auction.

Old Business. None.

New Business. None.

Additional city council concerns. None.

Next regular council meeting will be Monday, December 19, 2011 at 7:00 p.m. with Truth-in-Taxation at the start of the meeting

Motion by Merritt, seconded by Grayson to adjourn at 9:30 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
December 19, 2011
7:00 p.m.
City Hall

Members present were Thomas, Grayson, Sexton, DeMars, and Merritt.

Members absent: None

City staff and consultants in attendance were Pete Connor, Amber Kniefel, Rich Kucera, and Seth Peterson.

Others attending were Theresa Sierakowski, Pat Merritt, Jeanette Sanford, Vince Steinbauer, James Slifka, and Becca Rodenborg.

Mayor Thomas called the meeting to order at 7:00 p.m.

Stand for the Pledge of Allegiance

Agenda: No changes.

Motion by DeMars, seconded by Sexton to approve the agenda as presented. Carried

Motion by Sexton, seconded by Merritt to approve the November 28, 2011 regular meeting minutes. Carried

City and Liquor Store Bills

Motion by Sexton, seconded by DeMars to approve the November and December city and liquor store bills as presented. Carried

Check Register

Motion by Sexton, seconded by DeMars to approve the November 2011 check register numbers E1571-E1583, 11612-11656, and 39612-39702 as presented. Carried

Concerns from the general public/requests from organizations – None.

Steele County Law Enforcement – None.

Truth in Taxation Hearing for the 2012 City Budget and Levy

Mayor Thomas gave an overview of the budget. The levy increase from 2011 to 2012 is 12.5%. The increase will help make up for increase of costs, decrease in State aid, and also to put \$25,000 toward the general fund deficit.

Mayor opened the discussion up to the public in attendance for questions for concerns relating to the proposed 2012 budget and levy.

There was no public comments.

Planning and Zoning Board. There was no December meeting.

Park Board – Theresa Sierakowski presented the Park Board meeting minutes from the December 6, 2011 meeting. Park Board spoke with the Medford School and they are excited to participate with the town survey.

Sharon VanEsch has informed the Park Board that she will no longer be able to be a Park Board member due to moving out of city limits. The Park Board now has two open seats.

City Engineer – Seth Peterson presented a memo addressing the water project final punch list items and a pay request from Wapasha Construction.

Motion by Grayson, seconded by Sexton to approve pay request #14 from Wapasha Construction in the amount of \$8,150.08. Carried.

Capital Improvement Plan. The analysis has been completed for the street capital improvement plan. Every street, block by block, has been graded on a scale. The entire street system has been mapped and a spreadsheet was created to determine a cost per each block of street. The total estimated cost to complete all necessary work on all the streets is \$4.46 million. This is a plan to guide the council on the most important streets to start with and work at this year by year.

Mayor Thomas would like to go to the legislature and ask for another local option sales tax to fund the street project. It can take some time to get this through, so we need to start working on it now.

City Attorney – Mark Rahrck was not in attendance.

City Administrator – Connor gave an update on the status of the city administrator search. Phone interviews will begin next week. The candidates will then meet with the citizen panel and the department heads. Three to four candidates will then be presented to the council for formal interviews. The goal is to have the interviews the second week of January.

Jaguar Franchise Agreement – Jaguar has reviewed the proposed franchise agreement. Connor and the city attorney will review the comments and changes suggested and present to the council at the next council meeting.

Public Works Department – Kucera presented an amended ordinance pertaining to metering and payment of water and sewer services.

Motion by Grayson, seconded by DeMars to approve ordinance 2011-8 pertaining to the metering and payment of water and sewer services.

Councilmember Grayson would like staff to research the percentage used for the late fee. Councilmember Grayson would like to see this fee higher if possible.

DeMars and Grayson rescinded the motions made to approve the ordinance.

Kniefel and Connor will research the late fee.

Old Business.

Peddlers, Solicitors, and Transient Merchants Ordinance – Rahrck and Kniefel made the changes suggested by the city council.

Motion by Grayson, seconded by Merritt to approve Ordinance 2011-7 regulating peddlers, solicitors, and transient merchants within the City of Medford. Carried.

Motion by Sexton, seconded by Grayson to approve resolution 2011-44 approving publication of ordinance 2011-7 by title and summary. Carried.

New Business.

Fund Balance Policy. Kniefel presented a fund balance policy that is needed for compliance with GASB 54.

Motion by Sexton, seconded by Grayson to approve the fund balance policy as presented. Carried.

Resolution 2011-46 Approving the 2012 Final Budget and Levy

Motion by Sexton, seconded by DeMars to approve resolution 2011-46 pertaining to the 2012 final budget and levy. Carried.

Additional city council concerns. None.

Next council meeting will be Monday, January 9, 2012 at 7:00 p.m. for the annual organizational meeting.

Next regular council meeting will be Monday, January 23, 2012 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 8:00 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk