

Organizational Council Meeting
January 7, 2013
7:00 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, and Rich Kucera.

Others attending were Pat Merritt, Ron Ensley, Ashley Stewart, Kris Stinocher, Michael Collins, Malonna Krogh, Lori Maas, Jeff Karow, Ronald Karow, Dennis Ottosen, Dennis Clark, and Vern Wheeler.

Official oath of office was given to the newly elected officials, Lois M Nelson, Keith Maas, Marie Sexton and Jessica Grayson.

Mayor Nelson called the meeting to order at 7:04 PM.

Pledge of allegiance.

Mayor Nelson opened the meeting with a welcome statement to the Council, current and new board members, and City staff.

Included in the council packet was an information sheet that focused on *10 Habits of Highly Effective Governing Bodies* written by Carl Neu. Mayor Nelson addressed the 10 points: Think and act strategically, respect shared constituency, understand and demonstrate the elements of teams and teamwork, master small group decision-making, have clearly defined roles and relationships, honor the board-staff partnership, allocating governing body time and energy appropriately, have clear rules and procedures for board meetings, conduct systematic and valid assessments of policy implementation and the public's concerns and evaluation of the boards/Council's performance, and practice continuous personal learning and development as a leader.

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

Review of the City consultant proposals for 2013 – City Engineering, Bolton & Menk, and City Attorney, Smith, Tollefson & Rahrck.

Bolton & Menk are keeping their rates of service the same as 2012.

Smith, Tollefson, & Rahrck are proposing an increase to the hourly rate from \$125.00 to \$140.00. It has been many years since the firm has proposed an increase.

Motion by Sexton, seconded by Merritt to continue with Bolton & Menk and Smith, Tollefson & Rahrck per the submitted proposals. Carried.

Newspaper Proposals from *The BP Times* and *Owatonna People's Press*.

Ron Ensley, *Owatonna People's Press*, presented a proposal for printing costs that is half the rate the city was charged last year. Legal notices are proposed to be charged \$6.00 per column inch. The *Owatonna People's Press* is a daily newspaper that has met the needs of the City for many years.

The BP Times proposed a bid of \$2.79 per column inch. *The BP Times* is a weekly newspaper. The City Administrator and City Council had concerns with the timely publishing of the meeting notices and legal notices with a weekly newspaper.

Motion by Maas, seconded by Merritt to designate the *Owatonna People's Press* as the City of Medford's official newspaper for 2013. Carried.

Resolution 2013-01 Stating Annual Designations.

Motion by Grayson, seconded by Maas to approve Resolution 2013-01 stating the annual city designations as presented. Carried.

City Administrator Memo with City Fee Recommendations.

McCallum is proposing an increase to the mowing fee of \$50.00 to \$60.00 which is charged when City staff has to clean-up properties.

McCallum is proposing a new fee of \$2.00 for Web Fusion maps that are requested outside the need for a zoning permit.

The fee for a Public Hearing that is requested on a different date than a regularly scheduled Zoning Board meeting was not included on this fee schedule. The fee of \$250.00 for a special request Public Hearing will be added.

Motion by Sexton, seconded by Merritt to approve Resolution 2013-02 Establishing 2013 City Fees as amended. Carried.

Resolution 2013-03 Establishing 2013 Water and Sewer Rates.

Kniefel explained that the resolution presented includes the rates as discussed by the previous Council along with an increase to the late fee up to 5%.

Motion by Sexton, seconded by Grayson to approve Resolution 2013-03 establishing 2013 adjusted water and sewer rates. Carried.

Resolution 2013-04 Establishing 2013 Water and Sewer Fees.

Council discussion on trunk fees.

Motion by Merritt, seconded by Maas to approve Resolution 2013-04 establishing 2013 adjusted water and sewer fees as presented. Carried.

Resolution 2013-05 Establishing Equipment Rates.

Councilmember Maas asked Kucera if the City is up to date with MNWARN. Kucera answered that, yes, the City is up to date with MNWARN.

Councilmember Maas also asked if the equipment rental always has a City staff person out with it. Kucera answered, that yes, a city staff person would always go if City equipment is rented out.

Motion by Merritt, seconded by Sexton to approve resolution 2013-05 establishing equipment rates as presented. Carried.

Appointment of Council EDA Representatives.

A new EDA enabling resolution is in the works. Proposed board members are Mayor Nelson, Jessica Grayson, Clayton Just, Sharon Paulson, Michael Collins, Dennis Burgess, and Andy Colwell.

Motion by Sexton, seconded by Maas to approve the proposed EDA board members as presented. Carried.

Appointment of Planning and Zoning Representatives – Proposed board members include Robert Barbeau, Kris Stinocher, Ivan Cowell, Ross Olson, and Paul Beiser.

Councilmember Merritt asked for the reason Pat Merritt, a long time participant of the Zoning Board was not on the Board anymore.

Mayor Nelson responded that Mr. Merritt's term was done and the City was moving forward.

Motion by Maas, seconded by Merritt to approve the proposed Zoning Board members as presented. Carried.

Appointment of Park Board Representatives – Proposed board members include Jason Winter, Connie Devries, Rich Quiring, Betty Quiring, and Jeanette Sanford.

Councilmember Grayson asked about having a married couple on the same board.

Mayor Nelson responded that it has never been done before and the City is going to give it a try.

Motion by Sexton, seconded by Merritt to approve the Park Board candidates as presented. Carried.

Appointment of Well Head Protection Committee Representatives – Proposed committee representatives include Mayor Nelson, Councilmember Maas, Rich Kucera, Dennis Clark, and Vern Wheeler.

Motion by Grayson, seconded by Sexton to approve the Well Head Protection committee members as presented.

Councilmember Grayson asked the Council to be reminded on the importance of the Open Meeting Law. The Open Meeting Law includes all the boards and the City Council.

Mayor Nelson would like to start having quarterly study sessions once the Council and the new boards get acclimated.

Motion by Grayson, seconded by Maas to adjourn the meeting at 7:50 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting

January 28, 2013

7:00 p.m.

City Hall

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

Members absent: Maas.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, Mark Rahrlick, and Rick Hager.

Others attending were Pat Merritt, Paul Beiser, Dennis Clark, and Vern Wheeler.

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

Pledge of Allegiance

Agenda – Mayor Nelson requests on this agenda and future agendas that the “Concerns from the general public/requests from organizations” be moved to the beginning of the agenda under the Pledge of Allegiance and to remove the “Steele County Law Enforcement” line from the permanent agenda.

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

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

Minutes.

Motion by Sexton, seconded by Grayson to approve the special December 17, 2012 meeting minutes, the regular December 17, 2012 meeting minutes, the special December 26, 2012 meeting minutes, and the special January 7, 2013 meeting minutes as presented. Carried.

City and Liquor Store Bills –

Motion by Sexton, seconded by Merritt to approve the January city bills as presented. Carried.

Motion by Sexton, seconded by Merritt to approve the January liquor store bills as presented. Carried.

Check Register – Questions were asked about the bond payments, the SESAC bill, and the Fred Pryor Seminar bills.

Motion by Sexton, seconded by Merritt to approve the December 2013 check register numbers E1801-E1819, 12084-12137, and 40752-40836 as presented. Carried.

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

Consent agenda items include:

Resolution 2013-06 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Calvin (Cal) Wilkie.

Resolution 2013-07 Accepting Donation from Darrel Finkle in the amount of \$4.00 for the Medford Park Endowment Fund.

Resolution 2013-08 Accepting Donation from Cheri Fretheim in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Sid Wilker.

Resolution 2013-09 Accepting Donation from Garrat Jeddelloh in the amount of \$2.00 for the Medford Park Endowment Fund.

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

Planning and Zoning Board.

Planning and Zoning Board Chairperson, Paul Beiser, presented the minutes from the January regular meeting. Mayor Nelson was present at the Zoning Board meeting and informed the board of goals to focus on in the upcoming year. The February Zoning meeting will be cancelled.

EDA – Mayor Nelson presented the EDA minutes and explained the board is in the process of reorganization.

All the EDA loans are current.

Sharon Paulson shared concerns with the sales tax and the possible talks at the State level to tax clothes.

Park Board – No January meeting. Next meeting will be February 5, 2013 at 7:00 PM.

Fire Department – Fire Chief, Rick Hager and City Administrator, Heather McCallum presented Ordinance 2013-01 Establishing Fees for Emergency Protection Fire Services.

Councilmember Sexton asked about charging additional for vehicle fires and vehicle accidents. The ordinance does not affect mutual aid agreements. The fire department will not charge for mutual aid calls. False alarms will also not be charged unless there is a repetitive history at the same location.

Councilmember Sexton would like the entire fire department to review this ordinance and give feedback.

Collected fire charges will be city funds and used to offset the expenses of the fire department.

Council would like to review the amended verbiage on coverage area before approving the ordinance. The ordinance will be discussed at the February regular meeting.

Mayor Nelson would like to meet with the Turkey Store representatives and Rick Hager to talk about spraying turkey barns for the upcoming summer season.

City Engineer – Seth Peterson – The Central Ave Project will be discussed at a special meeting on February 11, 2013 at 6:30 PM. Mayor Nelson would like to know from Steele County when the last traffic study was done.

City Attorney – Mark Rahrlick presented a memo addressing the Steele Waseca franchise agreement. The agreement was written as nonexclusive.

The General Construction Services Update will be given at the end of the meeting under closed session attorney/client privilege.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month. McCallum and Kniefel will be out of the office on February 4 and February 6 for the Fred Pryor Seminars. Kucera will cover City Hall.

Employee evaluations have been completed. McCallum is recommending to the City Council a 2% wage increase for all employees for which evaluations were given.

Mayor Nelson would like to research around the area to see how other cities are handling raises. The Mayor would like to table this and discuss at the February Council meeting when all council members are present. The employee stipend will also be discussed. McCallum spoke about the Health Care Reform Law and the effects on the City in 2014 and beyond.

Public Works Department – Kucera presented a memo to the council highlighting various projects that have been worked on in the last month. Kucera explained that the City is permitted for 54.2 million gallons of water per year. The City used 53.6

million gallons of water in 2012. The City will need to approve a water conservation ordinance due to the newly adopted water rate structure.

Old Business – None.

New Business.

Steele Waseca Franchise Ordinance 2013-02 – The agreement is for 20 years and is typical for franchise agreements. This agreement basically mirrors the agreement with Alliant Energy.

Motion by Grayson, seconded by Merritt to approve the Steele Waseca Franchise Agreement Ordinance 2013-02 as presented. Carried.

Motion by Sexton, seconded by Merritt to approve the publication of the Steele Waseca Franchise Agreement by Title and Summary Resolution 2013-12 as presented. Carried.

Next regular council meeting will be Monday, February 25, 2013 at 7:00 p.m.

Next special council meeting will be Monday, February 11, 2013 at 6:30 p.m.

General Construction Services Update – Rahrlick explained that the meeting is allowed to go into closed session for attorney/client privilege.

Motion by Grayson, seconded by Merritt to close the meeting at 8:17 p.m. for the attorney/client privilege. Carried.

Motion by Sexton, seconded by Grayson to go out of closed session at 8:55 p.m.

Motion by Sexton, seconded by Merritt to adjourn at 8:56 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Workshop
February 11, 2013
6:30 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, and Rich Revering.

Others attending – None.

Mayor Nelson called the workshop to order at 6:35 PM.

Mayor Nelson opened the meeting explaining that the purpose of tonight's workshop is to be informed on the upcoming 2014 Central Avenue Street Project.

The street specialist with Bolton & Menk, Rich Revering, presented a power point presentation explaining all the possible options for the street and utility improvements.

MNDOT will be improving the round-a-bout in 2014 also. The projects are coordinated to happen about the same time. Steele County has plans to reconstruct the bridge and Central Avenue east to Main Street.

The City will need to televise the infrastructure underground and determine what condition the water and sewer mains are currently in and prepare for the future.

The City should contact all companies that have services in the right of way.

The curbs are in good condition. The County and City will work together to save as much curb as possible.

Sidewalks and pedestrian bump-outs were discussed. There are many options the City needs to research in regards to sidewalks and bump-outs. Cost and public input will be a factor.

Mayor Nelson discussed the option of possibly having a commercial business on the Met Con property and the effect it would have on the project. Steele County will need to be involved on the access point off of Central Avenue at that location.

Councilmember Merritt stated that the Council needs to determine which options are wants and which are needs.

Mayor Nelson would like the Planning & Zoning Board to review the sidewalk policy at the next Zoning Board meeting.

The next steps are to approve resolutions to get the project started. The first resolution will be presented at the February council meeting.

The workshop was closed at 9:15 PM.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
February 25, 2013
7:00 p.m.
City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, Mark Rahrlick, Craig O’Hearn, and Rick Hager.

Others attending were Pat Merritt, Dennis Clark, Butch Schultz, Al Strain, Jeff Borwege, Roger Borwege, Florence Borwege, Krista Gillen, Matt and Braxton Skalicky, Pete and Dominyc Hainlen, Ron Karow, Shae, Shad and Lisa Lambert, and Julie and Del Spronk.

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

Pledge of Allegiance.

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

Agenda – The title for Resolution 2013-18 needs to be amended to read, “Ordering a Feasibility Study for CSAH 12/ West Central Project”.

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

Minutes.

Motion by Merritt, seconded by Grayson to approve the regular January 28, 2013 meeting minutes and the special meeting workshop minutes from February 11, 2013 as presented. Carried.

City and Liquor Store Bills – Question on the expense to Cabela’s for a boot reimbursement. Public Work’s staff who are required to wear steel toes boots receive a \$150.00 per year boot allowance. Question on the large pavilion repairs. The repairs were a budgeted item for 2012 paid in 2013. The expense was recorded back to 2012.

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

Check Register.

Motion by Sexton, seconded by Grayson to approve the January 2013 check register numbers E1820-E1839, 12138-12168, and 40837-40936 as presented. Carried.

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

Consent agenda items include:

Resolution 2013-13 Accepting Donation from Lewis Wocelka in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-14 Accepting Donation from Marc Bowen in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-15 Accepting Donation from Dan Bowe in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-16 Accepting Donation from Jason Dusek in the amount of \$5.00 for the Medford Park Endowment Fund in memory of George and Ada Dusek.

Resolution 2013-17 Accepting Donation from Keith Schuette in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-19 Accepting Donation from Keith and Amber Kniefel in the amount of \$20.00 for the Medford Park Endowment Fund in memory of Jerome Fahey.

Mayor Nelson verified with Rahrlick the process in which the City needs to accept donations. Rahrlick stated that a resolution needs to be approved for each donation.

Mayor Nelson would like to think of a way to possibly cut down on the administrative time to track and record donations. Options could be to combine the donations into a single resolution or set a minimum donation amount.

Administrator McCallum addressed the time it takes to send out thank you letters for every donation and the possibility of setting a donation amount minimum for sending out thank you letters.

McCallum appreciates all donations and does not feel the City should set a minimum donation amount in order for the City to accept it.

Councilmember Sexton feels that every donation should be recognized and a thank you should be given.

Councilmember Grayson is aware of the time it takes to process each donation and is in favor of setting a minimum for the thank you letters.

Motion by Grayson, seconded by Maas to approve a guideline that requires a minimum donation of \$25.00 in order to receive a thank you letter from the City.

Nay: Merritt and Sexton Aye: Nelson, Grayson, Maas Motion Carries.

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

Mayor's Report – Mayor Nelson addressed the idea of having City staff draft a developer's agreement template for use for both residential and commercial projects, making sure the standard components are listed in the developer's agreement.

Rahrlick suggested drafting a new development check-list. Peterson and Rahrlick are willing to begin drafting the check-list.

Councilmembers Grayson and Maas, and Mayor Nelson, attended the League of MN Cities conference for newly elected and experienced officials. All felt the conference was beneficial and well worth the time.

Planning and Zoning Board – No February meeting. Next meeting will be March 18, 2013 at 7:00 PM.

EDA – Mayor Nelson presented the EDA minutes from the special meeting held on February 20, 2013. The draft enabling resolution was presented and submitted to Rahrlick for review. Officers were elected pending the approval of the enabling resolution.

The EDA will be hosting a community business event inviting all area business people on March 12, 2013. The meeting will be held at Our Homes South. The meeting will be published as both a special meeting of the EDA and of the Council in case there is a quorum in attendance.

Park Board – Councilmember Sexton presented the Park Board minutes from the February meeting. The election of officers was tabled until the March meeting.

City Engineer – Seth Peterson presented a final pay request from Wapasha Construction. The pay request is for the change order to add meters, piping and controls for the three other wells in Medford. A “final” pay request was already approved for Wapasha, however these invoices were received late. Peterson is recommending approval of pay request #18 in the amount of \$23,312.44 for Wapasha Construction.

Motion by Merritt, seconded by Grayson to approve final pay request #18 for Wapasha Construction in the amount of \$23,312.44. Carried.

Peterson stated the check-list idea that Rahrlick spoke about earlier was a good idea. It would be beneficial to potential developers as there would be no surprises.

City Attorney – Mark Rahrlick presented a memo addressing the General Construction Services update. Rahrlick argued the City’s motion at the Summary Judgement Hearing and are currently awaiting the judge’s decision.

North Park/Wastewater Treatment Facility.

Rahrlick presented the history of North Park and the City of Medford Wastewater Treatment Facility (WWTF). The WWTF was transferred to the City in 1969. The only access to the WWTF is through the County ROW. The Borwege’s granted a 50 foot wide easement on the South side of the WWTF for the construction, maintenance, repair, and reconstruction of a force main for the facility. This easement is currently in the process of being updated.

The City refers to the property east of the WWTF as North Park. Research has shown that North Park is actually Steele County ROW. Steele County is willing to work with the City on turning over ownership of portions of the right-of-way (ROW). There are three litigation scenarios between the City and the Borweges:

1. The City could be granted the property directly to the East of the WWTF and the Borweges could be granted title to the rest of the ROW to the North.
2. The entire ROW could be granted to the Borweges.
3. The County may have complete discretion to award the entire ROW to the City as long as the City can specify a public purpose for which it wants to use the property.

In discussions with the Borweges there are many items that need to be addressed. A few include: access to the treatment facility, the City easement, access to the Borwege property, the trees at North Park, the boat landing, etc.

Steele County has stated that they would like to retain a certain amount of ROW.

Mayor Nelson addressed the comprehensive plan and the green space along the Straight River and the railroad tracks that will be designated as the Wildflower Trail. The Council needs to really think about the future and how all this will be affected. Mayor Nelson would also like to look at the possibility of purchasing the land in which the City has an easement.

Jeff Borwege spoke about a letter that the Borwege family received in 1972 from Doug Ruth. The letter asked the Borweges to stay off the property that is being referred to as North Park. The letter refers to North Park as City property.

Councilmember Maas remembers planting the trees at North Park and believes the property belongs to the City.

Council needs more time to research and digest the information presented tonight. A work study session will be called for Monday, March 25, 2013 at 6:00 PM before the regular council meeting.

City Administrator Memo – McCallum presented a memo on Medford’s liquor license fees and fees from surrounding area cities. Medford’s fees are pretty much in line with the fees from the other cities. McCallum is recommending that the liquor license fees for the City of Medford remain the same.

Council consensus is to leave the liquor license fees as they are written.

Jaguar Communications stopped by City Hall and reported that they will be ready to continue working on installing services. Jaguar representatives will be talking with residents about possible interest and concerns with current services. The work should begin this spring and take about two weeks. Jaguar is putting together a proposal for the City also. The signed franchise agreement will be coming soon.

City Hall has received more complaints of Century Link being filled to capacity and not taking on new customers.

City Clerk – Kniefel reported that out of all the residential sized meters, 86 connections were billed under the 2012 minimum utility bill amount of \$73.10.

Public Works Department – Kucera presented a memo to the council highlighting various projects that have been worked on in the last month.

Kucera is asking council for a formal motion regarding the snow plowing at the Medford Congregational Church. As in the past, Rahrck advised the City not to plow private property without a written agreement between the two parties.

Motion by Grayson, seconded by Sexton that the City will not plow private property unless there is an agreement in place specifically with consideration received by the City. Carried.

Kucera reported that the Evolution System that is currently being used by the City for the automatic read system for utility bills will no longer be supported. Every radio, in every property needs to be replaced. Elster will do all the work without any cost to the City.

The City of Medford received a certificate of Commendation for Outstanding Operation, Maintenance, and Management of our Wastewater Treatment Facility.

Water conservation ordinance will need to be approved before the end of the year.

Kucera presented the 2012 water report addressing lost water, water billed, and cost per thousand gallons to treat.

The leak study found major leaks and most of them have been fixed. There is still a major leak under the pavers at the Outlet Center. This will hopefully be addressed this year.

Municipal Liquor Store – Craig O’Hearn, the Liquor Store Manager was in attendance to answer questions and give an update on the Muni.

Liquor prices have been adjusted. Beer and off-sale prices will be adjusted soon. O’Hearn is keeping in mind the effect of the local option sales tax on the Muni.

O’Hearn would like the outside of the building to be painted. The canopy along the outside of the building is also in need of repair or replacement. Also, looking into a small cooler for under the counter for frosty glasses.

Smokescreen has been scheduled for the street dance on June 22, 2013.

Councilmember Sexton asked about possibly having different hours in the winter for when the Muni is not as busy. O’Hearn takes care of this as situations come up.

Councilmember Merritt asked about leasing equipment to possibly save money instead of buying new.

Councilmember Grayson asked about the idea having meat raffles. O’Hearn has looked into this and the raffle needs to be run through the Relief Association.

Unfinished Business.

Ordinance 2013-01 Establishing Fees for Emergency Protection Fire Services – Rahrck addressed the changes that were applied after the January meeting.

Motion by Grayson, seconded by Maas to approve Ordinance 2013-01 Establishing Fees for Emergency Protection Fire Services as presented. Carried.

Resolution 2013-10 Amended Fire Call Rates to be used in conjunction with the fees for emergency protection fire services.

Motion by Maas, seconded by Sexton to approve resolution 2013-10 fire call rates as presented. Carried.

Motion by Grayson, seconded by Sexton to approve resolution 2013-11 allowing the publication of ordinance 2013-01 by title and summary. Carried.

Employee Wage Increase - Employee wages were discussed and tabled from the January meeting. McCallum recommended a 2% wage increase for all employees in which an evaluation was given. Mayor Nelson included information in the council packets from the League of MN Cities Salary Survey.

Mayor Nelson would like to organize a committee to evaluate all aspects of employee benefits and wages in the future.

McCallum is recommending to approve the 2% wage increase for all employees who had performance evaluations in 2012.

Mayor Nelson supports McCallum's recommendation.

Motion by Grayson, seconded by Merritt to approve the 2% wage increase for evaluated city staff and to make it retroactive back to January 1, 2013. Carried.

New Business.

Resolution 2013-18 Ordering the Feasibility Study for CSAH 12/West Central Project.

Mayor Nelson would like the engineer and city staff to talk to the County about possibly including the part of Main Street south of Central Park going east to the railroad tracks. McCallum did not believe the County mentioned this portion as being part of the project slated for 2014 on Central Ave W.

Peterson is recommending to the City Council to approve resolution 2013-18 ordering a feasibility study for CSAH 12/West Central project.

Motion by Grayson, seconded by Nelson to approve resolution 2013-18 ordering the feasibility study for CSAH 12/West Central Project.

Nay: Merritt Aye: Nelson, Grayson, Sexton, Maas. Carried.

Medford Senior Care Facility.

Del and Julie Spronk presented a site plan to the Council on the Medford Senior Care project. The Spronk's are looking at a 16-bedroom facility for assisted living. Plans are to break ground this spring. The Spronk's need to address zoning and platting issues along with a developer's agreement.

Mayor Nelson explained that only a preliminary meeting has been held and the city attorney and city engineer are working on a developer's agreement. A meeting of all parties involved will be held on Wednesday, February 27, 2013 to discuss this further.

Sales Tax Update – Letters from the Minnesota Department of Revenue were mailed to every business owner explaining the process of reporting and collecting the local option sales tax.

Impact on the Liquor Store – Kniefel presented a spreadsheet that used data from 2012 to get an idea of the impact the sales tax would have on the liquor store. There will be estimated increase in sales tax of \$3,500.00 a year.

McCallum confirmed with the Department of Revenue that the sales tax will not be an added to tax to residential utility bills.

Board of Appeal and Equalization Training.

Councilmember Grayson is currently the only member trained for Board of Appeal and Equalization. Mayor Nelson and Councilmember Sexton volunteered to receive the training.

City of Medford Board of Appeal and Equalization Hearing will be held on Wednesday, April 24, 2013 at 7:00 PM.

Legislative Update – Mayor Nelson will be attending this session and encourages other council members to attend also.

Next regular council meeting will be Monday, March 25, 2013 starting at 6:00 p.m. for the workshop on North Park.

Councilmember Maas asked city staff about the RSG training. McCallum reported that all staff have been attending the required trainings.

Motion by Maas, seconded by Grayson to adjourn the meeting at 10:11 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Workshop
March 25, 2013
6:00 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

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

Others attending – Jerry Borwege, Jennifer Hansen, Ashley Stewart.

Mayor Nelson called the workshop to order at 6:01 PM.

The purpose of tonight's workshop is for the Council to discuss the Borwege property, North Park and the Wastewater Treatment Facility.

City Attorney, Rahrlick, reiterated the memo explaining the history of the County right-of-way and North Park.

Councilmember Maas inquired about the easement agreement the City has with the Borwege family and the reason the City is asking for a revised agreement. Rahrlick explained that the update is to clarify the original easement agreement and make it more accurate.

The Council focused on the County right-of-way in three separate pieces. The piece east of the Treatment Plant that would contain the driveway, the piece to the North of the Wastewater Treatment Facility driveway and the piece to the South of the driveway. Consensus of the Council would agree that the piece to the North would be granted to the Borwege family. Hopefully, the piece to the East would be granted to the City. The main piece of land that was discussed is the piece to the South where North Park is located.

No decisions were made. Discussions on getting the land surveyed. A meeting needs to be called including Mark Rahrlick, Mark Walbran, the Borweges, Tom Shea, Anita Benson, Rick Kvien, John Hosfield, Mayor Nelson, and Heather McCallum.

The workshop was closed at 6:59 PM.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
March 25, 2013
7:00 p.m.
City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

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

Others attending were Pat Merritt, Jennifer Hansen, Ashley Stewart, Mary Ulrich, Paul Beiser, and Dan Kaiser.

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

Pledge of Allegiance.

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

Agenda – Add Mary Ulrich, Steele County Law Enforcement, under Council Committees.

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

Minutes.

Motion by Grayson, seconded by Merritt to approve the regular February 25, 2013 meeting minutes as presented. Carried.

City and Liquor Store Bills.

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

Check Register.

Motion by Sexton, seconded by Merritt to approve the February 2013 check register numbers E1840-E1853, 12169-12198, and 40937-41017 as presented. Carried.

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

Consent agenda items include:

Resolution 2013-20 Accepting Donation from Butch Schultz in the amount of \$2.00 for the Medford Park Endowment Fund in memory of Charlie Johnson.

Resolution 2013-21 Accepting Donation from Minerva Cassels in the amount of \$10.00 for the Medford Park Endowment Fund.

Resolution 2013-22 Accepting Donation from Doug Meier in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-23 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Aleen Starks.

Resolution 2013-24 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Bud Olson.

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

Mayor's Report – Mayor Nelson summarized the report and spoke towards the legislative discussion on grey water being discharged in the river, shoreline rules, healthcare rules, and local government aid.

Mayor Nelson would like the administrator to research the local government aid formula specifically the reason why Blooming Prairie receives so much more LGA than Medford.

Councilmember Merritt inquired about the watering of the turkey barns for the Turkey Store. The Medford Fire Department would spray water on turkey barns when it is extremely hot to help cool the barns. The personnel would travel as far as St. Peter. Chief Hager invited Mayor Nelson and Administrator McCallum to a fire department meeting to hear feedback from the department.

The department discussed many factors when deciding that they would not be in favor of offering this service in the future.

A meeting between the City and the Turkey Store representatives will be set up to let them know that the Fire Department would no longer be offering the service of watering turkey barns. The Turkey Store would still be able to purchase water from the City.

Steele County Law Enforcement – Mary Ulrich spoke with the Council on the restructuring of patrol hours to add extra emphasis at the School at the end of the school day.

Planning and Zoning Board – Paul Beiser presented the Zoning Board minutes from the March meeting.

Zoning Board discussed Section 4.26 of the City Code relating to residential multi-family designations. The Zoning Board is not recommending any changes to the Code at this time.

The assessment of sidewalks was discussed. The Zoning Board made a recommendation to the Council to amend the City Code to assess 50% of the construction costs for new sidewalks instead of 100%.

Platting Requirements – Zoning Board made a recommendation to the City Council to continue requiring a re-plat for construction on properties where there needs to be property line adjustments.

Park Board – Councilmember Sexton presented the Park Board minutes from the March meeting. Officers were elected.

EDA – Mayor Nelson presented the EDA minutes from the regular meeting held on March 20, 2013. The first attempt at a business event went well. The EDA would like to host another event that would be called “Thirsty Thursday” at the Medford Muni on May 9, 2013 from 4:30 p.m. to 6:00 p.m. A short presentation would be given about 5:15 p.m.

The EDA would like to request a grant from Steele County to assist in paying for the comprehensive plan update for the City.

Motion by Sexton, seconded by Maas to allow the EDA to formally request a grant in the amount of \$5,000.00 from the County to help offset the expense for the City to update the comprehensive plan. Carried.

City Engineer – Seth Peterson presented a memo that addressed the Central Ave./County Road 12 project. The draft feasibility study will be presented at the next council meeting.

City Administrator Memo – McCallum was not in attendance. A memo was included in the packet that asked the Council to support the idea to acknowledge all donations in a form letter instead of a hand written letter. A motion was made at the last council meeting that only donations of \$25.00 or more would be acknowledged with a thank you letter.

Motion by Grayson, seconded by Sexton to allow all donations to be acknowledged. Carried.

Quarterly Financial Report and Savings Summary – Mayor Nelson would like McCallum to contact area banks on interest rates.

Public Works Department – Kucera presented a memo to the council highlighting various projects that have been worked on in the last month.

Mayor Nelson attended a presentation where the City of Medford received a certificate of Commendation for Outstanding Operation, Maintenance, and Management of the Wastewater Treatment Facility. Congratulations to the Public Works Staff on this award.

Water System Radio Update - Plan is to have the new radios installed during the month of April for the automatic water meter reading system.

Civil Defense Sirens – Kucera presented quotes from Ancom and Whitewater Wireless for the equipment, installation, and programming of three civil defense sirens. Kucera will be applying for a grant from Centerpoint Energy for \$2,500.00 to assist in the expense of the civil defense siren update. Kucera recommends to the City Council to approve the bid from Ancom in the amount of \$6,169.89.

Motion by Grayson, seconded by Maas to approve the bid for the equipment, installation, and programming of three civil defense sirens from Ancom in the amount of \$6,169.89. Carried.

Councilmember Maas asked Kucera about the pot holes at the railroad tracks north of the bank. Kucera is aware of the problem and will figure out a way to alleviate the issue.

Councilmember Sexton asked Kucera about the grills and fountain for the Straight River Park. The Steele County Park Board awarded the City \$2,500.00 to cover the cost. Council requested Kucera to order the grills and fountain.

Unfinished Business.

North Park – Discussion was held during the workshop. A meeting will be organized including all necessary parties.

Medford Senior Care – Rahrlick presented a draft developer’s agreement. Rahrlick highlighted areas that need additional direction from the Council.

Open space dedication has been satisfied for the entire property. Council would like the Fats, Oils, and Grease (FOG) ordinance added to the developer’s agreement.

Trunk Fees Discussion – The Council approves a resolution every year setting the trunk fees for new development. The trunk fees are broken up into different categories. The discussion was that the Medford Senior Care development could be considered either a multi-family or commercial use. Commercial trunk fees are calculated per acre and multi-family is calculated per unit.

Mayor Nelson would like to see the multi-family trunk fee lowered for an assisted living facility.

Councilmember Merritt feels this is a commercial business so commercial trunk fees should apply.

Councilmember Grayson feels the multi-family trunk fees as set in the resolution are fair.

Motion by Grayson, seconded by Sexton to draft in the developer's agreement the trunk fee set for multi-family designations at \$640.00 per unit for the proposed 16 unit facility for a total of \$10,240.00, also, future additions of units would be charged the trunk fee for multi-family designations at that time.

Aye: Nelson, Grayson, Sexton, Maas Nay: Merritt Carried.

Council also directed Rahrick to add a retainage amount of \$25,000.00 to the developer's agreement to protect the City.

New Business.

EDA Enabling Resolution – The main changes from the prior enabling resolution is the number of board members being changed from five members to seven members and bi-laws are added.

A public hearing must be called for public comment before the resolution can be formally approved by the Council.

Councilmember Sexton inquired about the changes and Rahrick answered that this resolution is going back to the original EDA Enabling Resolution. Everything is brought forward to the Council. The EDA board will continue making recommendations.

Motion by Sexton, seconded by Maas to call a public hearing to allow public comment on the proposed EDA enabling resolution amendments on Wednesday, April 24, 2013 at 8:05 p.m. Carried.

Steele County Cost Participation Policy – The policy was approved on March 12, 2013. The City will follow this policy when working with the County on the Central Ave. project. There are a few items that are negotiable.

Next regular council meeting will be Monday, April 22, 2013 at 7:00 p.m.

Board of Appeal and Equalization is Wednesday, April 24, 2013 at 7:00 p.m.

Motion by Grayson, seconded by Merritt to adjourn the meeting at 9:24 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
April 22, 2013
7:00 p.m.
City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Craig O'Hearn, Seth Peterson, Tom Olinger, and Mark Rahrick.

Others attending were Jennifer Hansen, Ashley Stewart, Rich Quiring, Robert Hoen, Don and Judy Schultz, and Brenda DeMars.

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

Pledge of Allegiance.

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

Agenda

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

Minutes – Correct the spelling of Rahrlick’s name. Councilmember Grayson asked about the portion of the minutes pertaining to the EDA enabling resolution. Any action affecting tax payer dollars will run through the full council for approval.

Mayor Nelson questioned Kucera as to whether the fountain and grills have been ordered for the park. Kucera answered that he is in the process of getting the fountain and grills ordered.

Motion by Merritt, seconded by Grayson to approve the special and regular March 25, 2013 meeting minutes as presented. Carried.

City and Liquor Store Bills – Councilmember Sexton asked about the Ancom bill and why the amount that was on the bill listing is different from the approved amount. Kniefel answered that the Ancom bill on the bill register are the fire department bills and the amount the Council approved at the last meeting is for the sirens and that work has not been started yet.

Councilmember Merritt questioned the reimbursement amounts for Kucera and Clark. Administrator McCallum explained that most of the reimbursement is for mileage traveling back and forth for training.

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

Check Register.

Motion by Sexton, seconded by Merritt to approve the March 2013 check register numbers E1854-E1863, 12199-12228, and 41018-41105 as presented. Carried.

City Attorney Memo

Rahrlick gave an update on the General Construction Services summary judgment hearing. The judge ruled in favor of the City. GCS can proceed with litigation, but Rahrlick will try and resolve the issue before litigation begins.

North Park – The Borwege’s would like to retain the southern portion of North Park. They have not changed any of the details from the original proposal presented to the City. The City and the Borwege’s will have a meeting to discuss the details.

Medford Parade Permit and Update – Brenda DeMars is requesting the approval of the parade permit with the parade permit fee waived. The parade will be held on June 22, 2013 at 4:30 p.m. Line-up will start at 3:00 p.m.

Motion by Grayson, seconded by Sexton approve the parade permit and waive the \$25.00 parade permit fee. Carried.

The Diamond Association will be coordinating a tournament on Saturday and Sunday, the fire department is organizing a 5K run, there is possibly going to be a garden tour, rummage sales, car show in the bank parking lot, a canoe race, waffle breakfast at Trinity Church, and the street dance at the Medford Muni.

Steele County Ducks Unlimited – Robert Hoen is requesting approval of a gambling permit for a fundraiser at Ritchie Bros. Torey’s will be catering the food and beverages.

Motion by Grayson, seconded by Maas to approve the gambling permit to Steele County Ducks Unlimited with no waiting period. Carried.

2012 Financial Audit – Tom Olinger, Abdo, Eick, and Meyers, presented the 2012 audit. The City decreased the general fund deficit by approximately \$90,000.00. The deficit is down to \$136,000.00. The goal is to have reserves in the general fund of approximately \$200,000.00.

A resolution can be drafted closing out the 2004 GO refunding bond and the 1998 GO tax increment.

Overall, the City is following the five year financial plan and moving in the right direction.

Engineer Report – Seth Peterson and Rich Revering are continuing to work on the feasibility study and will present this at the May council meeting.

Lazy-U preliminary numbers for the possibility of hooking up to City water and sewer are being worked on.

The City’s storm sewer is undersized on the SE section of town. The City needs to address these concerns for both the current demand and also for future development of the Medford Senior Care Facility and the Municipal Complex.

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

Consent agenda items include:

Resolution 2013-25 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Buella Cowell.

Resolution 2013-26 Accepting Donation from Chad Ludwig in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-27 Accepting Donation from Rochelle Anderson in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Jimmie and Gwen Ross.

Resolution 2013-28 Accepting Donation from Al Kubat in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-29 Accepting Donation from Our Homes South in the amount of \$50.00 for the Medford Park Endowment Fund.

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

Mayor's Report – Mayor Nelson summarized her report and spoke towards a possible vaccination clinic for dogs organized in Medford.

Planning and Zoning Board – The recommendations from the Zoning Board will be presented at a special meeting on Wednesday, May 1, 2013 at 6:00 p.m. concerning the Medford Senior Care Facility public hearing.

EDA – The Enabling Resolution will go before public on Wednesday, April 24, 2013 at 8:05 p.m.

“Thirsty Thursday” is scheduled at the Medford Muni on May 9, 2013 from 4:30 p.m. to 6:00 p.m. A short presentation will be given about 5:15 p.m.

Park Board – Rich Quiring is presenting the minutes from the April Park Board meeting.

The Park Board has three recommendations for council to consider.

The Park Board is recommending to the City Council to approve the policy for all City parks to be tobacco free.

The Park Board is requesting Rich Kucera to attend the park walk-through scheduled for Tuesday, May 7, 2013.

The Park Board is recommending to the City Council to reinstate the daycare membership and to increase the fee for children added to the membership to \$15.00 per child.

Discussion of the Tobacco Free Park Policy – Councilmember Grayson stated that she feels the policy would be difficult to enforce.

Administrator McCallum does not feel that city staff should be in the position to attempt to enforce a tobacco free park policy.

An audience member, Don Schultz, does not feel that banning smoking in city parks is a good idea. He feels it is a right for people to be able to smoke outside.

Brenda DeMars was called upon to give input regarding renting the park and not allowing those who rent the park to smoke. DeMars felt this would hurt park rentals.

Councilmember Sexton believes this a public promotion of a health incentive.

Motion by Sexton, seconded by Nelson to approve the tobacco free park policy as presented.

Aye: Nelson and Sexton Nay: Maas, Grayson, and Merritt Motion Fails.

Mayor Nelson would like the Park Board to revisit the policy at their next meeting.

Motion by Sexton, seconded by Grayson to appoint Rose Vick to the Park Board. Carried.

Discussion of the reinstatement of the daycare pass with the increase to \$15.00 per child added to the pass.

Councilmember Grayson feels this pass favors one group of people and does not agree with reinstating the daycare pass.

Motion by Sexton, seconded by Nelson to approve the recommendation made by the Park Board to reinstate the daycare pass and increase the fee per each child to \$15.00.

Aye: Nelson, Sexton, Maas, Merritt Nay: Grayson Motion Carried.

City Administrator Memo – McCallum presented a memo to the Council.

The Pool is in need of 1-2 lifeguards yet for this season. Employment ads went out to the CAST and on the city website.

Invitations for the “Thirsty Thursday” event will go out on postcards and through e-mail.

Meeting with Danny Thomas about the Turkey Store barn watering is set for Wednesday, April 24, 2013 at 1:00 p.m.

Public Works Department – Kucera presented a memo to the council highlighting various projects that have been worked on in the last month.

Water System Radio Update - Plan is to have the new radios installed during the month of April for the automatic water meter reading system. The installment of the new radios should take about two weeks. The crew will work days, nights, and weekends.

Centerpoint Energy – The grant request in the amount of \$2,500.00 for the Civil Defense Sirens was approved. Centerpoint Energy will be in attendance at the next council meeting to present the check.

Liquor Store Manager – Craig O’Hearn informed the Council that liquor prices were increased as of April 1, 2013.

Next regular council meeting will be Monday, May 20, 2013 at 7:00 p.m.

Next special council meeting will be Wednesday, May 1, 2013 at 6:00 p.m.

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

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Board of Appeal and Equalization

April 24, 2013

7:00 PM

Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, and Amber Kniefel.

Others in attendance– Bill Effertz, Greg Nelson, Wayne Maas, Jim and Char Slifka, Dan Needham, and Glen Meger.

Mayor Nelson called the board of appeal and equalization to order at 7:00 PM.

The purpose of board of appeal and equalization is to allow property owners the opportunity to review their market value for tax purposes as set by the Steele County Assessor’s Office.

Mayor Nelson and Councilmember Sexton attended the training for board of appeal. Mayor Nelson gave an overview of the appeal process.

Wayne Maas made an appointment prior to tonight’s meeting. Mr. Maas will be heard by the Council first.

Bill Effertz gave an overview of the process of valuation with the goal being both accurate and uniform. The County is working on a major review of Medford this year for equalization and accurateness.

Ten house sales were evaluated in the sales study from 2012. Bank sales are not included in the sales study.

Wayne Maas, parcel #16-104-0101, has a valuation as set by the Assessor's of \$134,100.00. Mr. Maas feels that since this house is located in the floodplain, the valuation should be decreased. The cost of flood insurance will have a great affect on the sale of homes in the floodplain. The valuation should reflect the added cost of flood insurance. Mr. Maas stated that flood insurance is approximately \$1,800.00 a year.

Dan Needham and Jim and Char Slifka are also in attendance with the concern of valuations of their homes because they are also located in the floodplain.

This situation was discussed at last year's board of appeal and the assessor's were going to look at lowering the valuation of homes in the floodplain by 5%.

Councilmember Grayson does not feel that 5% is enough to accurately reflect the added expense of flood insurance. Grayson would like to see the decrease around 20%, for a total of 25%.

Motion by Grayson, seconded by Merritt to lower the valuation of properties located in the floodplain by 25%.

Aye: Nelson, Sexton, Grayson, Merritt Abstain: Maas Motion Carries.

Glen Meger, Parcel #16-101-3205, questioned the valuation of the Medford Funeral Home. The valuation was reduced from \$241,800.00 to \$226,700.00 prior to the board of appeal hearing for 2014. The 2013 valuations have already been determined and the tax amounts have been set.

Chad Merritt, Parcel #16-008-2017, questioned the valuation of his property because he felt it is too low. The assessor's will set up a meeting with Mr. Merritt to look at his property and discuss a possible increase to the valuation.

Motion by Grayson, seconded by Merritt to adjourn the board of appeal and equalization at 8:00 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

City Council Public Hearing
April 24, 2013
8:05 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum and Amber Kniefel.

Others in attendance were Pat Merritt, Dan Kaiser, Sharon Paulson, and Mike Collins.

Mayor Nelson called the public hearing to order at 8:05 p.m.

The purpose of tonight's public hearing is to allow the citizens of Medford to voice their concerns and ask questions regarding the proposed amendments to the Economic Development Authority Enabling Resolution.

Mayor Nelson gave an overview of the history of the EDA in Medford. A great handbook explaining economic authorities is on the DEED website.

Administrator McCallum explained the amendments and the basic change is that the EDA will go from an advisory board to an authority as set by state statute.

The by-laws were added to the resolution for means of ease and consistency when looking for all the information in one place.

Councilmember Maas questioned the risk on the City of approving the amendments.

The City Council will continue to have the final decision-making power with anything that involves tax payer dollars.

Public Input

Dan Kaiser clarified that the loan granted to NyCore was a pass through grant to the City from the USDA.

Mr. Kaiser has concerns involving taking action tonight without fully digesting all the information. Mr. Kaiser asked the Council to really consider the meaning of giving the EDA more authority.

Mr. Kaiser asked the Council to really think about the potential risk to tax payer dollars by approving the amendments. Also, the risk in the future by opening up the residency of the board members to outside city limits.

Mr. Kaiser felt it was very important for the full Council to be involved with the lending of funds, keeping in mind the clientele that are asking for financing.

The business owned by Dan and Mona Kaiser is a success today because of the Medford EDA, noted Mr. Kaiser.

Mr. Kaiser asked that portions of the resolution be defined, such as the term "affiliated with" and the word "business".

Administrator McCallum stated that the by-laws were approved by the City Attorney.

Mr. Kaiser asked that the Council be careful with what is classified as confidential information. State statute regulates what can be considered confidential information.

This resolution needs to be approved by the Council by at least a 4/5 vote.

Motion by Maas, seconded by Grayson to conclude the public hearing at 8:57 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

City Council Special Meeting

April 24, 2013

9:00 PM

Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum and Amber Kniefel.

Others in attendance were Pat Merritt, Dan Kaiser, Sharon Paulson, and Mike Collins.

Mayor Nelson called the special council meeting to order at 9:00 p.m.

The purpose of tonight's special meeting is for the Council to discuss and possibly take action on the proposed amendments to the EDA Enabling Resolution.

Administrator McCallum spoke towards some of the comments made during the public hearing.

All EDA board members have to be approved by the City Council.

Any change to the resolution would need another public hearing before approval.

City Council remains in full control of City funds.

Motion by Sexton, seconded by Grayson to approve the amendments to the EDA Enabling Resolution as presented.

Aye: Nelson, Grayson, Sexton, Maas Nay: Merritt Motion Carries.

Councilmember Grayson added that at any time, if the Council feels something is not working, the process can start over and be amended.

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

Minutes approved at _____ meeting.

Submitted by _____ clerk.

City Council Special Meeting
May 1, 2013
6:00 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Merritt, and Sexton.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, and Mark Rahrlick.

Others in attendance were Del & Julie Spronk, Paul Wencil, Brad Vought and Kristina, and Paul Beiser.

Mayor Nelson called the special meeting to order at 6:00 p.m.

The purpose of tonight's special meeting is for the Council to discuss and possibly take action involving the Medford Senior Care Facility. The Zoning Board held a public hearing to consider a replat of the property, a rezone of the property, and a driveway variance for the property.

Zoning Board Chairperson, Paul Beiser, presented the recommendations from the Zoning Board meeting. Beiser stated that the main concern that was heard at the public hearing was about increased traffic congestion and adequate parking.

The Zoning Board recommends to the City Council to approve the replat of the property as presented. The replat will remove the three lots and make one parcel.

The Zoning Board recommends to the City Council to approve the request to rezone the property from R-1 residential to R-2 multi-family.

The Zoning Board recommends to the City Council to approve the variance request for driveway requirements from City Code Section 4.26.

Councilmember Sexton has concerns with the plans to install drive-over curb along the property on Central Avenue. Sexton understood the curb to be a full curb. Mayor Nelson agreed that the thought was to have full curb installed.

Wencil explained that drive over curb was installed on Central Avenue for part of the way and that the intention is to install drive over curb the rest of the way to the east.

Motion by Sexton, seconded by Nelson to approve the replat as presented. Carried.

Motion by Sexton, seconded by Grayson to approve the rezone request from R-1 to R-2. Carried.

Motion by Sexton, seconded by Maas to approve the variance request regarding Section 4.26 regulating total driveway width. Carried.

Councilmember Maas asked for additional information regarding the City Code on driveway regulations. The City Code states that a property's driveway(s) can total no more than 30 feet in width. The variance is to allow the Spronk's to have additional driveway widths; two 18 foot driveways in the front of the building and one 30 foot driveway for the back parking lot. The Spronk's have to install the driveways as presented on the site plan.

Councilmember Merritt asked about the heating and cooling equipment and where it will be located. Del Spronk pointed out all the locations for the equipment.

The outside lighting for the building will all be facing the building. None of the lighting will face towards residential property.

Councilmember Sexton asked about the emergency exits. Mr. Spronk pointed out all the emergency exits.

The building will have a sprinkler system installed.

Mr. Spronk explained what all the rooms will look like.

The Developer's Agreement – Rahrlick explained the changes from the last council meeting.

The main concerns from the Spronk's are the trunk fees and the security deposit.

The Spronk's feel that one way the City could assist with the project is to lower the trunk fees. The basis would be that this is a different type of business than an apartment building or commercial business.

Councilmember Grayson feels the City did help with the trunk fees by allowing the Spronk's to use the multi-family designation instead of the commercial designation.

Councilmember Sexton worries about starting a precedent by adjusting the trunk fees for one developer. The Council is representing all the tax payers.

Julie Spronk truly feels that having a congregate dining and laundry facility will have a lesser impact on the city systems than if each unit had its own facilities. This will save money and be more efficient.

Mayor Nelson strongly feels that the trunk fees should be adjusted. Mayor Nelson stated that possibly the resolution setting the trunk fees could be adjusted by adding another category specifically for adult senior care.

Administrator McCallum stated that the units could potentially have two people living in them. Statistically, this is not common, but it could happen. McCallum does not feel the trunk fees should be adjusted because the fees are not based on number of people living in the unit.

Mr. Spronk stated that if the City wanted to help the project with something, this would be the area the City could do something with.

Councilmember Grayson stated that the City needs to treat everyone the same.

Security – Mr. Spronk asked for the purpose of this section and the amount of \$25,000.00.

Rahrlick does not feel this is an absolute must because the project does not involve working with any public improvements.

City Engineer, Seth Peterson, suggested adding the security deposit to the developer's agreement to aid the city in case any issues arose with public improvements.

Motion by Grayson, seconded by Sexton to approve the developer's agreement with the deletion of the security requirement paragraph 13D and the amendment to state the term drive over curb as amended. Carried.

Motion by Sexton, seconded by Grayson to approve the plans and specifications as presented pending the approval of the City Engineer. Carried.

Motion by Sexton, seconded by Maas to adjourn the special meeting at 7:22 p.m.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
May 20, 2013
7:00 p.m.
City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, Rich Revering, and Mark Rahrlick.

Others attending were Pat Merritt and Vern Wheeler.

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

Pledge of Allegiance.

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

Agenda – Add Resolution 2013-38 Accepting the Grant from Centerpoint Energy

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

Minutes – Kniefel to correct grammatical usage error and add to the Board of Appeal minutes that the assessor's office is planning to focus on Medford this year.

Motion by Sexton, seconded by Merritt to approve the April 22, 2013 regular minutes, the April 24, 2013 Board of Appeal, and the May 1, 2013 special meeting minutes as amended. Carried.

City and Liquor Store Bills – Councilmember Grayson asked about the bill for the blank postcards. The postcards are used for town mailing and invites. Council asked about the city engineering and city attorney bills. Medford Senior Care costs will be coded out separately.

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

Check Register.

Motion by Grayson, seconded by Maas to approve the April 2013 check register numbers E1864-E1878, 12229-12258, and 41106-41182 as presented. Carried.

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

Consent agenda items include:

Resolution 2013-31 Accepting Donation from Matthew J Williams in the amount of \$7.00 for the Medford Park Endowment Fund.

Resolution 2013-32 Accepting Donation from Bryce Butler in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-33 Accepting Donation from John C Dilleuth in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-34 Accepting Donation from Gary A Ringhofer in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Clarence & Irene Ringhofer.

Resolution 2013-35 Accepting Donation from Pat & Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Chuck Johnson.

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

Mayor's Report – Mayor Nelson summarized her report and spoke towards meeting with the superintendent of the Medford School, the possible tourism grant to help with comprehensive planning and city promotion, and the attendance at the Township Board meeting. The clothing tax presented at the State was not added to the bill for this session.

Zoning Board – No meeting held.

EDA – Councilmember Grayson presented the minutes from the last EDA meeting. The EDA discussed the review of the loan application and process. McCallum and Rahrlick will be working on new applications and information packets for the loan process.

The Turkey Store will be hosting the next community business event on July 10, 2013 in the morning.

The \$5,000.00 grant requested from Steele County for the EDA was approved. The \$5,000.00 is allocated for updating the comprehensive plan.

Cal Jenó, a representative for the Knights of Columbus, presented a food permit request to set up a food wagon at the Muni for the Street Dance on June 22, 2013. Mr. Jenó is asking that the \$25.00 food permit fee be waived.

Motion by Sexton, seconded by Maas, to approve the food permit request for the Knights of Columbus to have a food wagon at the Muni for the Street Dance on June 22, 2013 and to waive the \$25.00 food permit fee.

Nay: Grayson Aye: Nelson, Sexton, Maas, Merritt Carried.

Park Board – The list from the Park Board Walk-Through will be presented at the June Council Meeting.

City Attorney – Mark Rahríck presented a memo.

Medford Senior Care Developer's Agreement – All involved parties have signed the developer's agreement.

The utility easements need to be vacated for the three lots that were removed with a re-plat. McCallum sent a letter to the Spronks' finance company informing them that the Spronk's are in the process of vacating of the utility easements.

McCallum requested that the public hearing fee for the Spronk's easement vacation be waived.

Motion by Grayson, seconded by Merritt to deny waiving the \$125.00 fee for the public hearing.

Aye: Grayson, Merritt Nay: Nelson, Sexton, Maas Motion Failed.

Motion by Sexton, seconded by Maas to waive the \$125.00 public hearing fee for the Spronk's utility easement vacations if scheduled on a regular zoning board meeting night.

Aye: Nelson, Sexton, Maas Nay: Grayson, Merritt Motion Carried.

General Construction Services Litigation – Council would like to look into getting compensation back for attorney's fees for this litigation. Councilmember Grayson suggested the City look into I & S Group for compensation since they are the company the City hired to make sure of wage compliance.

Met-Con Developer's Agreement – Rahríck is working on a draft developer's agreement for the possible development of a Casey's General Store on the Met-Con property.

City Engineer – Seth Peterson updated the Council on the review of the plans for the Medford Senior Care Facility. Peterson is recommending to the Council to require a cash payment option for the sidewalk construction going from the driveway to the East. Council consensus is that the City does not want to encourage a sidewalk going east towards the railroad tracks. There is not a safe crossing over the railroad tracks so the sidewalk does not need to be extended to the end of the property.

City Administrator – Heather McCallum reported that the EDA grant from Steele County has been received. The \$5,000 will be allocated to the updates of the City of Medford Comprehensive Plan.

Craig O'Hearn attended the MMBA training.

Administrator McCallum is working with Jaguar Communications on the restoration of the boulevards after the installation of the fiber optic lines. There have been complaints and the City is reassuring the residents that a restoration company will be coming back through to restore the work areas.

McCallum had a conversation with Anita Benson, County Engineer, on the street maintenance agreement the City has with the County. Currently, the County reimburses the City \$1910.00 per year for all the County roads. Councilmember Sexton asked about the snowplowing on County roads. Public Works Director, Kucera, answered that the City plows the County roads curb to curb early in the morning to open the roads up. The County comes through later in the day.

McCallum informed the Council that Butch Schultz will be retiring from City employment on July 8, 2013. Currently, this is a part-time seasonal position. McCallum would like to update the job description to require the position to be scheduled for on-call weekend hours and possibly added tasks of water and wastewater duties. McCallum made a recommendation to the City Council to re-hire the position.

Mayor Nelson would like to schedule a workshop concerning this position and to discuss mid-year capital projects for the City. Mayor Nelson suggests the meeting be held on June 3, 2013 at 6:00 p.m.

Motion by Grayson, seconded by Merritt to table the recommendation from the City Administrator and hold a workshop on June 3, 2013 at 6:00 p.m. to discuss the open position and mid-year capital projects for the City. Carried.

City Clerk – Kniefel presented resolution 2013-36 certifying unpaid utility bills to Steele County.

Motion by Grayson, seconded by Maas to approve resolution 2013-36 certifying unpaid utility bills to Steele County as presented. Carried.

Public Works Department – Kucera presented a memo to the council highlighting various projects that have been worked on in the last month.

Water System Radio Update – Vanguard is finished with installing the new radios.

Tornado sirens are working, the pool has been painted with the white paint and hopefully the black paint will be later this week, the grills and drinking fountain have been ordered and once the bills arrive they will be submitted to Steele County for the grant reimbursement.

Lawn Mower Upgrade – Kucera presented a bid from Ag Power Enterprises for a John Deere X758 tractor with 60HC mower deck, thatcher assembly, and bagger assembly. Kucera is recommending to the City Council to purchase the John Deere X758 for \$10,025.00 from Ag Power Enterprises and trade in the 2005 Gravelly 260Z.

Council discussed the 2012 mowing cost tracking study that Kucera researched and the bid from Groundsmasters.

Motion by Grayson, seconded by Sexton to approve Kucera to trade in the 2005 Gravelly 260Z and purchase the John Deere X758 tractor as per the bid from Ag Power Enterprises for \$10,025.00. Carried.

Aye: Nelson, Grayson, Sexton Nay: Maas, Merritt.

Straight River Days Update – City Council will walk together. City staff is welcome to the join the Council in the parade.

Feasibility Study – Bolton & Menk presented the options for the Council to consider for the 2014 Central Avenue street reconstruction project.

Rich Revering explained through a power point presentation six different options for sidewalks. The different options include sidewalks with boulevard options, easement options, parking lane options, etc. The estimated cost range is \$98,921.25 to \$256,404.60.

The City will need to begin consulting with a financial advisor. The public improvement hearing needs to be called. The Council would like to meet with County officials when the desired scope of the project is determined.

Mayor Nelson would like to have another workshop to discuss the project.

Bolton & Menk is asking for authorization to submit the feasibility study to Anita Benson to make sure there is nothing glaring about the estimates.

Closed Session

Motion by Grayson, seconded by Sexton for the City Council to enter into closed session per Minn.Stat.13D05, Subd. 3© (2) & (3) on land negotiation regarding North Park acquisition of real estate at 10:22 p.m.

Motion by Merritt, seconded by Nelson to come out of closed session at 11:05 p.m.

Motion by Grayson, seconded by Merritt to adjourn the regular city council meeting at 11:05 p.m.

Next regular council meeting will be Monday, June 24, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Medford City Hall

Members present: Nelson, Maas, Grayson, and Merritt.

Members absent: Sexton.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, and Rich Kucera.

Others in attendance were Del & Julie Spronk, Wanita Wilkie, and Brian Wilkie.

Mayor Nelson called the special meeting to order at 6:30 p.m.

The purpose of tonight's special meeting is for the Council to discuss and possibly take action on the Medford Senior Care Facility request for vacation of utility easements and a food permit request from Wanita Wilkie.

The Zoning Board held a public hearing to consider the vacation of the utility easements and have made a recommendation to the City Council to approve the vacation of the utility easements as presented.

Motion by Grayson, seconded by Nelson to approve the vacation of utility easements request from Del and Julie Spronk as presented. Carried.

Discussion of the public hearing fee. At the last Council meeting, the Council motioned to waive the \$125.00 public hearing fee for holding a public hearing on a regular Zoning Board meeting night. To assist with the closing date of the property, the public hearing was moved to a different night causing a special meeting of both the Zoning Board and the City Council. The fee for a special meeting public hearing is \$250.00.

Motion by Grayson, seconded by Merritt to request the Spronk's pay the additional \$125.00 fee for the special meeting public hearing. Carried.

Food Permit Request – Wanita Wilkie is requesting a food permit for Straight River Park and Central Park during the weekend of Straight River Days, June 21-23, 2013.

Motion by Grayson, seconded by Merritt to approve the food permit request to Wanita Wilkie for Straight River Park and Central Park for June 21-23, 2013. Carried.

Motion by Merritt, seconded by Grayson to adjourn the special meeting at 6:40 p.m.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting

June 24, 2013

7:00 p.m.

City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, Rich Revering, and Mark Rahrck.

Others attending were Pat Merritt, Jennifer Hanson, Ashley Stewart, Jason Underdahl, Lon Thiele, Paul Beiser, Belinda Wilson, and Jeanette Sanford.

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

Pledge of Allegiance.

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

Agenda – Add Steele County Sheriff, Lon Thiele, after the presentation of the Centerpoint Energy Grant.

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

Minutes – Mayor Nelson asked about the section of the minutes that addressed the public hearing fee for the Spronk’s. Mayor Nelson requested the word “council” be added in front of advisors in the workshop minutes. Mayor Nelson asked if workshop minutes are required and for the City Attorney to look into this.

Motion by Grayson, seconded by Sexton to approve the May 1, 2013 special meeting minutes as presented, the May 20, 2013 regular meeting minutes as presented, and the June 3, 2013 workshop meeting minutes as amended. Carried.

City and Liquor Store Bills – Councilmember Sexton asked about the bill for the old fire hall door. Kniefel will e-mail Sexton with the breakdown of the bill. Councilmember Grayson asked about the vendors for the pool candy and pop. Mayor Nelson asked if the final bills for the 2012 audit have been received. McCallum answered that the bills have been received for the 2012 city financial audit.

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

Check Register.

Motion by Sexton, seconded by Maas to approve the May 2013 check register numbers E1879-E1906, 12259-12290, and 41183-41264 as presented. Carried.

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

Consent agenda items include:

Resolution 2013-40 Accepting Donation from John Anhum in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-41 Accepting Donation from Pat & Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Lester and Ruby Merritt.

Resolution 2013-42 Accepting Donation from Kozy Korner Cafe in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Ronald Reagan.

Resolution 2013-43 Accepting Donation from Garret Jeddeloh in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Barb Penny.

Resolution 2013-44 Accepting Donation from Pat & Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Don Kent.

Resolution 2013-45 Accepting Donation from Pat & Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Pat Woodfill.

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

Mayor’s Report – Mayor Nelson gave compliments to the City Staff for their hard work during Straight River Days weekend. Also, a thank you to the Public Works staff for their work on the round-a-bout and other park areas.

City staff will continue working on updating the City’s Comprehensive plan and will bring a recommendation to the Council on how to proceed.

Zoning Board – The Planning and Zoning Board held a public hearing for a variance request at 105 Sunrise Drive. Jason Underdahl is asking for a 7’ variance on the back property line to the west of the property. The property is located along the railroad tracks and the building would still be some 20’ away from the railroad embankment.

Motion by Maas, seconded by Sexton to approve the variance request from Jason Underdahl for the property located at 105 Sunrise Drive for a 7’foot variance on the west side of the property on the back corner for a new attached garage. Carried.

Councilmember Sexton asked about the width of the driveway for the new garage. Underdahl stated that the current driveway will be reduced down to 10’ and the new driveway would be 20’ totaling 30’ of total driveway.

Park Board – Chairperson Sanford presented the minutes from their last meeting. The tobacco-free parks policy was tabled at the June meeting and will be discussed again at the July meeting. Sanford presented an updated sign for the park if the council approves this policy.

Park Walk-Through list will be discussed and prioritized at the July Park Board meeting.

City Attorney – Mark Rahrack presented a draft developer’s checklist to assist developers with the process of a developer’s agreement with the City.

City Engineer – Seth Peterson updated the Council on the review of the plans for the Medford Senior Care Facility. Peterson stated that Bolton & Menk has fully approved all the plans. The next step is for the Spronk’s to get a final plan packet to City Hall for McCallum to approve. The approved plans will then be taken to Steele County for a building permit.

City Administrator – Heather McCallum reported that the Twins grant requirements have been finalized. The dedication ceremony went very well.

The Medford Pool does not have a pop machine this year. We are trying to purchase pop on sale to see if we can increase the revenues. Still looking at different avenues for the candy and ice cream also.

Councilmember Sexton asked about the mats in the bathrooms at the pool. Kucera will look into this.

Councilmember Grayson asked about the membership passes. Kniefel stated that the numbers look favorable.

Councilmember Sexton asked McCallum on the status of the Health Care Reform Bill. McCallum will be following the information as it comes out.

6-Month Financials – Grayson would like to have a local insurance agent. Grayson asked McCallum if the City could advertise for insurance agents in the area.

Public Works Department – Kucera addressed the Council on the amount of time it takes to drag the new ball field. Kucera worked on the field for two hours.

Council would like McCallum to review the agreement and send a letter describing the maintenance of the field. The Council and the Park Board would like to see the agreement.

New Business

Dump Truck Purchase/Employee Approval to Spend Budgeted Funds – McCallum made a recommendation to the City Council to allow City Staff to look at the equipment at Ritchie Bros. at the upcoming auction and be granted approval to purchase a dump truck using the budgeted \$15,000.00.

Councilmember Merritt has concerns with spending the entire \$15,000.00 due to the extra costs that will be associated with a truck such as painting and accessories.

Discussion on the need for a dump truck and the work that will be done with it.

Motion by Grayson, seconded by Nelson to approve the recommendation from McCallum and allow City Staff to attend the Ritchie Bros. auction and purchase a dump truck for up to \$15,000.00.

Aye: Nelson, Grayson, Sexton Nay: Merritt and Maas Motion Carried.

Overtime Cap Removal – The previous council mandated a freeze on all overtime.

McCallum made a recommendation to the City Council to remove the overtime freeze and allow supervisor’s to approve the overtime for certain situations based on workload.

Councilmember Maas asked about the status of the part-time staff position that was posted. McCallum and Kucera will be reviewing the applications and will be setting up interviews.

Councilmember Sexton is not in favor of the removing the overtime freeze due to not having overtime in the budget.

After a large amount of discussion, McCallum hears the consensus of the Council is to leave the overtime freeze in force and evaluate for next year.

City Insurance Policy – Liability Coverage Waiver – McCallum recommends that the city does not waive the monetary limits on municipal tort liability established by MN Statutes 466.04.

Motion by Grayson, seconded by Sexton to approve the liability coverage waiver without waiving the monetary limits on municipal tort liability. Carried.

Councilmember Merritt is not comfortable with leaving the overtime freeze in effect when the Public Works staff is a person short.

Motion by Merritt, seconded by Maas to lift the overtime freeze for a limited amount of time to August 1, 2013 and to allow McCallum to approve and monitor the overtime.

Aye: Nelson, Maas, Merritt, Grayson Nay: Sexton Motion Carried.

5 minute break

CSAH 12 Project/Update From the Steele County Meeting

City representatives met with the Steele County representatives to discuss the Central Avenue project. New information was presented at the meeting concerning the city's water main under Central Avenue. The water main is at least 60 years old. The County does not feel it is in the County's best interest to install a 10 inch concrete road over a 60 year old water main. The City could choose not to replace the water main, but the County would then only do a mill and overlay on Central Avenue.

There are 3 options for the City Council to consider:

1. The County could do a mill and overlay – 10-15 year life expectancy.
2. The County could do a rehabilitation project – 40-50 year life; City pays for certain additions to the project.
3. The County could do a full reconstruction project – 40-50 year life; County and City pays for certain additions to the project.

Whether or not the City decides to replace the water main will direct which option the County will continue with for the project. Currently, the water main is a 6" pipe, the City needs to consider the opportunity of installing a larger pipe for future growth.

Councilmember Grayson asked if the current water main would last another 15 years. The City Engineers answered that yes, the water main could last another 15 years. However, this opportunity to upgrade and replace aging infrastructure may not happen again for many years.

Motion by Nelson, seconded by Sexton to move forward with a full reconstruction project and the plan will be to replace the entire water main along Central Avenue to Main Street.

Aye: Nelson, Sexton, Grayson Nay: Merritt, Maas Motion Carried.

Motion by Maas, seconded by Grayson to adjourn the regular city council meeting at 9:56 p.m.

Next regular council meeting will be Monday, July 22, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting

July 22, 2013

7:00 p.m.

City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, and Mark Rahrck.

Others attending were Pat Merritt, Jennifer Hansen, Lon Thiele, Jeanette Sanford, Butch Schultz, John Anhorn, Nick Goodnature, and William Thorson.

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

Pledge of Allegiance.

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

Agenda – Move City Attorney to the top of the agenda to discuss golf carts along with the Sheriff.

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

Minutes – Mayor Nelson asked a follow-up question about the ball field maintenance. McCallum e-mailed the maintenance agreement out and is working on a letter to the Diamond Association.

Motion by Grayson, seconded by Merritt to approve the June 24, 2013 regular meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Merritt asked about the cost of the employment ad in the Owatonna People's Press.

Mayor Nelson asked about the bill to Fergus Power Pump for biosolids application.

Councilmember Maas asked about the jetter truck storage bill and if the City pays for the summer months. Kucera answered that the City does pay for 12 months a year.

Councilmember Sexton asked about the training scheduled with Steele County. This is trenching training for Public Works.

Mayor Nelson asked about the MASC membership dues and the bill to Medford Township for gravel road maintenance. The City has an agreement with Medford Township to share in the maintenance cost for the gravel roads by Ritchie Bros. and the Outlet Center.

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

Check Register -

Motion by Merritt, seconded by Sexton to approve the June 2013 check register numbers E1907-E1923, 12291-12340, and 41265-41351 as presented. Carried.

Steele County Sheriff – Lon Thiele presented information regarding the use of golf carts on city streets. Information from the League of Minnesota Cities and our City Attorney was also presented.

Rahrlick presented a draft ordinance that would govern over golf carts, small ATV's and mini-trucks as per MN State Statute. Kniefel asked about electrical golf carts and the attorney will look into adding this to the ordinance. Council needs to decide if all classifications of special vehicles will be included in the ordinance.

Changes suggested by the Council for the proposed Special Vehicle Ordinance - Council would like verbiage on manufactured lights installed on the vehicles, information about driving at night, and adding that the slow moving vehicle sign needs to be the MnDOT approved retro-reflectivity sign.

Motion by Grayson, seconded by Sexton to leave the classifications of special vehicles as presented which include golf carts, small ATV's and mini-trucks in the ordinance.

Motion withdrawn by Grayson, second withdrawn by Sexton.

Council consensus is to leave the golf carts, small ATV's, and mini-trucks in the special vehicle ordinance.

Council requests Rahrlick to amend the presented ordinance as per discussion and present a revised version at the August council meeting.

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

Consent agenda items include:

Resolution 2013-46 Accepting Donation from Medford Fire Relief Association in the amount of \$282.75 for the portable restrooms for the Medford Parade.

Resolution 2013-47 Accepting Donation from Medford Fire Relief Association in the amount of \$556.01 for a refrigerator at the Medford Pool.

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

Mayor's Report – Mayor Nelson reported that Bolton & Menk will be presenting a proposal for the updates to the comprehensive plan.

Mayor Nelson welcomed MNDOT to Mr. Kavitz's building and Abe Paquette, Performance Seed and Insurance Agency, in Mr. Karow's building.

Zoning Board – No meeting held.

Park Board – Information tabled until August council meeting.

EDA – Administrator McCallum presented an amended revolving loan application with process materials. Recommendation from the EDA is to approve as presented.

Councilmember Sexton asked if the EDA could grant loans to businesses outside city limits. McCallum answered that loans would only be given to businesses within city limits.

Councilmember Merritt asked about the interest amount. Mayor Nelson answered that the loans are for gap financing at a low interest amount to make them more favorable to businesses.

Motion by Nelson, seconded by Grayson to approve the amended revolving loan application with process materials as presented. Carried.

Loan Approval/Denial Form Letters – EDA recommendation is for the Council to approve the approval and denial form letters as presented.

Motion by Sexton, seconded by Grayson to approve the loan approval and denial forms letters as presented. Carried.

EDA Levy for 2014 Budget – EDA recommendation for the 2014 levy is to apply the percentage which is set by MN State Statute to figure the levy amount. The amount would be \$12,385.00. The five year financial plan does not include an increase to the EDA levy. Council action on increasing the EDA levy is tabled until the Council has a chance to review the budget.

City Engineer – Seth Peterson informed the Council that Anita Benson will be presenting the Medford Central Avenue project at the upcoming Steele County Board meeting. McCallum will be the City representative at the Steele County Board meeting.

The televising of the sewer line under Central Avenue will be done within the next couple of weeks.

There are a few decisions the Council will need to make in regards to the water-main for the Central Avenue project. These include, whether or not to run the water-main the entire length of Central and the size of the water-main. Currently, there is a six-inch water-main. Peterson explained that upgrading to an eight-inch would be at minimal cost, but the Council needs to determine if that water main would be another artery to service the West side of the freeway in the future. Peterson recommends that if this would be a future interconnect to the West side of the freeway, then a ten-inch or larger water-main would be needed.

Councilmember Maas stated that the City should really focus on the areas that would work to service the West side of the freeway. Maas stated that the plan in the past was to run the water and sewer across the freeway at the North point by the wastewater treatment facility.

Peterson will present information at the August council meeting showing cost estimates for an 8, 10, and 12 inch water main.

City Administrator – Heather McCallum welcomed three new employees to the City of Medford. Steve Clark is the new seasonal/part-time public works worker. Lisa Full and Brenda McGivney are the new part-time bartenders.

McCallum thanked the Medford Fire Relief Association for their donations for the Medford Parade portable bathrooms and the refrigerator at the Medford Pool.

Councilmember Sexton asked about the number of part-time employees in regards to the new health care reform and PERA regulations. McCallum stated that city staff will be monitoring the hours.

Resolution 2013-48 Certifying Unpaid Bills/Administrative Fines to Steele County for collection on 2014 property taxes

Motion by Grayson, seconded by Maas to approve Resolution 2013-48 Certifying Unpaid Bills/Administrative Fines to Steele County for collection on 2014 property taxes. Carried.

Public Works Department – Kucera informed the Council that he has not yet purchased a dump truck. Kucera will continue looking for one that fits the needs of the City.

One grill has been installed. The other grill and fountain will be installed within the next couple of weeks.

Midcontinent has been in contact with the City and informed staff that they will be upgrading to fiber optic throughout the City.

Kucera met with Councilmember Merritt on the roofs on City buildings all around town. Well House 1, the Wastewater Treatment Facility Control Building, and the Muni need roof work. Proposals will be given at the August Council meeting.

Council asked about the street seal coating and the status of Steele County performing the work. Kucera spoke with Beth Brady and Steele County does not anticipate being able to be in Medford until September. Council does not want to wait until fall to start working on the streets.

Motion by Grayson, seconded by Merritt to authorize Kucera to advertise for bids and to allow Kucera to use the allocated funds from the budget for street maintenance and to hire at his discretion the best company for the work and move forward with the project. Carried.

New Business – Other Concerns from City Council Members

Discussion on the City Hall attic. The attic is full and the City needs to figure out where to keep storing records. Councilmember Grayson would like to see the City move towards saving everything electronically. Possibly, have a college intern scan documents. Councilmember Sexton suggested renting space for storage.

Administrator McCallum stated that the storage issue can be looked at when the City develops a capital plan.

Councilmember Maas asked about the broken Medford sign at the round-a-bout. The City insurance did not cover the damage. Councilmember Grayson stated that the driver who hit the sign should pay for it. A letter needs to go out to the driver and require the sign be paid for.

Kucera received bids on the sign and will forward to Rahrick.

Motion by Grayson, seconded by Sexton to adjourn the regular city council meeting at 10:05 p.m.

Next regular council meeting will be Monday, August 26, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting

August 26, 2013

7:00 p.m.

City Hall

Members present were Nelson, Grayson, Sexton, Maas, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, and Mark Rahrick.

Others attending were Pat Merritt, Lon Thiele, Todd Peterson, Rick Hager, Greg Sanborn, Rich Quiring, Marilyn Warner, Ashley Stewart, Stephen and Danielle Strommer.

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

Pledge of Allegiance.

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

Agenda – No changes.

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

Minutes –

Motion by Sexton, seconded by Merritt to approve the July 22, 2013 regular meeting minutes as presented. Carried.

City and Liquor Store Bills -

Motion by Sexton, seconded by Nelson to approve the July and August city and liquor store bills.

Councilmember Grayson asked about the \$2,500.00 bill for Youth 1st. Administrator McCallum explained that the \$2,500.00 was budgeted for 2013 by the prior Council. Council asked that the Youth 1st representatives attend the next Council meeting and table payment of the bill until then.

Mayor Nelson asked about the bill to the League of MN Cities Insurance Trust. This is the annual insurance payment for the City.

Mayor Nelson asked about the jetter truck storage bill. McCallum explained that the City pays \$400.00 per month, whether or not the truck is stored on Yule's property for the entire month.

Mayor Nelson asked about the law enforcement bill. This bill is paid quarterly per the agreement between Steele County Law Enforcement and the City of Medford.

Councilmember Sexton asked about the Alden Pool bill.

Original motion was rescinded, first by Nelson, seconded by Sexton.

A new motion was made by Grayson, seconded by Maas to approve the July and August city and liquor store bills omitting the Youth 1st bill for \$2,500.00 chapter fee at this time. Carried.

Check Register -

Motion by Merritt, seconded by Grayson to approve the July 2013 check register numbers E1924-E1946, 12341-12399, and 41352-41432 as presented. Carried.

Special Vehicle Ordinance – City Attorney Mark Rahrlick and Steele County Sheriff Lon Thiele – Rahrlick explained that there are two drafts of an ordinance in the packet.

One ordinance regulates only golf cars. The other regulates golf carts, small ATV's, and mini-trucks.

There are three options available in regards to ATV's within city limits.

1. Allow the ATV's and issue a permit for them.
2. Prohibit ATV's altogether.
3. Decline to take action altogether. ATV's would then be able to operate on county or state highway right of ways within city limits.

Councilmember Sexton does not see any reason to not include ATV's in the ordinance.

Councilmember Grayson would like to permit ATV's through the City along with golf carts. The City has the option to reevaluate later if something becomes a problem.

Councilmember Merritt enjoys the home town feel and knowing that someone could ride up town on an ATV to buy a gallon of milk. Merritt does feel that the City should impose a large fine if someone chooses not to comply with permitting a special vehicle.

Council discussed the special vehicle ordinance and the need to add Class 2 ATV's to the ordinance.

Council will need to amend the City's fee schedule and add a fine for special vehicles that do not obtain a permit through the City.

Rahrlick will amend the ordinance. The publication by title and summary, the amended ordinance, and the amended fee schedule will be presented at the September City Council meeting for review.

Fire Relief Association Bylaws – Todd Peterson – The Fire Relief Association is recommending to the City Council to approve the updated Bylaw's as presented. The main change to the Bylaws is the increase of retirement contribution from \$725.00 per years of service to \$950.00.

Motion by Sexton, seconded by Merritt to approve the Bylaws for the Medford Fire Relief Association as presented. Carried.

Appointment of Fireman to the Department – Rick Hager is requesting approval from the City Council to reinstate Greg Sanborn to the Medford Fire Department. Sanborn's job transferred him to Utah. While in Utah, Sanborn joined the fire department and remained fully trained and certified. Sanborn has now transferred back to Minnesota and would like to be back on the Medford Fire Department.

Motion by Sexton, seconded by Grayson to reinstate Greg Sanborn to the Medford Fire Department. Carried.

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

Consent agenda items include:

Resolution 2013-49 Accepting Donation from Marc Bowman in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-50 Accepting Donation from Pat & Kay Merritt in the amount of \$20.00 for the Medford Park Endowment Fund.

Resolution 2013-51 Accepting Donation from Minerva Joy Cassels in the amount of \$5.00 for the Medford Park Endowment Fund in Memory of Paul and Jean Gillis.

Resolution 2013-52 Accepting Donation from Don Dagne in the amount of \$5.00 for the Medford Park Endowment Fund in Memory of Fred and Dorothy Dagne.

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

Mayor's Report – Mayor Nelson reported that she and Administrator McCallum have met with both Patti Fritz and Vicki Jensen to discuss various City items including the LGA formulas. Medford receives considerably less LGA than other cities our size. The State Legislators will research how the formulas are affecting Medford and get back to Mayor Nelson and Administrator McCallum.

Julie Spronk will be giving an introduction and overview of the upcoming Medford Senior Care Facility at the Healthy Seniors group on Tuesday, August 27, 2013 at 9:00 a.m. at the Medford Manor.

The County is organizing an Open House at City Hall on Monday, September 9, 2013 from 5-7 p.m. This will be an open format with visuals and maps to view and ask questions of the County and City Engineers on the CSAH 12/West Central Avenue Project.

Another Open House will be scheduled in October.

Zoning Board – No meeting held.

Park Board – Rich Quiring presented recommendations from the last Park Board meeting.

Tobacco Free Parks Initiative – Vice Chairperson, Rich Quiring, presented a sample of what the proposed signage would look like in the parks. The sign will say "This is a Tobacco Free Zone". Steele County Drug Free Coalition has approved the signage proposed by the Park Board and will provide these signs free of charge to the City.

Councilmember Grayson asked if this Initiative included city staff who is working in the parks. The Employee Handbook addresses tobacco use by employees already.

Motion by Sexton, seconded by Grayson to approve the Tobacco Free Parks Initiative and the signs as presented and recommended by the Park Board. Aye: Nelson, Sexton, Grayson. Nay: Maas, Merritt. Motion Carried.

The 2013/2014 Park Walk-thru Recommendations were presented. City staff has completed some of the items from the list and will use this as a focus tool moving forward.

EDA – No meeting held.

City Engineer – Seth Peterson presented cost estimates on an 8, 10, and 12 inch water main for the CSAH 12/ West Central Ave project. Four options were presented:

1. Replace the existing 6 inch water main with an 8 inch water main and extend to Riverview Court. Existing water main does not run the entire length of Central Avenue. Estimated cost of \$163,681.00.
 - 1A. Install new 8 inch water main the entire length of Central Avenue. Estimated cost of \$195,818.00.
2. Replace the existing 6 inch water main with a 10 inch water main the entire length of Central Avenue to Riverview Court. Estimated cost of \$231,755.00.
3. Replace the existing 6 inch water main with a 12 inch water main the entire length of Central Avenue to Riverview Court. Estimated cost of \$252,794.00.

Discussion of the best course to take with looking both at the current financial situation of the City and the long-term planning of developments that could happen.

A possible option for the future would be to extend the water main from Riverview Court under the interstate to the west side to service new businesses.

Councilmember Maas does not feel the city needs to cross the interstate at this point in time. There is currently a water main south at McDonald's and any new business could hook-up there. Another option for future connection with the system would be to the north and connect at the Wastewater Treatment Facility. Both water and sewer could connect at that point.

Councilmember Maas asked about the option to install new 8 inch water main up until 4th Street SW and then upsize to a 10 or 12 inch water main the rest of the way to Riverview Court. This option would have an estimated cost of \$201,818.00.

City representatives have a meeting scheduled with Steele County on Tuesday, August 27, 2013 at 1:00 p.m. The County would like to have information on the water main size to start planning the project.

Motion by Sexton, seconded by Nelson to replace the existing 6 inch water main with a 10 inch water main the entire length of Central to Riverview Court.

Nay: Grayson, Merritt, Maas. Aye: Sexton, Nelson. Motion Fails.

Mayor Nelson feels a 10 inch water main would be preparing for the future development across the freeway on the West side.

Councilmember Sexton stated that it is better that the City have more than one option to service the west side area.

Councilmember Merritt asked Peterson for his recommendation as our City Engineer.

Peterson is recommending the 12 inch water main the entire length of Central to Riverview Court.

Councilmember Merritt agrees with the City Engineer on installing a 12 inch water main based on the fact that Peterson is our expert and that is his recommendation.

Motion by Sexton to install a 10 inch water main the entire length of Central to Riverview Court.

Motion dies for lack of second.

Motion by Nelson, seconded by Grayson to install a 12 inch water main the entire length of Central Avenue to Riverview Court.

Nay: Merritt, Maas, Sexton. Aye: Nelson, Grayson. Motion Fails.

Additional discussion of the options to service the west side.

Motion by Grayson, seconded Sexton to install a 10 inch water main the entire length of Central Avenue to Riverview Court. Aye: Grayson, Sexton, Nelson. Nay: Merritt, Maas. Motion Carried.

Medford Master Trail Map – By approving the city wide master trail map, the City will be eligible for grant funding. The Council is looking at installing a bike trail on the north side of Central Avenue with the street project.

Steele County needs information on the trail map because the design of the new bridge is dependent on where the trail is located.

Motion by Sexton, seconded by Grayson to approve the proposed master trail map. Carried.

City Administrator – Heather McCallum presented a post-event review from Youth 1st involving the Straight River Park Ball Field Dedication Ceremony. Kniefel will add these to the website.

Resolution 2013-53 Certifying Unpaid Bills/Administrative Fines to Steele County for collection on 2014 property taxes was recommended by Administrator McCallum for Council approval.

Motion by Grayson, seconded by Sexton to approve Resolution 2013-53 Certifying Unpaid Bills/Administrative Fines to Steele County for collection on 2014 property taxes. Carried.

Public Works Department – Kucera presented a memo listing many items for the Council to review.

- Bids for the Fire Hall are being gathered.
- Still looking for a dump truck. Ritchie Bros. has an auction coming up.
- Well 2, the main well for the City, is in need of repairs. Kucera is working with Councilmember Maas on the best course of action to fix the well.

Motion by Grayson, seconded by Maas to authorize Kucera to continue working with Councilmember Maas on the options to fix Well 2 with a not to exceed repair cost of \$30,000.00. Carried.

Kucera would like authorization to spend the budgeted funds of \$24,000.00 to replace the siding on the Fire Hall.

Council consensus is to allow Kucera to move forward with re-siding the Fire Hall with a not to exceed amount of \$24,000.00.

- Kucera met with Councilmember Merritt on three roofs that are in need of repair throughout the City buildings and structures.

The roofs at the Well House and the Wastewater Treatment Facility are budgeted to be repaired this year.

The Muni roof is not budgeted and the bid came in at \$19,000.00. McCallum stated that the Muni has funds in reserves and could use that to repair the roof.

Merritt suggested that the entire roof not be repaired this year. Possibly fix the main area this year and budget the rest for next year.

Council consensus is to allow Kucera to fix the roofs at the Well House and WWTF. Merritt will get a new quote for only fixing a portion of the Muni roof.

- The “Welcome to Medford” sign will be fixed next week. The sign was not covered by city insurance. A letter has gone out to the person who hit the sign. If the City does not receive anything from the letter, the City can take the person to small claims court. McCallum added all City signs to the insurance policy.

Councilmember Grayson commented on the letter written by Vern Wheeler after his training. Grayson agrees that city employees should not enter private property alone.

Councilmembers Maas and Merritt feel that there are times that employees can go alone to jobs on private property.

McCallum stated that all employees use their best judgment as far as getting the job done in an efficient and safe manner.

New Business –

2014 Preliminary City Budget – McCallum went over the major changes to the budget for 2014. McCallum stated that the preliminary 2014 budget was put together in coordination with the City’s Five Year Financial Plan to reduce the City’s general fund deficit.

- A new line was designated on the expense side of the budget for deficit reduction.
- A 2% wage increase across the board for all employees is included in the budget.
- The confirmed LGA amount was added.
- The comprehensive plan and the alley project was added.
- A small increase to the EDA levy was added.
- The land for the Municipal Complex has a balloon payment due in 2014.

McCallum is recommending to the City Council to approve the proposed preliminary levy amount of a 5% increase from 2013.

General Fund	\$529,381.00
Fire Relief	\$15,000.00
2004 B Refunding	\$10,000.00
2007 Refunding	\$15,000.00
EDA	<u>\$12,176.00</u>
Total	\$581,557.00

Motion by Grayson, seconded by Merritt to approve resolution 2013-54 adopting the 2014 preliminary tax levy. Carried.

Motion by Grayson, seconded by Sexton to set the Truth-in-Taxation hearing for Monday, November 25, 2013 during our regular council meeting at 7:00 p.m.

Motion by Grayson, seconded by Merritt to adjourn the regular city council meeting at 10:55 p.m.

The next regular council meeting will be Monday, September 23, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
September 23, 2013
7:00 p.m.
City Hall

Members present were Nelson, Sexton, Maas, and Merritt.

Members absent: Grayson.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Seth Peterson, and Mark Rahrck.

Others attending were Lon Thiele, Chad Davis, Ashley Stewart, Pat Merritt, Butch Schultz, Jennifer Hanson, Kelley Ahrens, Tricia Gengler, Mark Arjes, and Stephen and Danielle Strommer.

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

Pledge of Allegiance.

Concerns from the general public/requests from organizations that are not on the agenda. – None.

Agenda – No changes.

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

Minutes – Sexton would like the Youth 1st contribution to be called chapter fee instead of membership fee. Kniefel will change the term in the minutes.

Motion by Sexton, seconded by Mass to approve the August 26, 2013 regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Sexton asked about the bill for pry bars and the bill from Meixner's for dropping trees. Administrator McCallum stated that there were multiple trees that needed to come down and that the public works staff did the clean-up.

Mayor Nelson asked about the fire department bill from RC Bliss. Councilmember Maas answered that the bill was for repairs to the first responder truck.

Motion was made by Sexton, seconded by Maas to approve the August and September city and liquor store bills as presented. Carried.

Check Register -

Motion by Nelson, seconded by Sexton to approve the August 2013 check register numbers E1948-E1967, 12400-12460, and 41433-41533 as presented. Carried.

Special Vehicle Ordinance – City Attorney Mark Rahrlick, Steele County Sheriff Lon Thiele, and Minnesota Department of Natural Resources Representative Chad Davis – Rahrlick explained the changes to the draft that was presented at the August Regular Council meeting.

Class 1 and Class 2 ATV's are included in the ordinance.

All reference of alleys have been removed.

Stickers will be issued that need to be placed on the vehicle.

Permit applies to the vehicle, not the driver.

Sheriff Thiele asked about the proof of insurance. Rahrlick replied that the insurance needs to be compliant with State Statute.

Motion by Sexton, seconded by Merritt to approve ordinance 2013-02 regulating the use of special vehicles on City streets as presented. Carried.

Motion by Sexton, seconded by Merritt to approve resolution 2013-59 allowing the publication of ordinance 2013-02 by title and summary as presented. Carried.

Administrator McCallum presented an amended fee schedule including a \$20.00 fee for the special use vehicle permit, a \$5.00 fee to replace the sticker, and a \$250.00 fine for not having a permit.

The resolution states that there is a \$250.00 fee for not having a permit. Rahrlick suggested that it should read that the fine for not having a permit is \$250.00.

Motion by Sexton, seconded by Merritt to approve resolution 2013-60 amending the 2013 fee schedule as amended. Carried.

Youth 1st Contribution – Mark Arjes – Council requested Youth 1st representatives to attend this meeting to go over background, vision, and goals of Youth 1st.

The goal is to develop a leadership council along with advisory groups to work with the children, parents, coaches, etc.

Mayor Nelson would like to see the Park and Recreation program focused on more.

Councilmember Maas asked about the contribution from the Medford School. Mark Arjes stated that with the new superintendent starting in June, he has not asked the school about the contribution piece yet.

Motion by Sexton, seconded by Merritt to approve the Youth 1st chapter fee of \$2,500.00 for the second year from the City of Medford. Carried.

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

Consent agenda items include:

Resolution 2013-54 Accepting Donation from Al Kubat in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-55 Accepting Donation from Gary Ringhofer in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-56 Accepting Donation from John C Dilleuth in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-57 Accepting Donation from Bryce Butler in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-58 Accepting Donation from Steele County Parks and Rec Department in the amount of \$2,500.00 for a drinking fountain and grills in the Medford Straight River Park.

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

Mayor's Report – Mayor Nelson reported that she felt the Open House held on September 9, 2013 was well attended and the staff and engineers that were present did a good job of fielding questions. The next open house will be on Monday, October 7, 2013.

Alliant Energy has sold all their Minnesota customers to co-ops. Medford will be serviced through Steele Waseca Electric. An idea would be to ask Steele Waseca about funding for yard light poles.

Zoning Board – No meeting held.

Park Board – No meeting held.

EDA – No meeting held.

City Attorney Memo – Mark Rahrlick – General Construction Services Update. Rahrlick is exploring options to settle this lawsuit. Possible solution would be to release the retainage to GCS with an agreement that Medford would be protected from liability if the laborers were to sue. Rahrlick would also need to check with the MN Public Facilities Authority on how this would effect, if anything, Medford's future potential for funding.

City Engineer – Seth Peterson presented a memo with project details that need to be addressed at a special council meeting or workshop. Council needs to see the draft cooperative agreement from Steele County.

City Administrator Memo – Heather McCallum and Rich Kucera met with Anita Benson and Beth Brady to discuss the road maintenance agreement between the City and County. The agreement has not been updated since it was signed many years ago. The set reimbursement amount of \$1,910.00 has never been changed and does not accurately reflect the costs of the City to maintain the county roads.

Mayor Nelson gives compliments to Kucera for his record keeping and detailing of the costs to maintain the streets over the years.

City staff attended a sales and use tax training in Montgomery. Cities will be exempt from paying sales and use tax on many currently taxed items come January 1, 2014.

Councilmember Sexton asked about the local option sales tax and if there is information on how this revenue will affect the water bills. McCallum stated that it is still early to say, but come the end of the year, more information will come available. Training by the Department of Revenue before viewing the reports is required.

Thirsty Thursday will be held at the Muni on Thursday, September 26, 2013 from 4:00 p.m. - 6:00 p.m.

City Clerk – Amber Kniefel – 2013 Pool Year-End Report

Overall the revenues increased this year, largely from raising the pool membership fees. Swimming Lesson registrations were down a little, but the beginning of summer was cold. The goal was to lessen the amount in the red and that was accomplished with approximately -\$13,000.00 before any contribution from the Medford Fire Relief Association.

Public Works Department – Rich Kucera was not in attendance due to recertification for first responders. McCallum presented Kucera's memo to the City Council.

Fire Hall Siding – Staff will be doing the demolition of the siding. Kucera is waiting on bids for the project.

Councilmember Maas asked about the potholes and the kind of mix the Public Works Staff uses. Maas would like staff to use hot mix.

New Business –

Letter of Support for Owatonna Park and Rec Trail- The City of Owatonna is working on a Legacy Grant through the Minnesota Department of Natural Resources. They are looking for a letter of support to attach from the City of Medford.

Motion by Sexton, seconded by Nelson to approve the Mayor to write a letter of support on behalf of the Medford City Council for the purpose of obtaining a Legacy Grant through the MN Department of Natural Resources. Carried.

Scheduling of Workshop/Special Council Meeting for both the 2014 Budget and Levy and the CSAH 12 Project –

The Council has called a special council meeting for Tuesday, November 5, 2013 at 6:30 p.m. to discuss the CSAH 12/Central Avenue Project.

The Council has called a workshop for Monday, December 2, 2013 at 6:30 p.m. to discuss the 2014 City Budget and Levy.

Council is invited to attend the League of MN Cities Regional Meeting in Zumbrota on October 29, 2013. If anyone is interested, please contact McCallum for registration.

McCallum requested evaluation summaries from the Steele County Assessor for the cities of Medford, Ellendale and Blooming Prairie. Research is being done to figure out the LGA formula and why Medford's LGA is so low compared to other cities in our region that are similar in size.

Motion by Sexton, seconded by Merritt to adjourn the regular city council meeting at 9:54 p.m.

The next regular council meeting will be Monday, October 28, 2013 at 7:00 p.m.

Truth-in-Taxation Hearing will be Monday, November 25, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Special Meeting
October 23, 2013
6:30 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Sexton, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Richard Kucera, Seth Peterson, Rich Revering, Mark Rahrlick, and Steele County Engineer Anita Benson.

Others in attendance were Lon Thiele, County Commissioner Bruce Kubicek, Dave and Julie Kalk, Chuck Davis, Pat and Kay Merritt, Kris Stinocher, Bianca Ward, Ivan Cowell, Kevin and Wanda Kewatt, Ross Olson, John Anhorn, Curt Soberg, Arnie and Kathy Johnson, Danny Thomas, Tom Prondzinski, Mike Hogate, Denise Schuler, John Prondzinski, Dave Engbard, Jill and Cole Olson, Howard Schoenfeld, Jeff Beede, Jesus Flores, Kim and Bonnie Neumann, and Don and Judy Schultz.

Mayor Nelson called the special meeting to order at 6:30 p.m.

Mayor Nelson gave an introduction on the history and background relating to various street projects around Medford. The focus of the introduction was on public safety and the comprehensive plan in relation to the CSAH 12/Central Avenue Project that is slated for spring of 2014.

Pledge of Alliegance.

Approval of Agenda.

Councilmember Merritt would like to amend the agenda and allow 30 minutes for public comment instead of 15 minutes.

Motion by Merritt, seconded by Maas to allow 30 minutes for public comment instead of 15 minutes.

Aye: Merritt, Maas, Sexton, Grayson Nay: Nelson Carried.

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

Anita Benson, Steele County Engineer, gave background information on how this project came about. Steele County began communications with MnDOT concerning the round-a-bouts. Since the Central Avenue Bridge was also on the schedule for reconstruction, Central Avenue was evaluated and it was determined that the road was in need of repair. The City was

contacted and the project was set in motion. Decisions on the road work need to be made at tonight's meeting in order to move forward with construction starting in 2014.

Seth Peterson, City Engineer, gave an overview on the decisions the Council has approved so far, full reconstruction of the road, 10 inch water main, new curb and gutter from the railroad tracks east of Main Street to the new bridge, new pavement from the railroad tracks east of Main to the new bridge, driveway aprons, storm sewer and culvert improvements necessary for drainage of the new roadway, and space under the bridge for a future underpass.

Mark Rahrlick, City Attorney, gave an overview of the 429 process. 429 is the process in which the City will need to follow in order to assess abutting property owners for portions of these improvements. An improvement hearing will be held. All abutting property owners will receive notice and the notice will be published in the paper. Estimated assessment numbers will be given at the improvement hearing. A second public hearing will be held for the final assessment role. Property owners will have an opportunity to object and possibly seek adjustment.

Public Comment – 30 Minutes

Administrator McCallum announced from the registration sheet the citizens whom requested to give comment.

Dave Kalk was speaking on behalf of the majority of the citizens along Central Avenue. A petition was given to Councilmember Merritt and was scanned to City Hall. Mr. Kalk also brought two more pages for the Council to review at this special council meeting.

Mr. Kalk presented that the majority are in agreement with the new ten ton road and the new ten inch water main.

Concerns with the project include:

- Want to keep parking on both sides of Central Avenue.
- Sidewalk on the south side will take away parking in driveways.
- Trail on the north side will take away parking in driveways.
- Bumpouts will not slow traffic down.
- Fill for retaining walls for the bike path might be needed.
- Problem with snow removal on the trail and around bumpouts for city public works and residents.

Mr. Kalk asked the Council to keep this project to a minimum.

Kevin Kewatt feels that his property line is three feet from the proposed sidewalk.

John Prondzinski does not want to lose his driveway or the front yard. Mr. Prondzinski feels this is a main commercial road in Medford.

End of Public Comment.

Council began discussing the proposed improvements to be included in the project.

Position of the roadway within the right of way. Position of the roadway will be discussed after other items on the agenda.

Additional storm sewer for future city connections. The County does a split on the calculation of the percentage of the drainage that comes from the roadway vs. all other drainage areas outside of the right of way to determine the cost to each entity.

Motion by Grayson, seconded by Sexton to request the County to provide the best storm water capability and follow the feasibility study dated May 10, 2012. Carried.

Bumpouts. Bumpouts cannot be decided on until the sidewalk on the south side is discussed.

Concrete sidewalk on the south side. Estimated cost from the engineers is \$102,671.00.

Councilmember Grayson would not like a sidewalk on the south side.

Councilmember Maas would not like a sidewalk on the south side.

Councilmember Sexton feels this is a safety issue and would like to leave the sidewalk in the plan as an alternative.

Councilmember Merritt would not like a sidewalk on the south side.

Mayor Nelson feels very strongly about having both a sidewalk and a trail.

County Engineer Anita Benson stated that it would be costly to provide two designs for the project. Benson does not recommend drafting one plan with a sidewalk on the south side and one plan without a sidewalk in the construction bid.

Motion by Maas, seconded by Grayson to not include a sidewalk on the south side.
Aye: Maas, Merritt, Grayson Nay: Nelson, Sexton Motion Carried.

Asphalt shared use path on the north side. A path from Main Street to the new bridge has an estimated cost of \$167,000.00. There will only be room for a path if the parking lane is removed. The path does not have to be asphalt, it could be concrete.

Councilmember Grayson suggested to move the street south 2-4 feet, make the trail 8 feet wide, and the boulevard 7 feet wide.

Motion by Grayson, seconded by Nelson to move forward with a concrete 8 foot trail, 7 foot boulevard, eliminate the parking lane on the north side of the road, and shift the road to the south 2-4 feet.
Aye: Grayson, Nelson, Sexton Nay: Maas, Merritt Motion Carried.

Parking lane on the south side.

Motion by Grayson, seconded by Sexton to reconstruct the parking lane on the south side. Carried.

Motion by Grayson, seconded by Maas to not include bumpouts in the projects. Carried.

Motion by Sexton, seconded by Grayson to direct revisions to be made to the feasibility report by the city engineers.
Aye: Nelson, Sexton, Grayson, Maas Nay: Merritt Motion Carried.

Assign city engineers to meet with residents/marketing of proposed improvements. Council decided to wait until the County has the project design incorporating the details from this meeting to decide what is needed.

Assessment Policy. A property can only be assessed to the extent that it benefits the property. The assessment ordinance needs to be reviewed. The Council could possibly hold the improvement hearing in January.

The feasibility study will presented at the November regular council meeting.

Lighting and other details will be discussed at the October regular council meeting.

Motion by Maas, seconded by Grayson to adjourn the special meeting at 9:33 p.m.

Minutes approved at _____meeting.

Submitted by _____clerk.

Regular Council Meeting
October 28, 2013
7:00 p.m.
City Hall

Members present were Nelson, Sexton, Maas, Grayson, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Seth Peterson, and Mark Rahrick.

Others attending were Ashley Stewart, Pat Merritt, Butch Schultz, Jennifer Hanson, Rick Hager, and Brad Vought.

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

Pledge of Allegiance.

Concerns from the general public/requests from organizations that are not on the agenda. – None.

Agenda – Add B. Wellhead Protection Plan Part 1 under E. Public Works Department and Add Pay Request #9 from General Construction Services after the Closed Session on General Construction Services Litigation.

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

Minutes – Add the word “light” when referencing yard “light” poles.

Motion by Sexton, seconded by Merritt to approve the September 23, 2013 regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Maas asked about the bill to B&B Drain to clean the sewer line at Straight River Park. Maas would like the City to purchase the equipment to clean the line ourselves. Maas also asked about the bills from Nagel for fertilizer and seed. Councilmember Sexton would like to see bids taken for fertilizer and seed in the future.

Mayor Nelson verified that the invoices from Bolton & Menk for the Central Avenue feasibility study will be added back into the project later. Also, that the bill to Americana Insurance Agency is for the Liquor Store dram shop insurance. McCallum verified that both inquiries were correct.

Councilmember Sexton asked about the television purchase from Karl's. McCallum answered that the television was for the Muni.

Councilmember Maas asked about the asphalt patching for street repairs when there is a water main break. Maas would like to see city staff doing the repairs to the street instead of hiring it out.

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

Check Register –

Councilmember Sexton asked about the ITNav bills for the City Hall computer. McCallum stated that the computer was in the budget for replacement in 2013.

Motion by Grayson, seconded by Merritt to approve the September 2013 check register numbers E1968-E1982, 12461-12494, and 41534-41613 as presented. Carried.

Brad Vought, Daybreak Builders, is requesting approval to store a dumpster and tool trailer on the street during the construction period of Medford Senior Care Facility.

Councilmember Merritt would like to see something placed under the dumpster wheels to prevent damage to the street.

Mayor Nelson would like cones and construction tape around the equipment.

Mr. Vought also guaranteed to the Council that any debris, snow, and ice would be cleaned up from the street after the completion of the project around mid-December.

Council consensus agreed to allow the storage of the dumpster and tool trailer with the agreement to the terms as stated prior.

Rick Hager – Fire Department Repair Requests.

Rick Hager presented that in conjunction with the new siding, it would be a good time to upgrade the air conditioning system to a split unit air conditioner and heater for the Fire Hall. Also, to install new overhead doors at the truck entrance. The Fire Department has enough in the 2013 capital outlay budget to fund these items.

Councilmember Maas had an idea to possibly interconnect the City Hall and Fire Hall air conditioning and heating needs into one unit.

Councilmember Merritt would like to explore other options for the air conditioning and heating needs.

Rich Kucera discussed the option of Central Air for the City Hall that would service the City Hall and the Council Chambers in one unit.

In conjunction of the Fire Hall siding project, Kucera would also like to install ice blockers on the roof to prevent build-up of snow and ice.

Motion by Sexton, seconded by Grayson to approve the purchase of the ice breakers out of the city capital outlay fund for the siding and to approve the purchase of the overhead fire hall doors out of the fire department capital outlay. Carried.

A meeting will be scheduled with Councilmembers Merritt and Maas along with Rick Hager and Rich Kucera to explore additional options for the heating and air conditioning needed for the City Hall and Fire Hall.

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

Consent agenda items include:

Resolution 2013-59 Accepting Donation from Lewis Wocelka in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-60 Accepting Donation from Dan Bowe in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Jamie Gartner.

Resolution 2013-61 Accepting Donation from Matthew John Williams in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-62 Accepting Donation from Patrick Lehrer in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-63 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Dorothy Tuttle.

Resolution 2013-64 Accepting Donation from Lois Nelson in the amount of \$100.00 for the Medford Park Endowment Fund on behalf of Charlie Hermann.

Resolution 2013-65 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Florence Maas.

Resolution 2013-66 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Ron Anderson.

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

Mayor's Report – Mayor Nelson reported that McCallum, Kniefel, Kucera and council person Sexton were in attendance at the last Rotary meeting. Mayor Nelson gave a presentation on the City of Medford.

Zoning Board – Chairperson Beiser was not in attendance. Kniefel gave the Planning & Zoning report.

Planning & Zoning held a public hearing for possible amendments to the City Code Section 4.51 Recording and Conveying. The amendments to Section 4.51 would give the City an additional tool to assist in correcting lot lines. In the past, the only way to correct or amend a lot line was to re-plat. The amendment would allow a property owner to change the configuration of lot lines in conformance with the City Code Land Use section by recording a registered land survey.

A public hearing would be required with each request.

Motion by Grayson, seconded by Sexton to approve the Ordinance 2013-3 amending Section 4.51 Recording and Conveying Real Property as presented. Carried.

The Planning and Zoning Board also discussed the Central Avenue Project and found that the project did comply with the overall City Comprehensive Plan.

Park Board – No meeting held.

EDA – Administrator McCallum presented the minutes from the EDA meeting. Becky Noble, Blooming Prairie Chamber/EDA Director was in attendance and spoke towards the chamber and the EDA. Also, Ron Ziegler with Community and Economic Development Associates spoke to the EDA board.

The next EDA community business event will be held up at the Medford Public School on Tuesday, November 5, 2013 at 7:30 a.m.

City Engineer – Seth Peterson presented a memo with project details that presently remain for consideration of the Council for the CSAH 12/W Central project. The Council will need to decide on the replacement of trees, decorative/roadway lighting, bridge lighting, additional width on bridge for sidewalk, and the colorizing of the concrete for the shared use path.

Administrator McCallum needs to schedule a meeting with Alliant Energy to discuss options for possibly upgrading the poles, light fixtures, etc. Mayor Nelson and councilmember Maas would like to be included in this meeting.

The bridge lighting needs to be discussed with the County bridge consultant and would be 100% city cost.

The additional width of the bridge to accommodate a future sidewalk would be 100% city cost and the estimated cost is \$175,000.00.

Motion by Maas, seconded by Grayson not to extend the bridge width to the south to accommodate a future sidewalk. Carried.

Colorizing of the concrete for the shared use path would be 100% city cost. Darkening the color of the path would assist in snow melt.

Council consensus is to explore the option and the costs associated with colorizing the path.

City Administrator Memo – Administrator McCallum presented a memo and informed the Council that three Park Board members have resigned from the board. The Park Board will have no additional meetings until 2014 when new members will be appointed.

McCallum had a conversation with Heather Lukes, MnDOT project engineer, and it was agreed that the round-a-bout work would not begin until after the 2013-2014 school year has ended, including consideration of any possible snow days added to the end of the school year.

MnDOT will assist with decorating and design of the round-a-bout. City will pay for the decorating features, such as flowers, but there could be grant dollars available to assist. The City would still be responsible for the installation and maintenance.

McCallum asked the Council for budget questions to better prepare for the budget meeting on December 2, 2013. The agenda will be the 2014 budget and water/sewer rates. Mayor Nelson would also like McCallum to give the bonding details so the Council can see where the City is at with bonds. McCallum will provide a memo explaining the changes to the budget from 2013 to 2014. Overall, the budget reflects the five year financial plan to reduce the City's General Fund deficit.

City Clerk – Amber Kniefel – Resolution 2013-67 Certifying Unpaid Bills to Steele County.

Kniefel explained that the water bills get certified every couple of months to ensure that they can be certified to property taxes.

Motion by Grayson, seconded by Sexton to approve resolution 2013-67 certifying unpaid utility bills to Steele County for collection on 2014 property taxes. Carried.

Public Works Department – Rich Kucera presented a request to purchase a gas monitor for the basement of the sludge building at the wastewater treatment facility. The quote from Vessco, Inc. was \$7,808.00 plus tax and would include the gas detection system, three sensors, calibration kit, electrical, conduit, removal of the old equipment and the installation of the new equipment.

Councilmember Maas asked if the equipment is required. Maas wondered if it was possible to carry a handheld monitor with you when you enter the area.

This is an item that was on the list from our regional safety group trainer when he toured the facilities.

Council consensus would like Kucera and City Engineer Peterson to do more research on whether or not this is required.

Kucera informed the Council that a Wellhead Protection meeting needs to be held to approve the Wellhead Protection Plan Part One.

Motion by Grayson, seconded by Sexton to allow the Wellhead Protection Committee to make a recommendation to possibly approve the Wellhead Protection Plan Part One and if approved the Council will support the decision and Kucera can submit the plan to the State. Carried.

Kucera presented a plan for a Veteran's Memorial at Central Park. The Veteran's Memorial would be incorporated around the Fire Department Memorial. Kucera is requesting approval to move forward with a concept plan and to explore of funding sources. A Veteran's Committee will be formed and would like to have meetings in the Fire Hall.

Motion by Maas, seconded by Grayson to allow Kucera and the Veteran's Committee to move forward with a concept plan and explore funding sources for a Veteran's Memorial at Central Park. Carried.

New Business –

I & S Group Invoice – McCallum spoke with Bill Goldy from I & S Group in regards to the invoice and asked for an explanation on the bill. I & S Group feels the General Construction Services litigation is beyond the scope of the original contract for wage compliance. The time spent to research and provide information for the litigation would need to be paid.

The invoice discussion will be tabled until after the closed session on the GCS litigation.

Assessment Ordinance – Council gave staff areas of possible amendments to the assessment ordinance. The sidewalk and trails assessment section and the issue dealing with County roads needs to be addressed in the code.

A draft assessment ordinance showing amendments will be presented at the November Council Meeting. A public hearing will be scheduled for December and the Council could potentially approve the amended ordinance at the December Council Meeting.

Closed Session per (Minn. Stat. Sec. 13D.05, Subd. 3 (c) (2) & (3) on the General Construction Services Litigation.

Motion by Grayson, seconded by Sexton to close the council meeting at 9:40 p.m.

Motion by Grayson, seconded by Maas to open the council meeting at 10:05 p.m.

Final Pay Request #9 from General Construction Services in the amount of \$30,200.00.

Recommendation from Peterson is to approve the pay request #9.

Motion by Merritt, seconded by Grayson to approve the final pay request #9 from General Construction Services in the amount of \$30,200.00 pending a fully executed settlement agreement by both parties and pending reimbursement from the Minnesota Public Facilities Authority. Carried.

I & S Group Invoice – The contracted amount for wage compliance services was billed over by \$149.75. Councilmember Grayson feels this amount should also be subtracted from the recommended amount figured by the City Attorney.

Motion by Grayson, seconded by Nelson to approve the I & S Group Invoice for the amount of \$1,267.75 which is the recommended \$1,417.50 minus the \$149.75.

Aye: Nelson, Maas, Grayson, Sexton Nay: Merritt Motion Carried.

The Special Council Meeting scheduled for November 5, 2013 has been cancelled.

Motion by Nelson, seconded by Grayson to adjourn the regular city council meeting at 10:20 p.m.

The next regular Council Meeting will be Monday, November 25, 2013 at 7:00 p.m.
Truth-in-Taxation Hearing will be Monday, November 25, 2013 at 7:00 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
November 25, 2013
7:00 p.m.
City Hall

Members present were Nelson, Sexton, Maas, Grayson, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Seth Peterson, Rich Revering, and Mark Rahrck.

Others attending were Ashley Stewart, Butch Schultz, Jennifer Hanson, John Hager, Aaron Sedey, Pat Merritt, Paul Beiser, Greg Sanborn, Ron Karow, Quinn O'Connor and Mary and Lucas Cronin.

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

Pledge of Allegiance.

Truth in Taxation Hearing. The purpose of the Truth in Taxation Hearing is to hear questions and comments from the public as it relates to the proposed 2014 city budget and tax levy.

Administrator McCallum presented the preliminary 2014 levy amounts as:

General Fund: \$529,381.00
Fire Relief: \$15,000.00
2004B Refunding: \$10,000.00
2007A Refunding: \$15,000.00
EDA: \$12,176.00
Totaling: \$581,557 which is a 5% increase from the 2013 tax levy.

The proposed 2014 levy and budget follow the five year financial plan that was created to assist the City out of a general fund deficit.

Administrator McCallum explained that there is a new sales tax exemption for municipalities beginning in 2014. The estimated sales tax that will be saved is \$7,706.00 in the general fund, \$3,797.00 in the water fund and \$5,802.00 in the sewer fund. The money saved from the sales tax exemption will go towards the general fund deficit and the water and sewer funds.

Agenda – no changes.

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

Minutes – Councilmember Merritt asked a question from the previous minutes about the construction work being done at the Medford Senior Care and that the contractor was suppose to place plywood under the dumpster. Administrator McCallum will call Brad Vought and get this taken care of.

Councilmember Sexton would like the word “decorative” taken out of the section referring to bridge lighting.

Motion by Sexton, seconded by Grayson to approve the October 23, 2013 special meeting minutes and the October 28, 2013 regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Maas asked about the grass seed bill. Kniefel stated that this is the same bill from last month’s listing.

Mayor Nelson asked about the bill for the Well 2 repairs and if that was the last one. Kucera stated that the bill was the last one for the Well 2 repairs.

Councilmember Sexton asked about the water main repair bill. Kucera stated that the bill was correct.

Mayor Nelson asked if the street crack sealing was finished. Kucera stated that it was.

Councilmember Sexton asked about the Muni roof bill. Kucera stated that the bill was for a partial roof replacement.

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

Check Register –

Motion by Grayson, seconded by Merritt to approve the October 2013 check register numbers E1983-E2002, 12052-12534, and 41614-41711 as presented. Carried.

Ron Karow asked to address the Council. Mr. Karow would like to know when the pot holes will be fixed, specifically on 2nd St NE. Kucera stated that the City did not patch the pot holes in this area because the street is in need of a complete reconstruct.

Councilmember Maas directed Kucera to use winter mix to get the pot holes filled for now and we would look at the street in the future for a more permanent fix.

Veteran's Memorial Concept Plan – Kucera, Butch Schultz, John Hager, and Pat Merritt presented three concept plans to the City Council and would like to ask for approval to move forward with concept plan #3. Concept plan #3 has access to the memorial area from the sidewalk along Central in two spots and an archway to walk under at the corner of Central Avenue and Main Street.

Monuments will be used instead of pavers, the area will have four flags, the USA, MN, POW, and Fire Department flags, names for the monuments can come from anywhere around the world, and there will be a sign saying, "Future Home of the Medford Veteran's Memorial".

The volunteer's would like to start gathering cost estimates.

The City requested \$5,000.00 from the Steele County Recreation Assistance Program for the lighting of the Veteran's Memorial.

Motion by Grayson, seconded by Maas to approve the updated concept plan #3 that includes access to the memorial from the Central Ave. sidewalk in two spots and the archway on the corner of Central Ave. and Main St. Carried.

Presentation of the Steele County Coalition Community Change Award – Quinn O'Connor and Lucas Cronin were present to acknowledge the award and to thank the Council for approving the smoke free health initiative for the City parks.

I & S Group Invoice – Aaron Sedey from I & S Group presented the invoice and an explanation of the charges. The charges presented are for litigation support in the GCS Construction lawsuit, which are out of the scope of the original agreement to provide wage compliance with the water tower project.

Council discussed that \$127.50 should come off the bill due to the final paperwork submitted to the PFA which would be within the original scope of the agreement.

Motion by Sexton, seconded by Grayson to approve the payment of the I & S Group invoice in the amount of \$722.50. Aye: Nelson, Sexton, Grayson, Merritt Nay: Maas Motion Carried.

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

Consent agenda items include:

Resolution 2013-68 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Carl Ziebarth.

Resolution 2013-69 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund in memory of Don Clemmensen.

Resolution 2013-70 Accepting Donation from Ron Schouweiler in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-71 Accepting Donation from John Antrum in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-72 Accepting Donation from Garrett Jeopelou in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-73 Accepting Donation from Dan Kubista in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Margret Spinler.

Resolution 2013-75 Accepting Donation from Greg and Karen Sanborn in the amount of \$50.00 for the Medford Park Endowment Fund in memory of Don Clemmensen.

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

Mayor's Report – Mayor Nelson reported that October was Minnesota's manufacturer's month. Certificates from DEED were presented to all the area manufacturers.

Gary Carlson with the League of Minnesota Cities sent information explaining how the local government aid formula works and how Medford is affected.

Mayor Nelson thanked the City Public Works staff for their work on the fire hall/city hall siding. The new siding looks very nice. A sign for the fire hall/city hall will be coming in January.

Mayor Nelson spoke towards the park vandalism and the \$100.00 reward for information leading to the group responsible for the damages.

Zoning Board – Chairperson Beiser presented the minutes from the public hearing and the regular meeting.

Planning & Zoning held a public hearing for a lot combination through recording an administrative land survey. There was no public in attendance. The Planning and Zoning Board is recommending to the Council to approve the lot combination for Martin Luebben, 202 3rd Ave. SW.

Mark Rahrick explained the background of the need for this lot combination. There are actually three separate pieces that will get joined into one. This happened many years ago and was just found recently because the Luebben's are selling the property.

Motion by Sexton, seconded by Merritt to approve the administrative land survey for the Luebben property as presented. Carried.

Discussion on whether or not these surveys need to come before the Council every time after public hearing. Rahrick suggested that if there are no concerns from the public and it is a standard lot combination with an administrative survey, city staff could sign off on the approval.

Motion by Merritt, seconded by Grayson to approve city staff to sign off on the approval of the administrative land surveys as long as there are no objections or concerns from the public during the public hearing. Carried.

City Attorney – Mark Rahrick presented a draft to City Code Section 8.03 Assessments.

Rahrick attempted to clarify Section 8.03, Subd. 2, Paragraph B, Subparagraph 1 referring to the assessment of street improvements and the possibility of assessing for work done on a County road. Council needs to decide if and how much should be assessed for work done on a County road. Currently, abutting property owners do not get assessed for work done on a County road.

Council would like to add a section that states all road work, including county roads, will be assessed to abutting property owners. Frontage needs to be defined for the side and front for corner lots.

Council directed to have the maximum street width for the basis of assessments be 36 feet instead of 40 feet.

Residential streets will be assessed for a maximum of a 6 inch granular and 3 ½ inch pavement construction. Commercial/industrial street will be assessed for a maximum of a 10 ton axle pavement construction.

New construction and reconstruction of city initiated sidewalks will be assessed 25% for abutting property owners, 25% for property owners across the street and 50% for the City.

The definition of a trail needs to be added to the code. A trail will be defined as a shared use path 8 foot and larger in width.

Motion by Merritt, seconded by Grayson to move the regular council meeting and hold a public hearing for the assessment ordinance Section 8.03 for the evening of Monday, December 16, 2013, with the public hearing at 6:30 p.m. and the regular meeting at 7:00 p.m. Carried.

City Engineer – Seth Peterson stated that the resolution calling for an Improvement Hearing will be presented at the next council meeting.

Peterson reminded the Council that assessments need to pass the special benefit test which means that an assessment to a parcel cannot exceed the increase in the property value to the parcel resulting from the project.

City Administrator Memo – Administrator McCallum reminded the Council of the special meeting for the 2014 budget and levy on Monday, December 2, 2013 at 6:30 p.m.

Dump Truck Update – City staff is finding it difficult to locate a dump truck for the budgeted amount of \$15,000.00. Administrator McCallum is asking for Council approval to increase the allocated amount for the purchase of a dump truck to around \$20,000.00 to \$22,500.00.

Public Works Director Kucera explained why a dump truck is needed. Kucera stated that he has been in contact with other cities, the Ritchie Bros. Auctioneers, and researching the internet on other possibilities. The trucks are usually around the \$15,000.00, but need extra work due to the condition of the truck.

Councilmember Merritt and Councilmember Maas questioned the need of a dump truck and if there are other ways to get the work accomplished.

The Council directed McCallum and Kucera to research other states to get a dump truck for the \$15,000.00 or under.

Motion by Grayson to authorize Kucera to spend up to \$20,000.00 for a dump truck.

Motion dies for lack of second.

Motion by Nelson to authorize Kucera to spend up to \$22,500.00 and to use creative means to accomplish buying a dump truck.

Motion dies for lack of second.

Council will leave the allocated amount at \$15,000.00.

City Clerk – Amber Kniefel – Resolution 2013-74 Certifying Unpaid Bills to Steele County.

Motion by Sexton, seconded by Maas to approve resolution 2013-74 certifying unpaid utility bills to Steele County for collection on 2014 property taxes. Carried.

Kniefel updated the Council on the City web site. The current program the web site is running on does not work with Internet Explorer 10 (IE 10). Kniefel is having the web site host company upgrade the web site to work with IE10. This should be ready within the next couple of weeks. In the meantime, no updates can be done to the City website.

Public Works Department – Rich Kucera – Ice Rink for 2013/2014

Kucera is asking for final Council direction on having the ice rink if weather permits, the placement of the ice rink, and the approval to spend funds in order to prep the site.

Motion by Nelson, seconded by Merritt to get the ground work prepped, the ice rink prepared and up and running.
Aye: Nelson, Merritt, Sexton, Maas Nay: Grayson Motion Carried.

New Business –

Resolution 2013-76 Adjusting Flat Water and Sewer Rates.

The adjustment would be implemented on the November utility bill. Administrator McCallum is recommending a \$7.00 deduction. The current water flat rate is \$26.00 with a proposed decrease to \$21.50. The current sewer flat rate is \$16.50 with a proposed decrease to \$14.00.

Motion by Maas, seconded by Grayson to approve resolution 2013-76 adjusting the flat water and sewer rates effective November 1, 2013 as presented. Carried.

Motion by Merritt, seconded by Sexton to adjourn the regular city council meeting at 10:58 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Public Hearing
December 16, 2013
6:30 PM
Medford City Hall

Members present: Nelson, Maas, Grayson, Sexton, and Merritt.

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, and Richard Kucera.

Others in attendance: None.

Mayor Nelson called the special meeting to order at 6:30 p.m.

Pledge of Allegiance.

The purpose of tonight's meeting is to hear questions and comments from the public on the proposed amendments to Section 8.03 of the Medford City Code which discusses assessments to properties.

City Attorney, Mark Rahrlick, presented the proposed amendments. The ordinance clarifies that public improvements will be specially assessed regardless of whether the City receives financial assistance for the project, the ordinance amends the method of calculating special assessments for improvements to streets, the ordinance amends the method of calculating special assessments for sidewalks and trails, the ordinance clarifies that the City may specially assess properties that receive an additional benefit, and the ordinance clarifies that no property can be specially assessed in excess of the special benefit received by that property.

No public was in attendance.

Motion by Grayson, seconded by Sexton to close the public hearing at 6:56 p.m.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting

December 16, 2013

7:00 p.m.

City Hall

Members present were Nelson, Sexton, Maas, Grayson, and Merritt.

Members absent: None.

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

Others attending were Ashley Stewart, Pat Merritt, and Paul Beiser.

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

Pledge of Allegiance.

Agenda – Add resolution 2013-85 under consent agenda F.

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

Minutes – Mayor Nelson asked to add that Gary Carlson is from the League of MN Cities.

Motion by Grayson, seconded by Maas to approve the November 25, 2013 regular meeting minutes and the December 2, 2013 special meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Sexton asked about the pool bills being paid from Alden Pool. Kucera stated that the bills arrive around this time every year.

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

Check Register –

Motion by Grayson, seconded by Merritt to approve the October 2013 check register numbers E1983-E2002, 12052-12534, and 41614-41711 as presented. Carried.

Councilmember Sexton asked about the Collection Bureau bill for the Muni. The bill was for updates to the check reader.

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

Consent agenda items include:

Resolution 2013-78 Accepting Donation from Dave and Lois Nelson in the amount of \$25.00 for the Medford Park Endowment Fund in memory of Donald Clemmensen.

Resolution 2013-79 Accepting Donation from Minerva Joy Cassels in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-80 Accepting Donation from Pat and Kay Merritt in the amount of \$10.00 for the Medford Park Endowment Fund.

Resolution 2013-81 Accepting Donation from Don Dagne in the amount of \$6.00 for the Medford Park Endowment Fund.

Resolution 2013-82 Accepting Donation from Marc Bowman in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2013-83 Accepting Donation from the Medford Fire Relief Association in the amount of \$25,000.00 for the Medford Pool, the Medford Municipal Complex, and for a roof repair and cash registers at the Medford Municipal Liquor Store.

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

Administrator McCallum explained that the request for the Muni items was submitted after the November Council meeting to help offset some the larger capital costs that the Muni incurred in 2013.

Mayor's Report – Mayor Nelson reported that the initial meeting with the Alliant Energy field tech was on Friday, December 13, 2013. The representatives discussed the Central Avenue project and the street light poles. The City would like a longer arm on the street light poles due to moving the street lights behind the multi-purpose trail in hopes of lighting the trail and the street.

Employee evaluations will be conducted over the next couple of weeks. The evaluation for the City Administrator will be held on January 6, 2013.

KRFO radio has contacted the Mayor about a 20 minute live radio show on the first Wednesday of the month. Mayor Nelson would like to include city staff and councilmembers to speak.

Included in the packet is information for the League of MN Cities training for elected officials. Councilmembers need to contact Administrator McCallum if interested in attending this training.

Mayor Nelson would like to set a date to hold a councilmember and city staff retreat. The retreat would involve goal setting, work environment, and the comprehension planning process. The date of February 8, 2014 may not work for everyone. Council will look at their schedules and keep in contact with Administrator McCallum and figure out a day that works for everyone.

Councilmember Sexton asked about the Blandin Leadership training that Mayor Nelson suggested to Administrator McCallum to attend. McCallum would need to apply and get accepted to attend the training. The only cost to the City would be mileage. McCallum would be able to attend as a paid employee without having to use PTO hours.

Council Committee Furnace Update – Councilmember Merritt presented information from a quote received to revamp the heating and cooling systems between the Fire Hall and the Council Chambers. The quotes do not include the electrical work needed to complete the project. The General Fund has funds remaining from the Fire Hall siding project, but the Fire Department would need to wait until 2014 for the expense to be budgeted.

Councilmember Merritt will draft the scope of the project and send to Administrator McCallum to send out for bids.

Zoning Board – Chairperson Beiser presented information from the regular meeting.

The Planning and Zoning Board considered the possibility of allowing eating establishments in an R-2 zoned area. The Zoning Board heard from Del and Julie Spronk. The Spronk's would like to open up their congregate dining area to the public and serve food from 6:00 a.m. – 2:00 p.m. Monday through Saturday.

The Zoning Board made a recommendation to the City Council to amend the R-2 Multi-Family Section of the Medford City Code. The Zoning Board would like to add restaurants and eating establishments to the conditional use list of Section 4.26.

Interim Use could then be applied adding any conditions and restrictions the City deems necessary.

The Zoning Board will hold a public hearing on this amendment at the next meeting on Monday, January 13, 2013.

City Attorney – Mark Rahrlick informed the City Council that the dismissal of the General Construction Services action has been signed and filed with the court.

City Engineer – Seth Peterson presented a memo that informed the Council that the plans and specs for the Central Avenue Project are near completion.

The preliminary assessment costs have been figured for the Met Con property.

The draft cooperative agreement between the City and the County is in the process of being reviewed.

City Administrator Memo – Administrator McCallum stated that the employee evaluations will be conducted within the next couple of weeks.

City Clerk – Amber Kniefel – Resolution 2013-83 Certifying Unpaid Bills to Steele County.

Motion by Sexton, seconded by Grayson to approve resolution 2013-83 certifying unpaid utility bills to Steele County for collection on 2014 property taxes. Carried.

Public Works Department – Rich Kucera presented the updated concept plan for the Veteran's Memorial. Kucera is asking for a motion for city staff to set up a designated fund for the donations and expenses of this project.

Kniefel will contact Abdo, Eick, and Meyers to get direction on the proper way to handle this in the accounting system.

Motion by Grayson, seconded by Sexton to approve city staff to set up a fund to record all donations and expenses of the Veteran's Memorial Project. Carried.

Ice Rink – The North rink is just about ready for ice skaters. The porta potty will be delivered this week. The warming house will be open this Saturday. McCallum is working on the hours of operation. Possibly looking at the holiday hours to be Monday-Friday 12:00 p.m. - 8:00 p.m., Saturday 12:00 p.m. - 8:00 p.m. and Sunday 12:00 p.m. - 6:00 p.m. The regular hours Monday-Friday 4:00 p.m. – 8:00 p.m., Saturday 12:00 p.m. – 8:00 p.m. and Sunday 12:00 p.m. – 6:00 p.m.

Administrator McCallum is currently working on the staffing of the warming house. McCallum will ask Steve Clark, part-time city employee, to possibly oversee the warming house. McCallum will also add a notice in the school announcements asking for high school students to work the warming house.

Unfinished Business –

Approval of 2014 Final Budget.

Motion by Grayson, seconded by Sexton to approve the 2014 Final City Budget. Carried.

Ordinance 2013-4 – Amendment to the presented version to state that trails will not be assessed by the City.

Motion by Sexton, seconded by Nelson to approve Ordinance 2013-4 as amended.

Motion by Grayson, seconded by Maas to approve Resolution 2013-84 allowing the publication of the assessment ordinance by title and summary. Carried.

The Organizational Meeting will be held on Monday, January 6, 2014 at 6:00 p.m. The annual evaluation of the City Administrator will be held at 6:30 p.m.

The next regular City Council meeting will be held on Monday, January 27, 2014 at 7:00 p.m.

Motion by Grayson, seconded by Sexton to adjourn the regular city council meeting at 8:30 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.