

Special Council Meeting  
January 2, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:05 pm. All members were present. Others attending were Amber Kniefel.

The purpose of the meeting is to make appointments and designations for 2007.

Discussion of the proposed appointments as presented by Mayor Kaiser.

Motion by DeMars seconded by Corbin to appoint Pat Merritt for term 2007-08-09. Carried

Motion by Corbin, seconded by Thomas to appoint Drew DeMars for term 2007-08-09. Carried with Council person DeMars abstaining.

Motion by Corbin, seconded by Sexton to appointment Americana Community Bank as the official city bank for 2007. Carried with Council person DeMars abstaining.

Motion by Corbin, seconded by DeMars to approve the remaining appointments as presented. Carried.  
Discussion on zoning inspectors if that was a part of the job description of the maintenance personnel.

Motion by Sexton, seconded by DeMars to approve the park fees as presented by the Park Board. Carried

Motion by Corbin, seconded by Thomas to approve all other fees as presented. Carried

Motion by Corbin, seconded by Sexton to increase rent for the trailer court by \$50.00 after proper notification. Carried.

Motion by Thomas, seconded by Corbin to adopt the resolution establishing adjusted water and sewer fees. Carried.

Discussion on the development worksheet dealing with engineering fees, why are the fee are set at range. Staff spoke with the engineer to get answer to the question and the engineer the fees are that way because the city contracts out the engineering services.

Motion by Corbin, seconded by DeMars to adjourn the meeting at 7:18 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk.

Regular Council Meeting  
January 22, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:00 p.m. All members were present. Others attending were Timothy Knauber, Seth Peterson, Mike Grossman, Paul Beiser, Bruce Bullert, Rich Kucera, Dorian Cornelius, Pat Merritt, Mark Rahrlick, and Amber Kniefel.

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

Motion by Thomas, seconded by Sexton to approve the minutes as corrected. Carried

Motion by Sexton, seconded by Corbin to pay city and liquor store bills for January 2007. Carried

Motion by Corbin, seconded by Thomas to approve the December check register. Carried

Concerns from the public-none

Cul-de-Sac Island Removal at Oakridge place

Bruce Bullert, city engineer, and Council Member Corbin are still researching the costs for removal of the island at Oakridge Place. The residents of Oakridge Place are now requesting no parking signs be placed around island.

Motion by Corbin, seconded by Thomas to place no parking signs around the Cul-de-Sac at Oakridge Place. Carried

Motion by Corbin, seconded by DeMars to approve the fire department annual report and pay the \$11,142 payroll. Carried

Civic Club

Motion by Thomas, seconded by DeMars to approve the Civic Club request for beer and food permit for Straight River Days. Carried

Paul Beiser, Civic Club President, asked the Council about the possibility of the Civic Club of getting hard liquor license for next year. The city attorney will research the possibility.

Planning and Zoning

Pat Merritt, planning and zoning chair, would like the city council to establish an ordinance setting fees for ordinance violations.

Motion by DeMars, seconded by Thomas to authorize the city attorney to research and draft an ordinance establishing fees for ordinance violations. Carried

Mayor Kaiser requests of the zoning board to bring all zoning ordinance violation directly to City Hall. No council action needs to be taken on any of these matters.

Engineers report

Bruce Bullert recommended to the city council not to pursue a sales tax resolution this year. This year would be used as an opportunity to develop a financial package for the water and wastewater projects. The financial package would contain funding from various sources.

Seth Peterson informed Council on the meeting held on Friday with staff and Council Member Thomas to review the plans and specs on the projects. Peterson presented three items for Council considerations. The first item is a portable generator for the main lift station with an approximate cost of \$25,000. The second item is a new storage building for City owned equipment with an approximate cost of \$160,000 to \$250,000. The third item is a vacuum/jetter truck to be used for maintenance on sanitary sewer system and wastewater treatment facility with an approximate cost of \$75,000 to \$100,000. Motion by Corbin, seconded by Thomas to add a \$30,000 allowance item for a generator to the specs for the wastewater project. Carried

Council Member Thomas reported that he had been contacted by state officials regarding the possibility of funds available for regional projects. An option for the City of Medford would be to connect to the City of Owatonna. Bruce Bullert will research this and report back to the Council.

Motion by Thomas, seconded by Sexton to put the wastewater on hold for a month. Motion and seconded were withdrawn. Thomas will continue researching for the month and present at next council meeting.

Attorney's Report

Motion by Thomas, seconded by DeMars to accept the second reading of Ordinance 192 authorization and fees for emergency fire protection services. Carried

Motion by Corbin, seconded by Sexton to adopt Ordinance 192 authorization and fees for emergency fire protection services. Carried

#### Electric Franchise

Mayor Kaiser has had discussions with the engineer, Alliant Energy, and City Attorney regarding the electric franchise. A committee consisting of Mayor Kaiser, City Clerk, City Attorney, and Council Member Corbin to create an interim agreement.

A request to NyBoard will be sent regarding the possibility of repayment of the loan.

#### Water and Sewer Report

Motion by Thomas, seconded by Corbin for Cornelius to attend a wastewater operator class in St. Cloud with an overnight stay for one night.

Motion by Thomas, seconded by Corbin for Cornelius to attend the Minnesota Rural Water Association meeting and take test for Class B operator license.

Discussion on the possibility for a grease ordinance for the city.

Discussion on the repairs that are needed at the Outlet Center.

Rich Kucera asked the council for consideration on his wages. He was recommended to meet with Council Member Thomas and then Council Member Thomas will present a recommendation to the council.

Recess of five minutes.

#### Street and Light Report.

Nothing

Mayor Kaiser thanked Kucera and Cornelius for the good work on snow removal.

#### Park and Rec Report

Election of officers was not held at the January meeting due to the fact that there are only three members on the Park Board. The Park Board is requesting that non-profits renting the chalet, large pavilion, and park provide their tax exempt id number.

#### Liquor Store

The letter from the state auditor was discussed and staff was directed to contact the auditors and state regarding this. A letter will be sent to the state informing them that we are working on the items in their letter.

#### EDA Report

The second round of winners from the Shop Medford Program were drawn at the January meeting. Council Member Corbin was contacted by the Strawberry field owner about the availability of funds. They were invited to the January meeting, but they did not attend and no further contact has been received.

Motion by DeMars, seconded by Corbin to submit the pay equity report to the State of Minnesota as presented. Carried

Motion by Kaiser, seconded by Corbin to have Christiansen attend the 2007 Minnesota Clerk and Finance Officer Association Conference on March 6-9 in Alexandria. Carried

The next regular council meeting is February 26, 2007

Motion by Corbin, seconded by Thomas to adjourn at 8:45 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk.

Special Council Meeting  
February 9, 2007  
City Hall

Mayor Kaiser called the meeting to order at 8:00 am. All members were present. Others attending were Mark Rahrick and Becky Walderon

The purpose of the meeting was a disciplinary hearing regarding a city employee, Becky Walderon.

Mayor Kaiser indicated that the meeting would be closed to discuss the disciplinary matters but that the meeting would be opened at the request of Ms. Walderon. Ms. Walderon was given the opportunity to request that the meeting be opened. Ms. Walderon declined to open the meeting.

The meeting went into closed session upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5 at 8:15 am.

The meeting was opened at 10:15 am.

Motion by DeMars, seconded by Corbin to terminate Becky Walderon as liquor store manager effective immediately.

The justification for the termination is that the council wanted to take the municipal store operation in a different direction.

Motion by Corbin, seconded by DeMars to adjourn at 10:26 am

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk.

Regular Council Meeting  
February 26, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:01 pm. All members were present. Others in attendance were Pat Merritt, Matt Schuette, Bruce Bullert, Wayne Mass, Seth Peterson, Lois Nelson, Dave Maroney, Briar Buscho, Rob Barbeau, Nick Goodnature, Chad Merritt, Don Schultz, Darren Shaw, Dan, Kely, Julia Niles, Tony Durand, Jim Miller, Ted Fiad, Keith Maas, Gary Wiersma, Jimmy Davis, Paul Beiser, Darren Hagen, Robert Lortis, Timothy Knauber, Rich Kucera, Jay Chambers, Mike Grossman, John Kay, Joe White, Ron Karow, Chad Langeslag, Butch Schultz, Philip Heim, Dorian Cornelius, Mark Rahrack, Amber Kniefel.

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

Motion by Thomas, seconded by Corbin to approve the minutes as corrected. Carried.

Motion by Thomas, seconded by Corbin to pay the city and liquor store bills for February 2007. Carried.

Motion by Corbin, seconded by DeMars to approve the January 2007 check register. Carried.

Concerns from the public. Rob Barbeau asked the Council what the City snow plow policy was. He stated that the City did remove the snow that was piled up against his fence at the KC Hall Parking lot. He also stated that the snow is plowed about 7 feet from his mailbox. Councilmember Corbin stated that snow is usually plowed about 3 feet from the curb and it is the homeowners' responsibility to clear the snow in front of a mailbox.

Wastewater regionalization with the City of Owatonna

Mayor Kaiser informed those in attendance that this process started back in 1998 and that the council has been informed of all talks with the City of Owatonna. There were also many council meetings and public hearings held to discuss the wastewater project. At the January 2007 meeting, Councilmember Thomas and Bruce Bullert were asked to research the option of regionalization with the City of Owatonna.

Councilmember Thomas asked why council was not aware of previous meetings with Owatonna. Thomas wanted to know why there wasn't a vote on regionalization. Mayor Kaiser explained that many alternatives for the wastewater plant were discussed and the councils at the time decided to go with a different alternative. Councilmember Sexton informed those in attendance that when the project started it was more expensive to regionalize with Owatonna, but wants to see what may have changed since then.

Why wasn't there a presentation done in 2006 to reflect the new costs for the project? One option that the city had was to scale the project back so that Medford could grow so a decision had to be made. The reason why we can't stop the project is that we have committed to the Minnesota Pollution Control Agency to have the interim project done in 2008 and if it is not completed then MPCA will not issue permits to allow Medford to grow.

If the City was to go with a wastewater regionalization project, then MPCA would have to approve the amended facilities plan.

Bruce Bullert developed a list of questions and issues that need to be researched before a decision should be reached. Mr. Bullert has reviewed several reports from the City of Owatonna to help develop the questions and issues list. Mr. Bullert then went through each of the questions or issues and stated that joint powers may need to be developed.

A question was raised about how this would effect our current permit for the wastewater plant. We were just issued a permit that will expire in August of 2010. The City could go ahead with phase 1 of the project and look into regionalization in the future.

Councilmember Thomas wanted know what the actual costs to homeowners would be. Dave Maroney stated that the cost could be around low \$30.00 based on 6,000 gallons. Currently, the city may receive a 20 year loan with an interest rate of less than 1% or more than the Market Rate less discounts (currently at 2.9% for wastewater projects) from the State of Minnesota Public Facilities Authority. The cost per homeowner are based on several factors including the connection fees that are collected, flows into the system, and any debt refinancing that the city has done. Mayor Kaiser stated that the city is charging less per month then the state threshold.

Jim Miller from Bonestroo Engineering Company has written a proposal for the Council to consider. They would like to help the City research the questions and issues that were raised by Mr. Bullert and what the cost would be to regionalize with the City of Owatonna. They would have the proposal ready in three weeks for the Council to review. The proposal would contain complete numbers for the project.

Mayor Kaiser then opened the meeting to questions from the public. Some of the questions raised included what is the total picture cost in today's costs; won't the operation of our own plant be more expensive.

Councilmember Thomas said that this was too long of a time to have so many unanswered questions about the project.

Motion by Thomas, seconded by Sexton to hire Bonestroo at a cost of \$3200.00 to work with Bruce Bullert to prepare a feasibility study on a wastewater regionalization project with the City of Owatonna. Ayes: Thomas, Sexton, DeMars. Nays: Corbin, Kaiser. Motion Carries.

Recess of five minutes

Medford Civic Club.

Paul Beiser asked what the status of the Medford Civic Club getting a hard liquor license for Straight River Days is. The City Attorney will research this and have an answer at the March meeting.

Christ the King Church

Wayne Maas presented a proposed addition for Christ the King Church. The proposed addition will add two handicap restrooms and an elevator to the basement. Mr. Maas was recommended to take the project to planning and zoning board for their approval and they would then bring a recommendation to the City Council.

Wayne Maas-Lot Split

Wayne Maas asked the Council to approve a lot split. Mayor Kaiser informed Mr. Maas that the ordinance stating the process for this has to be followed and he would have to go through the process as stated in City Ordinance 182. Mr. Maas will work with staff on this process.

Niles-Wiese Construction

Niles-Wiese Construction presented a plan for a proposed office building in Medford. They would like to stay in the community. Councilmember Corbin invited them to the next meeting of the EDA.

Planning and Zoning

Pat Merritt, Planning and Zoning Board Chair, presented the Council with a letter from Mark Cochran. Mr. Cochran would like to use a home as a business without living in the home. Ordinance 177-1 does not allow this to happen and it was the consensus of the Council to deny this request as it does not meet Ordinance 49 and 177-1. The City Clerk was directed to prepare a letter to Mr. Cochran stating this.

Engineers Report

Bruce Bullert recommends that the wastewater project bids and construction services agreement be tabled until the March meeting.

Seth Peterson is willing to help Bruce Bullert answer the questions that were stated earlier. Mr. Peterson also stated that there is a funding source to help with lowering of the phosphorus limits.

Attorney's Report

Electric Franchise is being drafted by Councilmember Corbin and the City Clerk. This electric franchise will be discussed at the March Meeting. Councilmember Sexton would like to have representatives from both Alliant and Steele Waseca at the March meeting to discuss the proposed franchise agreement.

The City Attorney will draft a letter to Ny-Board on behalf of the City.

Water and Sewer Report

Motion by Thomas, seconded by Sexton to raise Rich Kucera's pay by \$.25 for Class C wastewater license that he obtained and back pay the raise to when the license was received. Carried.

Thomas would like to review the wages once the Pay Equity Report is reviewed by State and the City receives the review.

Street and Light Report

Rich Kucera informed the council that the sand truck went down on Sunday afternoon.

Mayor Kaiser thanked Kucera and Cornelius for good work on snow removal.

Park and Rec Report

A pool cover has been ordered.

Councilmember Sexton is working with Steele County on the building of a small pavilion. The amount in the budget for the small pavilion is \$14,000.

Councilmember Sexton, Cornelius and Kucera met with Straight River Enterprises on lawn care for the city parks and Straight River Enterprises are preparing a proposal.

Liquor Store Report

Councilmember DeMars is recommending that the manager position for the municipal Liquor Store not get filled at this time. DeMars would like to wait until the audit is complete before filling the position.

Mr. Rahrck informed the Council that they are not obligated to advertise the opening if there was someone on staff that could fill the position. Councilmember Sexton would like to know what is stated in the Employee handbook about this.

EDA Report

The Medford EDA will be meeting in March and will be discussing the potential sale of the Medford Trailer Court. If the Medford Trailer Court is sold the city would be responsible for the relocation of one tenant and the buyout of the other. It was the consensus of the Council to have the EDA decide on how the property should be zoned and what the process should be for the use of the property.

Consensus of the Council to have the Clerk send out the Rental Housing Registration Packets without the fees stated. The fees will be discussed once the Clerk receives the scale that will be used by Steele County for the inspection of the rental units.

The Comprehensive Plan is put on hold until the wastewater project in finalized.

The next regular council meeting is March 26, 2007

Motion by Corbin, seconded by Demars to adjourn at 10:15 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk.

Regular Council Meeting  
March 26, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:00 pm. All members were present. Others in attendance were Seth Peterson, Pat Merritt, Keith Maas, Butch Schultz, Paul Beiser, Dorian Cornelius, Bruce Bullert, Ted Field, Lois Nelson, Ron Karow, Mike Grossman, Darren Shaw, Chris Sierakowski, Jimmie Davis, Rob Barbeau, Sarah Booe, Jeff Karow, Nancy and Dennis Burgess, Dave Maroney, Mark Rahrlick, and Amber Kniefel.

Motion by Corbin, seconded by Sexton to approve the agenda as amended. Carried.

Motion by Thomas, seconded by Corbin to approve the minutes as presented. Carried

Motion by DeMars, seconded by Sexton to pay the city and liquor store bills for March 2007. Carried

Motion by DeMars, seconded by Corbin to approve the February 2007 check register. Carried

Concerns from the public. Dorian Cornelius informed the council that several homeowners were concerned about ponding on certain streets in town. Council member Corbin will follow up on this issue.

Medford Civic Club.

Paul Beiser asked about the possibility of serving hard liquor during Straight River Days. The city attorney has informed the Civic Club that is allowable. The Civic Club was asked to provide a written request for serving hard liquor for consideration at the April City Council Meeting.

Straight River Enterprises.

Sarah Booe representing Straight River Enterprises informed the council that the contract between the City and Straight River Enterprises will be presented at the April City Council Meeting.

Wastewater Regionalization.

Ted Field from Bonestroo presented a nine page report containing a cost estimate and other information related to wastewater regionalization with the City of Owatonna. The cost for regionalization is broke down into seven areas. The areas are conveyance facilities to Owatonna, annual operation and maintenance of conveyance facilities, purchase of capacity in Owatonna conveyance system, purchase of capacity in Owatonna treatment system, operation and maintenance cost share of Owatonna treatment facility, cost share of future upgrades to Owatonna treatment facility, and abandonment of existing Medford treatment plant. Mr. Field also reported that the City of Owatonna hasn't done something like this before and there are some areas for negotiation. The City of Owatonna is planning an upgrade to their wastewater treatment facility. Phase 1 of the project would cost \$21million and phase 2 is \$8 million. If regionalization was done, the City of Medford would be responsible of some cost related to the upgrade.

The City of Medford would be considered a contract user if they city were to regionalization with Owatonna. The City of Owatonna could revise the rates charged to Medford without City of Medford's approval. There may also be limitations in what Medford could send to Owatonna and how much. Mr. Field also reported that Medford could also trade or sell discharge permit. Mayor Kaiser asked what impact this would have on negotiation and the answer was very little.

Medford City Engineer, Bruce Bullert, has reviewed the report and he said that the report was a combination of his ideas and Bonestroos.

The total cost of regionalization with the City of Owatonna would be 6.7 million dollars and annual cost would \$124,600 a year. A new connection cost of \$2000 may have to be assessed to each property owner in Medford. The exact amount of money that Medford would have to pay for the expansion was not known at the time of the report.

Council member Sexton asked about conveyance facilities. She stated that there was a pipe in ground from Clinton Falls to Owatonna and why a new force main would have to be built from Medford to Owatonna. The pipe that is currently in the ground is large enough to service Clinton Falls. Question about the capacity purchase was raised and the upfront costs to Medford would be. Mr. Field believed that Owatonna would want the money right way.

Seth Peterson prepared a breakdown comparing the numbers from Bonestroo and interim and final improvements that were proposed in 2006. The operation and maintenance numbers from Bonestroo does not include the costs for the Medford's plant operation and maintenance. The comparison shows that regionalization would be more expensive up front and would have a higher cost in the long run.

Dave Maroney from Community Partners also informed the council that the increases in the rates for the past two years were needed to pay for the interim improvements. Mayor Kaiser thanked Bonestroo for their study on the effects of regionalization.

#### Our Homes South

Nancy and Dennis Burgess submitted a letter to the Medford Economic Development Authority asking to borrow \$10,000. The EDA is recommending that the current loan be redone to reflect the additional \$10,000 request. Mr. Burgess stated that the money would go to giving back to the community by building a small retail space with building a restroom at the Laundromat for the public. The Burgess would like to make the downtown look nice and would be willing to work with City on this.

Motion by Corbin, seconded by DeMars to grant the \$10,000 request and expand the current loan with Our Homes South. Carried.

#### Planning and Zoning

Motion by Sexton, seconded by Thomas to grant the lot split to Wayne Maas as recommended by the Planning and Zoning Board. Carried

Motion by Sexton, seconded by DeMars to grant the Christ the King church addition and parking lot request as recommended by the Planning and Zoning Board. Carried.

The Planning and Zoning Board informed the Council that Americana Community Bank is requesting that the property be rezoned from industrial to commercial. Consensus for the Council was to have Americana Community Bank start the required process for a rezoning request.

#### City Engineers

Based on the earlier discussion on wastewater regionalization, it was the consensus of the council to move forward with the interim wastewater project. Regionalization and other alternatives would be discussed during the facility plan process for the final improvements at the wastewater plant.

Mayor Kaiser informed the council on all the work Seth Peterson has done on behalf of Medford and work he has done on a statewide level.

Motion by Corbin, seconded by DeMars to accept Gridor Construction bid of 1,242,000 for the interim wastewater project. Carried.

Mr. Bullert has reviewed the Construction Services Agreement developed by Seth Peterson and he feels comfortable with it. Mr. Bullert would recommend the Council sign the Construction Services Agreement.

Motion by Thomas, seconded by Corbin to approve the Construction Services Agreement with Bolton and Menk. Carried

Seth Peterson provided an update on the phosphorus grant that is due on May 1.

#### Funding legislation.

Mayor Kaiser informed the council that he received a call from Representative Fritz asking him to testify on March 16 at the Capital. Representative Fritz was the chief author of House File 870. Following the hearing at the Capital, Mayor Kaiser, Representative Fritz, and the City Clerk met with Terry Kuhlman, Executive Director of Public Facilities Authority, about amending the legislation to \$700,000 which is half of the PFA loan that the city is eligible for.

Representative Fritz informed City Hall staff that the bill was not included in the committee omnibus bonding bill and that next year may be the year for our needs.

#### City Attorney

Mark Rahrlick presented a draft electric franchise for the Council review. Some of the changes to the agreement were the date for the count of the meters for the utility fee. The electric franchise would be 10 years and is non exclusive agreement. It was consensus of the council to change the length of the franchise to five to six years and the attorney will send a draft to Alliant Energy for their review and comment.

A letter was sent to NyCore regarding the payment acceptance agreement and Mr. Rahrlick should have a response in ten days.

#### Water and Wastewater Report

Nothing to report.

#### Street and Lights Report

Council member Corbin was asked to follow up on the following items: sidewalks along Main Street, children at play signs by muni and post office, ponding issues, water runoff from the funeral home onto a neighboring property, and street sweeping.

#### Park and Rec Report

Motion by Sexton, seconded by DeMars to authorize the purchase of wood chips up to a cost of \$4200. Carried.

Motion by Sexton, seconded by Thomas to accept the pool fees as recommended by the Park Board. Carried.

Motion by Sexton, seconded by Corbin to accept the pool rental fees as recommended by the Park Board. Carried.

Council member Sexton provided an update on the small pavilion. Steele County will look at the small pavilion area to make sure there are no problems with flooding.

Council member Sexton also provided the Council with information on the Rain Garden project for the Medford Public School. The Rain Garden will have a filtration system with ponds. The school may request a variance from the City's Public Nuisance ordinance. The variance would allow the school to grow vegetation over eight inches.

#### Liquor Store Report

Sixteen new bar stools were purchased at cost of \$1,000 plus shipping.

#### EDA report

The sale of the trailer court was discussed and the EDA is recommending placing the property up for sealed bid with a minimum bid of \$125,000.

Motion by Corbin, seconded by Thomas to authorize the EDA to hire an appraiser to conduct an appraisal on the trailer court property. Carried

It was the consensus of the council to begin the process of notification to the tenants as required by law.

Motion by Corbin, seconded by Thomas to have the city attorney prepare the notice of relocation and have Council member Corbin enter into negotiations with the tenants. Carried.

Mayor Kaiser informed the Council that meetings have been held with Richie Brothers, Steele County, and City of Owatonna regarding a potential development along I-35. The City of Owatonna would like the City of Medford to take the lead on this project. Owatonna will support Medford in bringing Richie Brothers to the area as long as Medford will listen to the concerns of Owatonna. A special council meeting regarding this may happen in the future.

Amber Kniefel provided an update on the Rental Housing Registration and asked what the Council would like to do for those properties that fail to register. The City Attorney is helping with those property owners that are refusing to fill out the application or will not give the City all of the required information. It was the consensus of the Council to send a follow-up letter a week after the deadline to the property owners who have not filled out the application.

The City Clerk presented a resolution regarding the fees associated with Ordinance 191. The fees that were sent in January were based off of the old ordinance and the new fees are reflecting the fees that the City will be charged by Steele County for inspections.

Motion by Corbin, seconded by Sexton to accept the fee resolution as presented. Carried.

Motion by Corbin, seconded by DeMars to enter into an agreement with Steele County for inspections of Rental Units. Carried.

Steele County would like to host a Household Hazardous Waste Collection in Medford this summer. It was the consensus of the Council to have the Clerk set this up with Steele County.

The City Clerk reported on the MCFOA that she attended earlier this month and informed the Council that the Board of Appeal and Equalization Meeting will be held on May 2 at 7:00 pm.

Purchasing Policy

City Hall staff will be writing a purchasing policy. The idea behind the policy is to limit spending on items that might be used once in a while. Maintenance items (chemicals, wood chips, etc) are part of day to day operations. Discussion was held on the limits which employees can purchase without council approval.

The next regular council meeting is April 23, 2007

Motion by Corbin, seconded by Demars to adjourn at 9:42 p.m.

Minutes approved at \_\_\_\_\_meeting.

Submitted by \_\_\_\_\_clerk.

Regular Council Meeting  
 April 23, 2007  
 City Hall

Mayor Kaiser called the meeting to order at 7:01 pm. All members were present. Other attending were Donald Clemmensen, Paul Beiser, Seth Peterson, Bruce Bullert, Pat Merritt, Mark Rahrick, and Amber Kniefel.

Motion by Corbin, seconded by Sexton to approve the agenda as amended. Carried.

Motion by Thomas, seconded by Corbin to approve the minutes as presented. Carried.

Motion by DeMars, seconded by Corbin to pay the city and liquor store bills for April 2007. Carried.

Motion by DeMars, seconded by Corbin to approve March 2007 check register. Carried.

Concern from the public-none

Medford Civic Club

Paul Beiser, Medford Civic Club President, presented to the Council a request for hard liquor sales on June 22<sup>nd</sup>, 2007 from 8:00 pm until last call.

Motion by Corbin, seconded by Thomas to allow the Medford Civic to sell hard liquor on June 22 subject to the City of Medford being listed as an additional insurer on the Civic Club's Liquor Liability Insurance. Carried.

Planning and Zoning

Pat Merritt, Planning and Zoning Chair, presented a request to waive the public hearing fee for the Americana Community Bank.

Motion by Corbin, seconded by Sexton to deny the Americana Community Bank request to have the public hearing fee waived. Carried with Council person DeMars abstaining.

Motion by Corbin, seconded by DeMars to rezone the Medford Trailer Court from industrial to commercial. Carried.

Motion by Sexton, seconded by Thomas to rezone the Americana Community Bank from industrial to commercial. Carried with Council person DeMars abstaining.

City Engineer

Seth Peterson provided an update on the construction of the wastewater treatment plant interim improvements.

Construction will start around the first of May.

Mr. Peterson also informed the council that the city has met the requirement for the phosphorus reduction grant and may be eligible for grants funds.

Bruce Bullert provided a draft comprehensive plan for the council to review and comment on. The new plan updated all of the demographic information and other information about the City.

Mr. Bullert also provided the Council with information regarding funding for the future water and wastewater improvements. Mr. Bullert told the Council that they have the option to redo the rate structure to help fund the future projects.

City Attorney

A draft electric franchise has been submitted to Alliant Energy for review and a response is expected by May 15. There are some questions on the language by Alliant Energy.

Amber Kniefel informed the Council about the lawsuit from a cat bite that occurred last fall. The case will be heard on June 19.

Motion by Thomas, seconded by Corbin to have Mark Rahrick represent the City in the lawsuit. Carried.

Mr. Rahrick informed the Council that the phone calls to Ny Core have not been returned and the City does have the option to pursue legal action against Pike Companies.

Motion by DeMars, seconded by Sexton to authorize the city attorney to take legal action against Pike companies. Carried.

Wastewater and Water Report

Motion by Thomas, seconded by DeMars to accept the Nile-Wiese Construction bid for valve box and clean-out at the Medford Outlet Center. Carried.

Motion by Thomas, seconded by Corbin to purchase a Big Easy Lift Magnet Attachment. Carried.

Motion by Thomas, seconded by Sexton to send Dorian Cornelius to wastewater and land application school in May and June and pay expenses associated with the training. Carried

#### Street and Light Report

Letters were sent out regarding the issues raised at the March meeting.

The maintenance staff is setting bids and quotes on various items.

#### Park and Pool Report

The pool lockers are up and they look great. Thanks Rich.

Council member Sexton updated the council on the small pavilion and it may cost more than what is budgeted.

Motion by Sexton, seconded by DeMars to enter into contract with Straight River Enterprises for lawn care. Carried

Motion by Sexton, seconded by Corbin to accept wages for pool staff as recommend by the Park Board. Carried

#### Liquor Report

Council member DeMars reported that the Liquor Store made around \$13,000 in 2006.

Motion by DeMars, seconded by Thomas to hire Craig O'Hearn as the liquor store manager with a salary of \$36,400 retroactive to February 9, 2007. Ayes: Thomas, DeMars, Sexton, Kaiser. Nyes: Corbin. Carried.

Council member DeMars presented a contact with Straight River Enterprises for janitorial services at the Muni and City properties. The Council would like to have more information regarding the schedule.

Motion by Corbin, seconded by DeMars to authorize Straight River Enterprises to provide janitorial services for one month. Carried.

Council member DeMars provided information regarding the Krogh Family Benefit and the possibility of the Muni hosting a street dance. The city attorney informed the council that this would not be a good use of public funds.

#### City Clerk

Discussion on the employee review process with the idea of having all personnel reviews done by the entire council along with any other personal issues.

Motion by Sexton, seconded by Thomas to set a special meeting on May 7, 2007 at 7:00 pm to review the probationary employee. Ayes: Thomas, Sexton. Nyes: DeMars, Corbin, Kaiser. Motion Failed

Motion by Kaiser, seconded by DeMars to change the office assistant to Deputy City Clerk at a rate of \$13.50 an hour with a cap of 40 hours and adopt the job description. Ayes: Thomas, DeMars, Kaiser. Nyes: Corbin, Sexton. Carried

A draft purchasing policy was given to the council for their review and comment.

The meeting went into closed session at 9:45 pm upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5. Persons in attendance included the City Council, City Attorney, and the City Clerk. The closed portion of the meeting was being recorded. The meeting was reopened at 10:10 pm.

Motion by Corbin, seconded by Demars to authorize Mayor Kaiser to negotiate with renters and advertise for bids. Carried

The next regular council meeting is May 24, 2007.

Board of Appeal and Equalization will be held on May 2 at 7:00 pm.

Motion by Corbin, seconded by Demars to adjourn at 10:10 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk.

Board of Appeal and Equalization  
May 2<sup>nd</sup>, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:01 pm. Council Member Sexton was absent. Other attending were Glen, Purdie, Steve Halverson, and Tracy Anderson.

The purpose of this meeting is for property owners of Medford to express their concerns and ask questions about the estimated market value of their property.

Steele County Assessor, Glen Purdie, provided an overview of the process used by the County. The Assessor's Office completed a review of the commercial properties in Medford. The residential properties saw an increase of 2.7% from 2006 to 2007.

Mayor Kaiser provided an overview on the city process and the appeal process.

Tracy Anderson questioned the value of parcel #16-114-0203. The property value was listed at \$308,700 and Mr. Anderson bought property for \$290,000. Mr. Anderson asked to have the property value reduced to the sale price.

Motion by Corbin, seconded by Thomas to reduce the value of parcel #16-114-0203 to \$290,000 as recommend by Glen Purdie, Steele County Assessor. Carried.

One property owner did contact the Steele County Assessor's Office for review of their property. The Assessor's office received an appraisal for mortgage purposes of \$305,000. The Assessor's Office reviewed the submitted appraisal and recommends no change in the value of \$334,300 for parcel #16-100-3140.

Motion by Thomas, seconded by Corbin to accept the recommendation of the Glen Purdie, Steele County Assessor, for a property of \$334,300 for parcel #16-100-3410. Ayes, Thomas, Corbin, Kaiser. Nyes: DeMars. Carried

Motion by Corbin, seconded by Thomas to adjourn the Board of Appeal and Equalization meeting at 7:28 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
May 17<sup>th</sup>, 2007  
Medford Public Schools

Mayor Kaiser called meeting to order at 6:04 pm. Council member Thomas was absent. Others in attendance see attached list.

The purpose of the meeting is to hear a presentation by Ritchie Brothers Auctioneers on a possible development.

Mayor Kaiser gave an overview on the meeting structure and the focus of the meeting was for public input. He also gave a brief history on how the city has gotten to the meeting. There have been meetings with the City of Owatonna, Steele County, City of Medford, and Ritchie Brothers. The City has done research on the Ritchie Brothers organization.

Mayor Kaiser stated that the City of Medford has not taken any action on the development and the action would be taken at the May council meeting. The discussions with Ritchie Brothers have been general dealing with the issues of annexation and utilities.

Justin Filuk from Ritchie Brothers gave a presentation and overview on Ritchie Brothers.

Owatonna Mayor Tom Kuntz provided an overview on the City of Owatonna position with the development and the comments he received from officials in other cities that have had a Ritchie Brothers development.

Steele County Commissioner Bruce Kubicek stated the concerns that the County has with the development. The concerns mainly deal with roads and the access off of the I-35.

The meeting was then opened up for questions. Some of the questions included affect on the township road west of the proposed development; if any equipment set up along the township road.

The annexation process and various options was briefly discussed. Mayor Kaiser explained that the process is regulated by the state. Medford City Attorney, Mark Rahrck, explained that the property being annexed has to be abutting the corporate boundaries of the city.

Ritchie Brothers representatives informed those in attendance that a majority of the sales will be held during the spring and summer months.

The proposed development would mostly likely be zoned commercial but they will work with the community on the zoning.

Motion by Corbin, seconded by Sexton to adjourn the meeting at 7:16 p.m.

Minutes approved at \_\_\_\_\_meeting.

Submitted by \_\_\_\_\_clerk

Regular Council Meeting  
 City Hall  
 May 24, 2007

Mayor Kaiser called the meeting to order at 7:03. All members were present. Others attending were Pat Merritt, Shirley Jenó, Andy Artley, Kirsten Nagel, James Nagel, Steven Jaster, Beverly Berg, Brad Spitzack, Dan Niles, Bill Heyer, Paul Beiser, Mary Thoreson, Lynn Burns, Amber Kniefel, Mark Rahríck, Bruce Bullert.

Motion by Corbin, seconded by DeMars to approve the agenda as amended. Carried  
 Motion by Thomas, seconded by Corbin to approve the minutes as corrected. Carried  
 Motion by DeMars, seconded by Corbin to pay the May city and liquor store bills. Carried  
 Motion by Thomas, seconded by Corbin to approve the April check register. Carried

Concerns from public. None

Ritchie Brothers Auctioneers.

A special council meeting was last week to inform the council and members of the public about the potential Ritchie Brothers development. The council now needs to make a decision on to whether or not they want to enter into negotiations with Ritchie Brothers.

Andy Artley (Ritchie Bros) and Lynn Burns (I&S Engineering) were present to answer questions about the potential development. Council person Sexton expressed some concerns from Steele County regarding the County Road. Steele County will be requiring a traffic study. Mayor Kaiser informed the council that representatives from Steele County have been involved in the meetings. Mr. Burns informed the council that a traffic study has been completed and will submitted to the appropriate agencies.

Motion by DeMars, seconded by Sexton to authorize the Mayor, Councilmember Corbin, city attorney and city engineer to enter into negotiations with Ritchie Brothers. Carried

Relocation Proposal

The meeting went into closed session at 7:21 pm upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5. Persons in attendance included the City Council, City Attorney, and the City Clerk. The closed portion of the meeting was being recorded. The meeting was reopened at 7:45 pm.

Items discussed in the closed meeting were the purchase agreement and buyout of one of the tenants and the language for the bid advertisement for the trailer court. (Mayor Kaiser left closed session and returned)

Motion by Corbin, seconded by Thomas to authorize the Mayor and City Clerk to sign the agreement for buyout as prepared by the City Attorney. Carried.  
 The tenant will be able to take anything from the property that they want and the deposit will be refunded and no June rent will have to be paid.

Recess of five minutes

Motion by Corbin, seconded by DeMars to accept the advertisement for the sale of the trailer court prepared by the attorney with the changes discussed in the closed meeting and to place the ad in the Faribault and Owatonna papers. Carried

Civic Club. None

Planning and Zoning

Dan Niles and Bill Heyer presented a request to replat Lots 1 and 2 of Block 1 of the Scenic Heights Addition. A replat of the property was done in order to conform with ordinance 182. There is a potential vacation of an easement as well. A lengthy discussion was held on whether to accept the replat before having the public hearing to vacate the easement.

Motion by Thomas, seconded by DeMars to have a public hearing for the easement vacation and to approve the submitted plat. Carried.

A special meeting of the planning and zoning board will be held on June 4 to discuss the Land Use Regulations.

City Engineer

Motion by Thomas, seconded by Corbin to adopt the Comprehensive Plan. Carried

Seth Peterson provided a memo updating the progress at the wastewater treatment plant.

Bruce Bullert provided a proposal on the funding options for future projects. The proposal would minimize the financial burdens for the city of Medford

Motion by Thomas, seconded by Corbin to approve the funding proposal with Community Partners for step 1 at a cost of \$12,500. Carried

#### City Attorney

Alliant Energy was having a meeting to discuss the language on the proposed franchise agreement. A response will be available for the June meeting.

Nycore has been served a notice dealing with a potential lawsuit. No response has been received.

#### Water and Sewer

Discussion on water shut off for people who request it. It was the consensus of the council not to allow water to be shut off at residents' request.

#### Street and Light

Nothing

#### Park and Rec

A meeting will held in the future with the DNR to review the floodplain and other issues.

An update on the rain garden at the school was given. The school may be requesting a variance on the vegetation in the rain garden.

Motion by Thomas, seconded by Sexton to appoint Tony Renchin to the Park Board. Carried

#### Liquor Store Report

Council person DeMars received a new contract with Straight River Enterprises for cleaning at City and Liquor Store. Straight River Enterprises did provide set hours for the cleaning and they can be called for additional cleaning.

Motion by DeMars, seconded by Corbin to enter into a contract with Straight River Enterprises for cleaning for two years with the exhibit A (schedule). Carried

Smoking ban that will be in effect on October 1 was discussed. There is a chance that this could hurt business but people would be able to smoke outside. It was the consensus of the council to start enforcement on October 1.

#### EDA

The EDA is missing three members on the board. They would like to have the attorney investigate the membership requirements for the board.

SCI gave a presentation to the EDA. This is informational as they would not be seeking anything from the city.

The Shop Medford program will be continuing this year.

The council was asked to help assist in the Household Hazardous Waste Collection on June 13 in Medford.

Information regarding the audit and recent water inspection by the Department of Health was given.

City Hall staff is working on revising the purchasing policy.

Motion by Corbin, seconded by Sexton to adjourn the meeting at 9:15 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Regular Council  
City Hall  
June 25, 2007

Mayor Kaiser called the meeting to order at 7:03 pm. All members were present. Others attending were Pat Merritt, Tom Olinger, Lois Nelson, Frank Rhodes, Paul Beiser, Bruce Bullert, Mark Rahrck, Amber Kniefel, and Leland Kruger.

Motion by Corbin, seconded by Sexton to approve the agenda as amended. Carried

Motion by Thomas, seconded by DeMars to approve the minutes as corrected. Carried

Motion by DeMars, seconded by Corbin to pay the city and liquor store bills for June 2007. Carried

Motion by Sexton, seconded by Thomas to approve the May 2007 check register. Carried

Concerns from the public. None

Trailer Court Renter

The meeting went into closed session at 7:06 pm upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5. Persons in attendance included the City Council, City Attorney, and City Clerk. The closed portion of the meeting was being recorded. Items discussed were the offer to trailer court renter and consideration of the bids.

The meeting was reopened at 7:20 pm.

Mayor Kaiser summarized the offer made to Leland Kruger and the bids considerations. Having received no bids, it was the consensus of council to place a for sale sign on the trailer court land and consider any offers received at the City Clerk's office.

Twin Cities Concrete Company

Frank Rhodes representing Twin Cities Concrete Company informed the Council on the potential development by the gravel pits. The development will not be located within the corporate limits of Medford. The first phase of the project will involve the bagging of cement and will employ six people. The company will be requesting a zoning change from Steele County and will keep the City informed as the development continues.

Tom Olinger, Abdo Eick & Meyer, presented the 2006 audit.

Planning and Zoning

A joint meeting between Planning and Zoning and the City Council will be held on July 11, 2007 at 7:00 pm to review the draft Land Use Ordinance.

City Engineer

Motion by Corbin, seconded by Thomas to spend \$1200.00 for sidewalk and street repair on 4<sup>th</sup> Street SW. Carried

Motion by Corbin, seconded by Thomas to repair the sidewalk from Main Street to 1<sup>st</sup> Ave SW at a cost of \$2594.80 to be paid by the City. Carried

Councilmember Corbin distributed an article about limiting train noise in the City and the ability to implement a quiet zone in the City. In order to implement the quiet zone, the City would need to have lights and gates at all the public crossings.

Discussion on limiting trains speeds through the City. The City would be able to petition to the Minnesota Department of Transportation to limit speeds as along as there are a set of unique factors to Medford.

TCS Trailers have requested pavement of 3<sup>rd</sup> Street SE. The cost without curb and gutter would be \$71,000 and with curb and gutter the cost is \$82,000. The work would include the storm ponds and would be assessed to the property owners. Mr. Corbin will contact the property owners with this information.

Mayor Kaiser informed the Council on an e-mail he received from Representative Fritz regarding 2008 funding legislation. Bruce Bullert and Dave Maroney completed the paperwork to place the City's request for funding on the Minnesota Department of Finance List.

Motion by Thomas, seconded by DeMars to adopt the resolution in support for 2008 Legislative funds. Carried.

## City Attorney

A response from Alliant Energy has been received regarding the electric franchise. Alliant Energy will have a representative in attendance for the July Council meeting. There are five points that were suggested by Alliant Energy. They include performance standards, franchise fee, six month delay before implementation, charging an administrative fee to the user, right to purchase the utility. Alliant is also requesting a 15 year franchise. Mark Rahrck will work with Alliant Energy on these points.

## Water and Wastewater Report

Nothing

## Street and Light Report

Nothing

## Pool, Park and Rec Report

There are still openings in August for swimming lessons.

Rich is doing a good job on the maintenance at the pool.

Discussion on the small pavilion. Councilmember Sexton informed the Council on a meeting held with DNR representatives. During the visit, it was discovered that the chalet was built in the floodway. DNR is recommending building the small pavilion near the tennis courts. It was the consensus of the Council to pursue the location.

## Liquor Store Report

The street dance went well.

## EDA Report

Discussion on the Ritchie Brothers articles in the paper on Thursday and Saturday.

Mayor Kaiser informed the council and the public that the City has been and will be meeting with Ritchie Brothers to discuss the development.

Councilmember Corbin informed the Council on the steps needed to redo the members on the EDA board (reducing membership to five). It was the consensus of the council to have the attorney prepare necessary paperwork for amending the EDA Enabling Resolution.

Motion by Sexton, seconded by Corbin to adopt a resolution relating to compliance with reimbursement bond regulations under the Internal Revenue Code. Carried

Motion by Thomas, seconded by Corbin to pay the wastewater project first pay request less a five percent retainer. Carried.

Motion by Corbin, seconded to DeMars to send the Clerk to the League of Minnesota Cities Clerk Orientation Conference on August 21-23 and pay the expenses. Carried

The council was informed that the school property was sold and a discussion on what fees will apply. According to the agreement signed with school upon development of the parcels all the fees would apply. City staff was directed to work with the City engineer regarding what to charge.

The next regular council meeting is July 23, 2007.

Motion by Corbin, seconded by Sexton to adjourn the meeting at 9:25 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting with Planning and Zoning  
 July 11, 2007  
 City Hall

Mayor Kaiser called the meeting to order at 7:00 pm. All members were present. Others attending included Pat Merritt, Ivan Cowell, Drew DeMars, Ross Olson, Paul Beiser, Mark Rahrlick, and Amber Kniefel.

Purpose of the meeting is to review the proposed Land Use Regulations (Zoning Ordinance) with the planning and zoning board.

Discussion/review of the Land Use Regulations (Zoning Ordinance). Mark Rahrlick and Amber Kniefel highlighted the changes from the 2004 draft ordinances and the new information that has been added.

Recess of five minutes

Discussion resumed at 8:29 pm.

A special meeting will be held on August 8, 2007 at 7:00 pm to continue the review and discussion of the Land Use Regulations (Zoning Ordinance).

Motion by Corbin, seconded by Thomas to adjourn at 9:09 pm. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
 July 17, 2007  
 City Hall

Mayor Kaiser called the meeting to order at 7:01 pm. All members were present. Others attending included Steve Jaster, Shirley Jenó, Cal Jenó, Dan Niles, Jan Svenby, Kris Nagel, Helen Nagel, Brad Spitzack, Paul Beiser, Paul Ryan, Allen Obernolte, Harry Buerman, Bruce Bullert, Mark Rahrlick, Lynn Burns, Justin Filuk, Scott Lennon, Amber Kniefel.

The purpose of the meeting is to consider the proposed developer's agreement and annexation considerations with Ritchie Brothers Auctioneers.

The format for the meeting was a powerpoint presentation by Ritchie Brothers, discussion of the highlights of the developer's agreement, and specifics of the developer's agreement.

Justin Filuk with Ritchie Brothers Auctioneers presented a powerpoint that provided an overview of the company, explanation of the concept plan, proposed site features, drawings of the various buildings, and auction cycle.

Mayor Kaiser went over the two page highlights of the developer's agreement. If things were to fall into place, it is hoped that dirt will be moved in the fall and the public improvements would be completed in 2007 dependent on weather, annexations, and other considerations.

A question on the utility easements and impact on the property owners was asked. Mark Rahrlick said the easement would allow the city the right to install and maintain the public improvements and the impact on the property owners would be minimal.

Review of the developer's agreement was done page by page.

A question on if the developer's agreement also included the land owners. The agreement is between Ritchie Brothers and the City.

Question on the grading plan was asked. If the developer's doesn't file a copy of the grading plan with the City, the City in turn may withhold the certificate of occupancy.

A question regarding the assessments of the property if the assessments will stay with developers or the property. Any assessments on the property would stay with property if the property was sold.

A question regarding storm drainage and who is the responsible for monitoring it was raised. The storm drainage will be the responsibility of the developer's.

Motion by Sexton, seconded by Thomas, to enter into the Developer's Agreement with Ritchie Bros. Inc. and authorizing the Mayor and City Clerk to execute the agreement subject to Ritchie Bros. providing a legal description for the Property and Parcel B, and subject to Ritchie Bros. providing a Concept Plan of the Property and Parcel B and a Utility Easement Plan for the Property and Parcel B prior to execution of the agreement, as required by the Developer's Agreement. Ayes-Corbin, DeMars, Sexton, Thomas, Kaiser. Nyes-none. Motion Carried.

Motion by Corbin, seconded by DeMars to adjourn at 8:18 pm. Carried

Minutes approved at \_\_\_\_\_meeting.

Submitted by \_\_\_\_\_clerk

Regular Council Meeting  
 City Hall  
 July 23, 2007

Mayor Kaiser called the meeting to order at 7:01 pm. All members were present. Others attending included Tony Durand, Pat Merritt, Paul Wencil, Paul Beiser, Seth Peterson, Dave Maroney, Bruce Bullert, Steven Jaster, Dan Niles, Bill Heyer, Jeff Karow, Mark Rahrlick, Amber Kniefel.

Motion by Corbin, seconded by DeMars to approve the agenda as amended. Carried.  
 Motion by Thomas, seconded by Corbin to approve the minutes as presented. Carried  
 Motion by DeMars, seconded by Corbin to pay the city and liquor store bills. Carried  
 Motion by Thomas, seconded by DeMars to approve the June 2007 check register. Carried

Concern from the public: Paul Beiser, Civic Club President, thanked the city for help during Straight River Days.

#### Trailer Court Sale

The meeting went into closed session at 7:06 pm upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5. Persons in attendance included the City Council, City Attorney, Deputy City Clerk and City Clerk. The closed portion of the meeting was being recorded. Consideration of the offers made to the City for purchase of the trailer court was discussed.

The meeting was reopened at 7:41 pm.

Mayor Kaiser informed the public that two bids were received and neither one was accepted. A committee consisting of Council members Corbin and DeMars will enter into negotiations with the parties who made the offers.

A letter was received asking about development fees and the public was informed that all are upfront and known to all parties involved.

#### Knight of Columbus Hall

Tony Durand, representing the Knights of Columbus Hall, presented two items for the council to consider. First item is insurance on the parking lot between the Muni and Knights of Columbus Hall. The issue is making sure the City is listed on the Knights of Columbus insurance. The City Attorney and City Clerk will follow up on this. Second item was a request for funding to repair the roof and parking lot. Mayor Kaiser instructed the EDA to have a special meeting to consider this and bring a recommendation to the council.

#### Planning and Zoning

Motion by Sexton, seconded by Thomas to deny the rezoning request for 104 2<sup>nd</sup> St NE (old school property) from residential to commercial. Carried

A committee consisting of Council members Sexton and Thomas will work with the owner of the 104 2<sup>nd</sup> St NE (old school property) on the potential development.

Mayor Kaiser left the meeting and Acting Mayor Sexton took over.

#### City Engineer

Seth Peterson with Bolton and Menk provided an update on the construction process at the wastewater treatment plant.

Motion by Corbin, seconded by DeMars to approve pay request # 2 and authorize payment. Carried

Dave Maroney presented a resolution for the PFA loan authorizing increase rates and charges. This is a requirement for the loan.

Motion by Corbin, seconded by Thomas to sign the PFA resolution authorizing increase in rates and charges. Carried

A question about the excess fill at the wastewater treatment plant being used at the park. Seth Peterson is going to research it and let the city know.

#### Water and Sewer Report

Discussion on the garbage service to the City since Waste Management has bought Starman waste. Quotes were received from Waste Management and Flom Disposal.

Motion by Thomas, seconded by DeMars to enter into a contract with Flom Disposal for garbage service at City properties. Carried.

Motion by Thomas, seconded by DeMars to send Rich Kucera to land application school on September 25 and September 26 and pay expenses. Carried.

Discussion on whether the City should pay the costs of classes on line. In the past, the City has paid for the classes. The classes would accelerate the time for Kucera to test for his class B wastewater operators test.

Motion by Thomas, seconded by DeMars to pay the expense for the on-line class. Carried

Mayor Kaiser returned to the meeting.

Motion by Thomas, seconded by Corbin to approve the job descriptions for the waste/water operator and street/light maintenance. Carried.

Council member Thomas presented information on the meeting that he had with the maintenance staff. Some the issues discussed were overtime, taking breaks, time off calendar and other issues.

Discussion on purchasing a trailer instead of using a personal trailer when needed.

Motion by Thomas, seconded by DeMars to purchase the trailer as quoted. Carried

#### City Attorney

Mark Rahrlick presented the updated draft of the electric franchise. Some of the main points in the franchise are performance standards, length of the franchise, fees, and having the fees begin within 6 months.

Motion by Corbin, seconded by DeMars to accept the first reading of the electric franchise ordinance. Carried.

Information regarding the environmental assessment worksheet for the Ritchie Brothers development was given. The City would be the responsible government unit for the publication and notification requirements as required by the EAW.

Motion by Corbin, seconded by Sexton to adopt the Environmental Assessment Resolution and set the Responsible Government Unit. Carried

The City attorney informed the Clerk on the process for amending the EDA resolution. A public hearing has been set for August 27, 2007 at 6:30 pm.

#### Street and Lights

Discussion on the sidewalk repairs on Main Street. It was the consensus of the Council not to proceed with the project now but use the money authorized at the June meeting to establish a construction plan.

#### Park and Pool

Discussed building a new small pavilion. Mayor recommended to the Park Commissioner to get the costs finalized and a building site plan ready before proceeding with the zoning and permitting process.

#### Municipal Liquor Store

A meeting was held with the Liquor Store Commissioner, Craig O'Hearn and the fire department on the renewal of the pull tabs lease. The current lease expires on November 1, 2007. Discussion was held on the amount the City received from the pull tabs. The State allows the percentage in the range of 0 to 20%.

Motion by Thomas, seconded by Corbin to enter into a lease with the Fire Department at a rate 5% of the gross profits. Carried.

Discussion on the purchase of two flat screen televisions.

Motion by DeMars, seconded by Sexton to approve the purchase of two flat-screen television not to exceed \$2500 total. Motion and Second where withdrawn.

#### EDA

Justin Filuk with Ritchie Brothers will be flying in on July 24 to finalize the corridor and will be meeting to discuss annexation. A special meeting with the township to finalize annexation will be held in the future. The Clerk was asked to talk with the auditor about the \$200,000 city portion of the project.

A question about the current interest rate for an EDA loan was asked. The current rate is between two percent and three percent.

The budget meeting will be held on August 28 at 6:00 pm.

Discussion on comp time for City Hall staff when called on the weekends. It is a rare occurrence and it was the consensus of the council to give City Hall staff the same hours as the maintenance staff.

Motion by Corbin, seconded by DeMars to adjourn at 9:42 pm. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
City Hall  
August 2, 2007

Mayor Kaiser called the meeting to order at 7:00 pm. All members were present. Others attending included Kris Nagel, James Nagel, Helen Nagel, Steven Jaster, Dave Maroney, Bruce Bullert, Scott Lennon, Jamie Steinborn, Richard Tollefson, Amber Kniefel, Harry Buerman, Jan Svenby, Alfreed McAdams

The purpose of the meeting is consideration of matters in regards to the Ritchie Brothers Development including but limited to annexation and environmental considerations and treatment plant financing.

The City was presented with an annexation petition signed by the Smith Family, Pitan Family, Ritchie Brothers, and Steele County.

A question about parcel C was asked. Parcel C is located along the county road from roundabout to the furniture outlet center.

Motion by Corbin, seconded by DeMars to accept the joint resolution for annexation. Carried

Council recessed at 7:07 pm to allow for township discussion.

Council reconvened at 7:15 pm.

Bruce Bullert presented information regarding the Ritchie's Brothers Development Environmental Assessment Worksheet. At the July meeting, the City passed a resolution stating that the City is the responsible government unit so it is the City's responsibility to submit the EAW and handle the necessary comments.

Motion by Thomas, seconded by Corbin to accept the proposer's EAW submittal as complete and allow for distribution. Carried.

A time line summarizing the actions of the Council and Ritchie Brothers was presented.

Motion by DeMars, seconded by Corbin to adopt a resolution ordering preparation of feasibility report on improvement for utility extension. Carried

Motion by Corbin, seconded by Sexton to adopt a resolution receiving the feasibility report and set a public hearing. Carried.

Motion by Sexton, seconded by Corbin to adopt a resolution ordering the preparation of plans and specifications for the utility extensions. Carried

Discussion included the commitment of the city if the developer doesn't come and the developer's agreement would be null and void if zoning, annexation, and platting do not occur. A question about the impact the construction would have on the roads and that would be addressed when construction began. A question about construction if a wetland is involved and the process to gain the necessary permits would be followed. Discussion on the timeline and the role of mother nature. In the developer's agreement there are provisions due to the inability of the parties to control the weather. A question was raised about any speed bumps to the project and depending on the bump it could wait until spring.

Motion by Thomas, seconded by Corbin to authorize the Mayor to sign the EAW information. Carried.

#### Treatment Plant Financing

Dave Maroney presented information regarding the Public Facilities Authority Loan that the City applied for. The interest rate for the loan is 2.4%. At the July meeting, the Council passed a resolution authorizing for increasing rates and levy. The levy would only be used if there is a shortfall in the sewer revenue account and they could be done on year to year basis.

A question about the levy was asked. The first levy would be collected in 2009 if needed. A question about if the city can reinvest the money. Mr. Maroney informed the council that the City couldn't use the money for investment.

Motion by DeMars, seconded by Corbin to accept the resolution as presented. Carried.

Dave Maroney will contact Bill Fahey about preparing the sewer levy.

Motion by Corbin, seconded by DeMars to adjourn at 7:56 pm. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Meeting  
City Hall  
August 8, 2007

Mayor Kaiser called the meeting to order at 6:30 pm. All members were present. Others attending included Pat Merritt, Drew DeMars, Ross Olson, Paul Beiser, Mark Rahrnick, Amber Kniefel, Dan Niles, Bill Heyer, and Bruce Bullert.

The purpose of the meeting is to consider trailer court offers and continued review of land use regulations.

Representatives from Nile-Wiese Construction presented a drawing for the site and requested the waiver of the hook-up fees since service is already at the site.

The meeting went into closed session at 6:34 pm upon the grounds permitted under Minnesota Statute Section 13D.05 subdivision 5. Persons in attendance included the City Council, City Attorney, City Engineer Deputy City Clerk and City Clerk. The closed portion of the meeting was being recorded. Consideration of the offer for the sale of the trailer court and discussion of items related to the sale.

The meeting was reopened at 7:17 pm.

Items discussed with Niles-Wiese included the assessment of trunk fees and hook-up fees; installation of a sprinkler system with regards to water line going into the building; soil investigation being done; building in a commercial zone; exact boundaries and the city attorney is working on getting the abstract completed; and Niles-Wiese is responsible for everything underground and they will remove the block building.

Mayor Kaiser presented a counter-offer of \$75,000 with all applicable trunk fees and the City will waive the hook-up fees on their building. Any additional building will be charged normal fees. This offer was acceptable to the Niles-Wiese representatives.

Motion by Corbin, seconded by Sexton to authorize the preparation of a purchase agreement by the City Attorney and authorize the Mayor and Clerk to sign the purchase agreement. Carried

Recess of the five minutes

Continued discussion with Planning and Zoning regarding the Land Use Regulations (Zoning Ordinance).

The discussion was lead by the City Attorney and the Deputy City Clerk.

The uses for residential zones will be reviewed and updated by the Mayor, City Attorney, and Deputy Clerk.

The review of the Land Use Regulation (Zoning Ordinance) will continue on October 3, 2007 at 7:00 pm.

Motion by Corbin, seconded by Sexton to adjourn at 8:45 pm. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Public Hearing  
City Hall  
August 27, 2007

Mayor Kaiser called the public hearing to order at 6:30 p.m. All members were present. Others attending were Amber Kniefel.

The purpose of this public hearing is to receive comments from interested persons on the proposed Amended EDA resolution.

There were no comments received from interested parties.

Motion by Corbin, seconded by DeMars to adjourn the public hearing at 6:40 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Regular Council Meeting  
City Hall  
August 27, 2007

Mayor Kaiser called the meeting to order at 7:01 p.m. All members were present. Others attending were Tony Durand, Jan Guise, Paul Beiser, Phil Heim, Mark Rahrick, Bruce Bullert, Amber Kniefel, and Pat Merritt.

Recess of five minutes.

Motion by Corbin, seconded by DeMars to approve the agenda as amended. Carried.  
Motion by Thomas, seconded by Corbin to approve the minutes as corrected. Carried.  
Motion by Sexton, seconded by DeMars to pay the city and liquor store bills. Carried.  
Motion by Corbin, seconded by DeMars to approve the July 2007 check register. Carried.

Concerns from the public. A concern about the dumpster at the recycling center overflowing. City staff is working with Waste Management to get the dumpster emptied.

EDA

The annexation for Ritchie Brothers has been finalized and on September 24 a public hearing regarding the public improvements will be held.

A public hearing was held earlier in the evening to receive public comments on the proposed amending EDA resolution. The resolution would reduce membership on the EDA board from seven members to five members.  
Motion by Thomas, seconded by DeMars to adopt the amended EDA resolution. Carried.

The Shop Medford Program has started. The first prize period runs until October 15 and the second prize period runs from October 16 to December 31.

A special EDA meeting was held on August 16 to consider a loan request from the KC Hall. The loan amount requested was 18,898.20 with a 3% interest rate over ten years. Other terms of the loan included the City obtaining a perfected, valid lien against the property and any additional costs would be added to the loan.

Motion by Corbin, seconded by DeMars to accept the loan amount and terms as recommended by the EDA. Carried.

Street/Light Report

Discussion on the street lights along Main Street that are not working. Alliant Energy does maintenance on the bulbs and photo eyes. The total cost to repair the downtown sidewalks and street lights is around \$215,500. Council member Corbin will work with the city engineer, Alliant Energy, and property owners to get the street lights working. The EDA will work on developing a downtown development plan.

A street maintenance program with Steele County for the annual maintenance was discussed and it would have an annual cost of \$23,800.

A public hearing will be held on September 10 at 7:30 for a rezone request for Twin Cities Concrete Company. The City of Medford is concerned with the truck traffic on Main and Central along with dust control/mitigation. Council member Corbin will draft a letter for the Mayor's signature.

Council member Corbin informed the council about the banners that were placed on the round-a-bout that were in the public right of way. Enforcement can be done by a phone call to Steele County or State Patrol and staff was recommended to obtain written permission from MnDOT to remove the signs.

#### Planning and Zoning

Christ the King Church presented the location for a curb cut at the church. Under current ordinance, the maximum size for a curb cut is 26 feet and they are requesting 30 feet. Planning and Zoning will inform representatives of the church that they could ask for a 4 foot variance or have the curb cut at 26 feet.

#### City Engineer

Motion by Corbin, seconded by DeMars to pay the third pay request for the wastewater treatment plant project. Carried

#### City Attorney

Discussion on the ownership of the light poles and each party's responsibility along with discussion of downtown lighting and the power company's responsibility.

Motion by Corbin, seconded by Thomas to accept the second reading of the electric franchise agreement with Alliant Energy. Carried

Motion by Corbin, seconded by DeMars to adopt the electric franchise agreement with Alliant Energy. Carried

An assessment policy from the city of Claremont was given for Council review and recommendations will be discussed at the September meeting.

#### Water and Sewer

All of the water meters in the city have been read with the exception of 68 homes and there are four locations that don't have water meters.

Discussion on the homes that don't send in meter readings and information received from Hydro-meter.

The two main issues that were discussed were what to do with homes with no meters or not sending a reading in. It was stated that all homes and businesses need to have a water meter. The second issue was some kind of enforcement policy to ensure that there are outside meters installed and readings are sent in.

Council member Thomas is recommending that city finish the outside meter program that was started and educate the home owners on how to read the meter with the city staff doing a reading once a year.

The City Attorney was directed to work with Council member Thomas to develop an ordinance that deals with fines if there is no meter at a location or readings are not being sent in.

The Council was informed that the City will be charging for water from the park that is used for watering a garden.

Discussion on the school meters. It was the consensus of the council not to worry about the past and directed Council member Thomas to meet with the school. City staff was directed to research the bills since 2006 and figure about what should have been paid.

Council member Thomas presented a quote for a refrigerator at the wastewater treatment plant that would be used for storing water samples. Council recommends that this be a project addition to the wastewater treatment plant project.

The City is need of a back flow meter. It was the consensus of the Council to see if this could be addition to the wastewater treatment plant project.

It was the consensus of the Council to have the dog catchers take calls from 7:00 am to 3:30 pm with any calls after hours and on weekends to be handled by the Steele County Sheriff's office.

Motion by Corbin, seconded by Thomas to adopt the resolution for new water/sewer rates for 3 inch meters up to 6 inch meters. Carried.

#### Park and Rec

Discussion on the building of a new small pavilion. The site will be south of the playground.

Motion by Kaiser, seconded by Thomas to develop the engineering plan for the project. Carried.

#### Liquor Store

An update on the TV purchase was made. The Medford Fire Relief Association provided a donation to purchase the TV and the cost to the city was the warranties.

Motion by DeMars, seconded by Sexton to acknowledge the receipt of the fire relief association donation of \$3,750 for the purchase of the TV's at the Muni. Ayes-DeMars, Thomas, Kaiser, Sexton. Nyes-Corbin. Carried

Discussion on the smoking ban that will be in effect on October 1,2007.

The results of the pay equity report was discussed and the Clerk and Deputy Clerk will work with the Minnesota Department of Employee Relations to bring the City into compliance and ways to maintain compliance in future reports.

A request was made to place a clothing recycling bin by the other recycling and it was the consensus of the council not to allow it due to the fact that is was a for profit business.

A request to have a meeting to continue the review of the Land Use Ordinance in September and it was consensus of the Council to wait until October.

Motion by Corbin, seconded by Sexton to adjourn the meeting at 9:26 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

#### Budget Meeting

City Hall

August 28, 2007

Mayor Kaiser called the meeting to order at 6:01 p.m. All members were present. Others attending were Amber Kniefel.

The purpose of the meeting was to discuss the 2008 budget.

A review of the proposed budget was done line by line.

Motion by Corbin, seconded to Thomas to recess the meeting until September 5 at 6:00 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

#### Recessed Budget Meeting

City Hall

September 5, 2007

Mayor Kaiser called the meeting at 6:05 p.m. Council member Corbin was absent. Others attending were Amber Kniefel. The purpose of the meeting is continue 2008 budget work and set Truth in Taxation hearing dates.

Continued discussion on the 2008 budget.

Motion by Thomas, seconded by DeMars to adopt the preliminary levy for 2008 as follows:

General Fund	148,755.00
Fire Relief	11,000.00
EDA Levy	15,250.00
2004 Refinanced	35,000.00
2004 Refunding	75,000.00
98 Street	50,000.00
93 Sewer	90,000.00
<b>Total Levy</b>	<b>425,005.00</b>

and preliminary budget with total expenses of \$848,271.67. Carried

This preliminary levy reflects a 4.72% increase from the 2007 levy.

Motion by Thomas, seconded by DeMars to set the Truth in Taxation hearing for December 4 at 6:30 p.m. with a continuation on December 6 at 6:30 p.m. if needed. Carried.

Discussion of the Municipal Liquor Store Budget.

Motion by Thomas, seconded by DeMars to adjourn the meeting at 6:48 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Public Hearing  
September 24, 2007  
City Hall

Mayor Kaiser called the public hearing to order at 6:30 p.m. All members were present. Others attending were Shirley Jenó, Melvin and Dorothy Pitan, Del and Janda Pitan, Mark Smith, Brad Spitzach, Bruce Bullert, Ben Bullert, Justin Filuk, Lynn Bruns, Mark Rahríck, and Amber Kniefel.

The purpose of the public hearing is to receive public comments regarding the public utility extension to the Ritchie Brothers Auctioneers site.

Bruce Bullert, city engineer, explained the project. The cost to the City of Medford will be \$200,000 and the rest will be paid by the developer.

The City will be opening bids on October 22 at 10:00 a.m. with the Council accepting the bid at the October 22 council meeting. Construction will start on November 1.

Motion by Corbin, seconded by DeMars to close the public hearing at 6:40 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Regular Meeting  
September 24, 2007  
City Hall

Mayor Kaiser called the meeting to order at 7:03 p.m. All members were present. Others attending were Bill Fahey, Stacy Finley, Paul Wencil, Irvin Jenó, Jeff Karow, Brad Spitzach, Julie Bruessel, Seth Peterson, Dave Maroney, Rich Kucera, Shirley Jenó, Melvin and Dorothy Pitan, Del and Janda Pitan, Mark Smith, Bruce Bullert, Ben Bullert, Justin Filuk, Lynn Bruns, Mark Rahríck, and Amber Kniefel.

Motion by Corbin, seconded by Thomas to approve the agenda as amended. Carried.

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

Motion by Thomas, seconded by DeMars to pay the city and liquor store bills. Carried.

Motion by Corbin, seconded by Sexton to accept the August 2007 check register. Carried.

Concerns from the public. None

Motion by Corbin, seconded by Thomas to accept the finding of fact and record of decision for the Ritchie Brothers Auctioneer's EAW. Carried.

Motion by Corbin, seconded by Thomas to accept the response to comments for the Ritchie Brothers EAW. Carried.

Motion by Corbin, seconded by Thomas to accept the resolution approving the findings of fact and record of decision for the EAW prepared for the Ritchie Bros Auction site and making a negative declaration concerning the need for an environmental impact statement. Carried.

Motion by Corbin, seconded by Thomas to accept the zone of commercial for the Ritchie Brothers Auction Site. Carried.

Motion by Corbin, seconded by DeMars to approve the preliminary plat as reviewed by the city engineer. Carried.

Motion by Thomas, seconded by DeMars to approve the final plat with the changes made by the city engineer. Carried.

Brad Spitzach made a comment regarding the water drainage that may affect his property and how the purposed drainage plan will help with the run off.

Motion by Corbin, seconded by DeMars to approve the grading plan as recommended by the city engineer. Carried.

Bruce Bullert has reviewed the site plan and final set of the plans will be available in the next few weeks.

Motion by Corbin, seconded by Sexton to accept the site plan for the Ritchie Brothers Auction Site. Carried.

Motion by Corbin, seconded by DeMars to accept resolution ordering utility improvements for the Ritchie Brothers Utility Extension. Carried.

Motion by Thomas, seconded by Corbin to accept the resolution approving plans and specifications and ordering advertisement for bids for the Ritchie Brothers Utility Extension. Carried.

Motion by Corbin, seconded by DeMars to approve the landscaping plan. Carried.

Justin Filuk summarized the traffic management plan for the Ritchie Brothers Auction site. Representatives will be meeting with Steele County to discuss traffic issues.

Motion by Corbin, seconded by Sexton to approve the traffic management plan. Carried.

Lynn Bruns explained the lighting plan and the affect the lights would have on the adjacent property owners.

Motion by Corbin, seconded by Thomas to approve the lighting plan. Carried.

Addendum to developer's agreement was presented by Mark Rahrick, city attorney. Ritchie Brothers has reviewed the addendum and informed the city attorney of one change.

Motion by DeMars, seconded by Corbin to accept the addendum to the developer's agreement as amended. Carried

#### Planning and Zoning

Paul Wencil presented a preliminary site plan for the old school property. During the public hearing that was held on September 17, concerns of 3<sup>rd</sup> Street NE going though the property and storm sewer were raised.

The preliminary plat was withdrawn and Mr. Wencil was informed to work with Council members Thomas and Sexton to develop a new preliminary plat.

#### Recess of five minutes

Bruce Bullert presented a site plan for the new small pavilion. It was the consensus of the council to move forward with the building and electric.

Motion by Sexton, seconded by Thomas to accept the bid of \$26,825 which includes building and labor from Blue Valley Builders. Carried

Discussion on soliciting donations for public projects.

#### City Engineer

Seth Peterson provided an update on the construction at the wastewater treatment plant.

Motion by Thomas, seconded by Sexton to pay the fourth request. Carried.

The City has been informed that Representative Fritz has scheduled a meeting with members of the House bonding committee to tour the Wastewater Treatment Plant. A special Council meeting has been scheduled for October 24 at 1:00 p.m.

Dave Maroney presented information regarding the Small Cities Development Program and results of the survey from the Lazy U trailer park. The program may be able to help the needs of the Lazy U trailer park and the city.

Motion by Corbin, seconded by Thomas to authorize the submittal of a Small Cities Development Program pre-application. Carried.

Bruce Bullert presented an overview on the discussions that have been taking place between the City of Medford and the City of Owatonna regarding water service.

Motion by Thomas, seconded by DeMars to authorize the Mayor to sign the letter of intent and continue discussion with Owatonna Public Utilities. Carried.

Motion by Corbin, seconded by DeMars to adopt a resolution to request funding from Steele County for County State-Aid Highways 12 and 45 within the City of Medford in the year 2011. Carried.

Alliant Energy has reviewed the street lights on the Main Street and found three lights that do not have power going to the poles and three poles with bad heads.

Motion by Corbin, seconded by Sexton spend \$1,276.50 to repair the three lights that have power going to them. Carried.

Motion by Corbin, seconded by Sexton to enter into contract with R & K Electric to repair the other lights along Main Street. Carried.

City Attorney. Nothing to report.

#### Water and Sewer

Councilmember Thomas informed the Council on the meeting that was held at the school regarding their utility bills. The utility bills will be corrected starting with the September billing.

The water ordinance is being drafted by the City Attorney and Councilmember Thomas.

Automatic meters will be part of future funding sources. They are needed since the Maintenance staff has a hard time getting into some homes to get accurate readings.

Park and Pool. Nothing to report

#### Liquor Store Report

The statewide smoking ban takes effect on October 1 and the liquor store will see what happens.

Motion by Corbin, seconded by DeMars to grant a dance permit to the Knights of Columbus Hall. Carried.

Motion by Thomas, seconded by DeMars to grant a 3.2 malt liquor permit to the Knights of Columbus Hall. Carried.

Motion by Corbin, seconded by DeMars to accept the updated the pay equity report and submit it to the State of Minnesota. Carried.

Bill Fahey presented information regarding the possibility of refinancing the 1998 street and 2001 bonds.

Motion by Thomas, seconded by Corbin to authorize Northland Security to purchase the 1998 street bond and 2001 bonds from the 3<sup>rd</sup> week of October to 4<sup>th</sup> week of November. Carried.

The October 3<sup>rd</sup> land use regulation meeting has been rescheduled to October 15 at 7:00 p.m.

The truth in taxation hearing continuation will be held on December 11 at 7:00 p.m.

Motion by Corbin, seconded by DeMars to adjourn the meeting at 10:17 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
City Hall  
October 15, 2007

Mayor Kaiser called the meeting to order at 7:16 p.m. All members were present. Others attending were Drew DeMars, Pat Merritt, Paul Beiser, Ivan Cowell, Amber Kniefel, Mark Rahrlick, Veron Strusz, Carol Strusz.

The purpose of the meeting is to continue reviewing the proposed Land Use Regulations (Zoning Ordinance).

The City Attorney and Deputy Clerk lead the discussion on the Land Use Regulations (Zoning Ordinance).

Discussion on the steps to finalize the zoning ordinances will include a review of the changes to the ordinance, sign section, and review of the zoning map.

The next meeting will be held on November 19, 2007 at 7:15 p.m.

Motion by Corbin, seconded by DeMars to adjourn at 9:10 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Regular Council Meeting  
City Hall  
October 22, 2007

Mayor Kaiser called the meeting to order at 7:01 p.m. Council member Corbin was absent. Others attending were Pat Merritt, Sue Haugen, Kelly Harder, Paul Wencil, Rev. Rudloff, Bruce Bullert, Dave Maroney, Bill Fahey, Mark Rahrlick, Amber Kniefel.

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

Motion by DeMars, seconded by Sexton to approve the minutes as corrected. Carried.

Motion by Sexton, seconded by DeMars to pay the city and liquor store bills. Carried.

Motion by Thomas, seconded by Sexton to approve the check register for September 2007. Carried

Concerns from the public-none.

Motion by DeMars, seconded by Thomas to accept the donation from the Medford Volunteer Fireman's Relief Association of \$3500 for the purchase of televisions for the Muni. Carried.

Motion by Sexton, seconded by Brenda to accept the donations for the Park to build a new pavilion. Carried.

Kelly Harder, Steele County Human Services, provided an update on the Community for a Lifetime project. A question was asked on how can city leaders be active in the project. Mr. Harder stated the best way for local leaders to be active in the project is to remain involved in the project.

Motion by Sexton, seconded by Thomas to appoint Council member DeMars to service on the Communities for a Lifetime Board. Carried

Five minute recess

#### Planning and Zoning

Motion by Sexton, seconded by DeMars to grant the Conditional Use permit for the new pavilion at Straight River Park. Carried.

Council member Thomas explained the proposed use for the Old School Property owned by the Paul Wencil. The proposed plan would have an assisted living complex and single family homes on it. Council member Thomas is asking for guidance on whether 3<sup>rd</sup> Street should be included and if TIF would be used. It was a consensus of the council to have 3<sup>rd</sup> Street go in. The committee will meet with Mr. Wencil and develop some kind of developer's agreement.

#### Engineer

Bruce Bullert presented the results of the bid opening that was held on October 22 at 10:00 am. The low bidder was BCM Construction.

Motion by Thomas, seconded by Sexton to accept the bids and award contract to BCM Construction for the Ritchie Brothers Utility Extension Utility Improvements. Carried.

Bill Fahey with Northland Securities provided an update on the bond refinance. Northland Securities is waiting until the end of October and first of November to finish the refinancing.

Motion by Thomas, seconded by DeMars to reduce the debt service amount by \$20,000. Carried

Discussion on how to safely invest the fees collected from the Ritchie Brothers project. It was the consensus of the council to create a finance committee to work with the clerk/treasurer on investing the money in something that is safe and no risk to the City.

Motion by Sexton, seconded by Kaiser to appoint Council members DeMars and Thomas to the finance committee along with the City Clerk/Treasurer. Carried.

Motion by Sexton, seconded by Thomas to appoint Northland Securities as an investment account. Carried.

#### Attorney

The Electric Franchise is being processed by the Minnesota Public Utilities Commission due to the fees associated with the franchise agreement.

Mark Rahrick presented an updated addendum to the Ritchie's Brothers developer's agreement.

Motion by Sexton, seconded by DeMars to adopt the revised addendum to the developer's agreement. Carried.

#### Water and Sewer

Bruce Bullert provided information on the catch basins that City Hall has received complaints about. They are located on 3<sup>rd</sup> Ave NE and 3<sup>rd</sup> Street NE, Sunrise Drive and 2<sup>nd</sup> Street NE, 2<sup>nd</sup> Ave SE and 1<sup>st</sup> Street NE, and 3<sup>rd</sup> Ave SW and 3<sup>rd</sup> St SW.

Motion by Thomas, seconded by DeMars to spend \$23,000 to repair the catch basins as recommended by the city engineer with the work to be done in the fall. Carried.

There are eight fire hydrants that are overflowing below and could lead to a public safety problem in the winter. City staff is working on getting cost estimates to repair the problem.

The storm drain on 4<sup>th</sup> Street SE needs to be jetted out for a cost of \$1600.

Motion by Thomas, seconded by DeMars to clean out the line for a cost of \$1600. Carried.

The City of Owatonna is placing their jetter/vaccer truck up on sealed bids. Mayor Kaiser will contact the Mayor of Owatonna about the truck and the finance committee will come up with a way to finance the truck.

City Staff is working on getting quotes to repair the roof at City Hall.

Discussion on street sweeping this fall and it was the consensus of the council to have the street commissioner get bids for this.

#### Street and Lights- nothing

#### Park and Pool

The new pavilion was moved ten feet to the south due to drainage issues.

There has been a request to get lights at the volleyball court. The park commissioner is working on getting quotes for this and then will request that amount from Steele County.

Motion by Sexton, seconded by Thomas to request \$4,000 from Steele County for lighting at Straight River Park. Carried

#### Municipal Liquor Report.

There have been no problems to date with the smoking ban.

#### EDA

The first round of winners in the Shop Medford program 2007 were drawn and they are Jean Beconne (\$400), Melanie Gross (\$250), Diana Saufferer (\$100), Leah Mattison (\$100), Sonja Vosberg (\$100), Marie Hiscocks (\$100), Lois Jantgaard (\$100), and Deb Lohmann (\$100).

Motion by Thomas, seconded by Sexton to approve the fifth pay request from Gridor Construction. Carried

Motion by Sexton, seconded by DeMars not to waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04. Carried.

Motion by Sexton, seconded by DeMars to acknowledge the contribution of \$3000 from the Medford Fireman Relief Association. Carried.

Motion by Thomas, seconded by Sexton to adjourn at 9:51 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
Wastewater Treatment Plant  
October 15, 2007

The purpose of the meeting was to discuss wastewater funding with members of the House of Representatives Capital Investments Committee.

Mayor Kaiser, Seth Peterson, and Bruce Bullert gave an update on the status of the wastewater project.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Council Meeting  
City Hall  
November 19, 2007

Mayor Kaiser called the meeting to order at 7:15 p.m. All members were present. Others attending were Mark Rahrlick, Amber Kniefel, Paul Beiser, Pat Merritt, Drew DeMars, Ross Olson, Ivan Cowell, and Bill Fahey.

The purpose of the meeting is to continue the discussion of the proposed land use regulations (zoning ordinance) and finish bond refinancing.

Bill Fahey with Northland Securities presented an update on the bond refinancing. The bonds were offered this morning with a total savings of \$34,120.81. The sale of the bonds will close on December 18, 2007.

Motion to Corbin, seconded by Sexton to accept a resolution relating to the \$975,000 improvement refunding bonds, series 2007A; authorizing the issuance, awarding the sale, fixing the form and details and providing for the execution and delivery thereof and security therefore. Carried.

Land Use Regulations (Zoning Ordinance)

Discussion on the Manufactured Homes section. Bernie LaCanne with the Lazy U trailer park reviewed the sections and informed City Staff of several changes that should be made. It was the consensus of the council to the leave section as written.

Discussion on the sign regulations. A definition of digital signs should be added to section 1. Digital signs will be allowed if they don't exceed a size of 64 square feet.

Discussion on grandfathering of structures and the need for a survey.

Next steps is to have Planning and Zoning Review the zoning map and recommendations and finalize language.

Motion by Corbin, seconded by Thomas to adjourn at 8:56 p.m.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Regular Meeting  
 City Hall  
 November 26, 2007

Mayor Kaiser called the meeting to order at 7:01 p.m. All members were present. Others attending were Seth Peterson, Steve Nelson, John Bodger, Craig Helgeson, Kevin Steinbauer, Paul Beiser, Bruce Bullert, Pat Merritt, Amber Kniefel, and Mark Rahrlick.

Motion by Thomas, seconded by Sexton to approve the agenda as amended. Carried.

Motion by Sexton, seconded by Corbin to accept the minutes as presented. Carried.

Motion by Corbin, seconded by Thomas to pay the city and liquor store bills. Carried.

Motion by Corbin, seconded by Sexton to accept the October check register. Carried.

Concern from the public. None

Mayor Kaiser turned the meeting over to Acting Mayor Sexton.

Steve Meyers with Corporate 4 Insurance Agency presented information on the employee health insurance. Mr. Meyers explained the ratio for new rates. The current plan is a very good benefit. It was the consensus of the council to have Council members Sexton and Corbin look at the insurance plans and have a recommendation ready for a special meeting.

Mayor Kaiser returned to the meeting.

#### Sign Permit

The Council reviewed the issuance of a building permit to PreMedford MN LLC. PreMedford MN LLC has never submitted a building permit application or site plan. At issue is whether the building permit should be revoked or whether the landowner may continue to proceed with construction under the building permit. A stop work order has been issued by the building inspector. John Bodger and Steve Nelson appeared on behalf of the building permit applicant. Mr. Nelson is the current owner of the property and became the owner this summer. He claims the current building permit in favor of PreMedford MN LLC dates back to a site plan submitted by Regdob Investments, Inc. in 2000. Mark Rahrlick summarized for the council that the building inspector does not have authority to issue building permits or grant extensions without consulting the city, and that building permits may be revoked if they have been issued on the basis of inaccurate or incomplete information or in violation of an ordinance. In March 2001 the district court ordered the city to issue a building permit to Regdob Investments, Inc and the city approved a permit in favor of Regdob Investments, Inc. Regdob never applied for a building permit. Since that time extensions have been issued in a variety of different names, none of those Regdob. It appears that some of those extensions were issued after the previous permits had expired since work had not commenced within 180 days. The state building code requires that the building official may grant an extension if a request is made in writing and justifiable cause demonstrated for granting the extension. No justifiable causes were offered in writing for the extensions, and the building inspector never sought approval of the city council before granting the extensions. It was also noted that the current plans submitted to the building inspector for the billboard do not match up with the site plan submitted by Regdob Investments, Inc. in 2000.

Motion by Corbin, seconded by Sexton to revoke the permit issued in September 2007 to PreMedford MN LLC. Carried

#### Water Tower Christmas Lights.

Kevin Steinbauer appeared to discuss the decorating of the water tower. Council member Thomas identified the following issues:

- Accessibility – Currently Mr. Steinbauer has unrestricted, unlimited year-round access to water tower and building. Consensus of the City Council is that due to security and safety concerns unrestricted access is no longer acceptable. Locks are to be changed. Access is to run through city staff. Council member Thomas to investigate additional security measures.
- Safety – Currently the decorations are being installed without the use of any safety equipment. Mr. Steinbauer indicated that for the majority of the installations, he has been the only adult present. Mr. Steinbauer indicated he would not utilize the City's safety equipment.
- Crane - Council member Thomas investigated the costs of utilizing a crane to help with the decorating. The approximate cost for the crane to put up the lights is \$3,000.00 and to take down is \$1,200.00. Council member Thomas offered the use of a City supplied crane. Mr. Steinbauer indicated he would not utilize the crane.

- Waiver - City Council discussed having Mr. Steinbauer sign a waiver protecting the City's liability if something were to happen. Mr. Steinbauer has been offered to sign the waiver in the past. Mr. Steinbauer indicated, as in the past, he would not sign a waiver.

Mayor Kaiser reiterated that the issue was not whether to decorate the water tower or not; the issue is that proper safety procedures and precautions be strictly followed to protect those installing the decorations while limiting the City's liability exposure.

Motion by Corbin, seconded by Kaiser not to allow the decorating of the water tower without an approved proposal. Carried.

Mr. Steinbauer requested payment for the time spent and materials used for the decorations currently installed on the tower.

Motion by Thomas, seconded by DeMars to reimburse Kevin Steinbauer \$340.00 for labor and materials used for the decorations currently installed on the tower. Carried.

Mr. Steinbauer requested the return of the decorations currently installed on the tower.

Council member Thomas will work with city staff to remove and return the decorations already installed on the tower.

#### Planning and Zoning

Nothing to report.

#### City Engineer

Work was started on the Ritchie Brothers Utility Extension and the city will be able to meet the requirements of the developer's agreement.

Seth Peterson, Bolton and Menk, provided an update on the work at the Wastewater Treatment Plant and the results of the visit by MPCA officials.

Motion by Corbin, seconded by Thomas to pay the sixth pay request to Gridor Construction. Carried.

Bruce Bullert informed the council that four quotes were received to repair the catch basins and fire hydrants. That work has started and the company should be able to reuse portions of the catch basins.

#### Fire Hydrant Repair.

A quote of \$32,000 was given to repair seven hydrants. Council member Thomas said that city staff could repair the hydrants for a cost of \$16,000, which is around \$9,000 for parts and \$7,000 for digging.

#### Water/Sewer Report

Discussion of Ordinance 178 regarding the connection of a rain gutter into the City storm sewer. Council member Thomas would like to the ordinance amended to allow this with the requirement of a back flow preventor. Council members Thomas and Corbin will work with Mark Rahrick to develop language regarding this.

An estimate was presented to repair the roof of the Fire Hall and City Hall due to problems with the tin, shingles and insulation. It was the consensus of the Council to take the estimate to the Fire Department and develop a plan from there.

The lift station at the park needs to get backed out this week and the cost would be between \$5,000 and \$8,000.

Several options for the purchase of a jetter/vac truck for the city. One truck had a price of \$80,000 to \$85,000, and the second truck would cost \$35,000. Owatonna has placed a minimum bid of \$50,000 for their truck and received one bid for a lesser amount. It was the consensus of the Council to continue to pursue the purchase of a truck. If a camera is needed, it can be rented from the Minnesota Rural Water Association. Seth Peterson is going to work with Dave Maroney to see if additional money would be available from Public Facilities Authority.

Mark Rahrick and Amber Kniefel have been working on developing a utility ordinance. Discussion on the amount for excessive water use and if the violation of the ordinance would result in a misdemeanor.

Motion by Thomas, seconded by Corbin to accept the first reading subject to the changes. Carried

City Hall Staff will be working a payment plan policy.

The employee handbook is being worked by Council members Sexton and DeMars.

The Council was informed that city was not invited to submit a full application to the Small Cities Development Program.

Street/Light

Nothing to report.

Park/Pool Report

The new pavilion is up and the electric work will be completed in the near future.

Liquor Store Report.

A heater is needed to keep the smokers warm between the Muni and the Old Fire Hall.

EDA report

Motion by Corbin, seconded by DeMars to appoint Phil Heim to the Economic Development Authority. Carried

Motion by Corbin, seconded by DeMars to authorize the services of Abdo, Eick, & Meyers for the year ended December 31, 2007. Carried.

The City Clerk will contact Abdo, Eick, & Meyers to set up inventory at the liquor store for January 1.

Motion by Corbin, seconded by Thomas to adopt the Stiefl Nicolas resolution as presented. Carried.

Council member DeMars presented a report regarding the activities of the finance committee.

Truth in Taxation meeting will be held on December 4 at 6:30 p.m. with a continuation date of December 11 if needed.

A special meeting will be held on December 12 at 7:00 p.m. The preliminary agenda will include adoption of the budget, employee health insurance, employee handbook, and proposed utility ordinance.

The regular monthly meeting of December will be held on January 2, 2008 due to the regular meeting date being Christmas Eve.

Motion by Corbin, seconded by Thomas to adjourn at 9:22 p.m. Carried.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Truth in Taxation

City Hall

December 4, 2007

Mayor Kaiser called the hearing to order at 6:30 p.m. All members were present. Also attending was Amber Kniefel.

The purpose of this hearing is to review the preliminary budget and levy for 2008 and to give the public a chance to express concerns or questions on the city portion of their property taxes.

There were no members from public at the hearing.

Discussion on the savings from the bond refinancing.

Discussion on the plan to maintain compliance with pay equity.

Motion by Corbin, seconded by Thomas to close the Truth in Taxation hearing at 6:48 p.m. Carried

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ clerk

Special Meeting  
City Hall  
December 12, 2007

Mayor Kaiser called the meeting to order at 7:00 p.m. All members were present. Others attending were Paul Wencil, Mark Rahrnick, and Amber Kniefel.

The purpose of the meeting is to adopt the 2008 budget, discuss employee health insurance, discuss employee handbook, discuss the meter ordinance, receive an update on the Wencil property, discuss the purchase of a jetter truck, and receive an update from the relief association.

Paul Wencil provided an update on the old school property. Mr. Wencil is working with developers to study the need for senior housing in Medford.

Mr. Wencil also informed the council that he is talking with the school about land swap for the old football field property. Some of the concerns that are being raised are utility extension to the property and annexation of the land near the school. The land will not be annexed without a comprehensive plan for the property. Mr. Wencil was informed that the city has done some preliminary work for street and storm sewer layout at the old football field.

#### Health Insurance

Council members Corbin and Sexton presented information regarding employee health insurance. The current cost for health insurance is \$36,000 without the deputy clerk and would increase to around \$50,000 a year. If the deputy clerk was added the cost would be around \$65,000.

The committee is recommending a plan that includes a \$1,000 deductible per person/ \$2,000 for a family and \$30 co-pay. The total cost would be \$56,000 a year and that includes the deputy clerk.

The committee is looking at changing the portion that is paid by the city. Currently, the city pays 90 percent of the employee health insurance and 80 percent of the dependent health insurance.

The two questions that need to be answer by the council are what health insurance policy the city will take and what amount should the city pay on the insurance?

Motion by Corbin, seconded by Sexton to enroll in the plan that features a \$1,000 (single) deductible/\$2,000 (family) deductible with a \$30.00 co-pay. Carried.

Motion by Corbin, seconded by Thomas to change the employee health insurance to 80-20 (employee) and 70-30 (dependent). Motion and seconded were withdrawn.

Motion by Corbin, seconded by Thomas to change employee health insurance to 80-20 for the employee. Carried.

Motion by Corbin, seconded by Thomas to change dependent health insurance to 70-30. Ayes: Sexton, Corbin, Thomas. Nyes: DeMars, Kaiser

#### Employee Handbook

Council members Sexton and DeMars presented changes to the employee handbook.

The city attorney will work on drafting language regarding background checks and whether an ordinance is needed.

The city attorney will update the language regarding medical examinations.

It was recommended by the committee to have two separate files for employee information. One of the files will be public and the second would be private.

Discussion on problem solving procedures. The committee is recommending the following steps be added. After meeting with the supervisor, the employee may discuss the problem with the appropriate commissioner. After meeting with commissioner, the employee may discuss the problem with the Mayor if needed.

It was consensus of the council to leave the open door policy in the employee handbook.

Discussion on exempt/non-exempt employees. The city attorney informed the council that there is legal language as well as certain tests that have to be met in determining whether an employee is exempt or non-exempt.

It was recommended to change probationary period to training period since the employment at the city at-will.

Discussion on whether or not to use the pay grid when determining pay increases for the next year. The pay grid will be used along with performance reviews for pay increases.

The committee is recommending that no comp time be allowed for salary employees and overtime for eligible employees needs to be approved.

Motion by Thomas, seconded by DeMars to not allow further payouts of vacation and sick leave until a new policy has been developed. Carried.

Motion by Sexton, seconded by DeMars to table the handbook until 2008. Carried.

#### Utility Ordinance

A violation of the utility ordinance will result in a misdemeanor.

No sample for language regarding a maximum water useage before water is turned off was found. The City Attorney is recommending a higher fee for high water usage be set in the rate schedule.

Motion by DeMars, seconded by Thomas to adopt the ordinance with the removal of section 11.1 (6). Carried

The deputy clerk presented a payment plan that would allow customers six months to pay the delinquent water bills before they are certified to the property taxes.

Motion by Thomas, seconded by DeMars to adopt the payment plan as presented. Carried.

#### Jetter Truck

Council member Thomas updated the council on the negotiations with City of Owatonna to purchase the jetter truck. The price will \$50,000 and the City of Owatonna will store the truck until May 1, 2008.

Motion by Thomas, seconded by DeMars to purchase the Jetter truck from Owatonna for \$50,000. Carried.

Motion by Thomas, seconded by DeMars to adopt the preliminary levy as the final levy. Carried.

Motion by DeMars, seconded by Thomas to adjourn at 9:15 p.m. Carried.

Minutes approved at \_\_\_\_\_meeting.

Submitted by \_\_\_\_\_clerk