

Special Council Meeting
January 6, 2014
Medford City Hall
6:30 p.m.

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

Members absent: None.

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

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

The purpose of the meeting is to conduct Heather McCallum's annual performance appraisal.

The basis for closing the meeting is to conduct a performance appraisal pursuant to Minn Stat Sec 13D.05 Subd. 3, as requested by employee McCallum.

Mayor Nelson asked Heather McCallum and Amber Kniefel to exit the meeting the room for the initial discussion. Heather McCallum will be asked to join the meeting when the Council completes their discussion.

Motion by Maas, seconded by Grayson to close the meeting at 6:30 p.m.

Council asked Heather McCallum to join the discussion at 7:30 p.m.

Motion by Sexton, seconded by Merritt to close the special meeting at 7:38 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Organizational Council Meeting
January 6, 2014
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 Ashley Stewart.

Mayor Nelson called the meeting to order at 7:45 PM.

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

2013 Year End Review Summary presented by Mayor Nelson.

Resolution 2014-01 Stating Annual Designations.

Administrator McCallum confirmed that the Owatonna People's Press publication fees will remain the same for 2014.

Motion by Sexton, seconded by Grayson to approve Resolution 2014-01 stating the annual city designations as presented. Carried.

Resolution 2014-02 Establishing 2014 City Fees.

The sewage fees were increased from \$9.00 per thousand gallons to \$10.00 per thousand gallons.

Motion by Grayson, seconded by Sexton to approve Resolution 2014-02 establishing 2014 city fees as presented. Carried.

Resolution 2014-03 Establishing Equipment Rates.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-03 establishing equipment rates for 2014 as presented. Carried.

Resolution 2014-04 Establishing 2014 Water and Sewer Fees.

Motion by Grayson, seconded by Maas to approve Resolution 2014-04 establishing 2014 water and sewer fees as presented. Carried.

Mayor Nelson recommended to the City Council to reappoint Paul Beiser to the Planning and Zoning Board.

Rich Quiring is currently the only member on the Park Board. The Park Board is on hold until the City Comprehensive Plan is updated.

Michael Collins has resigned from the EDA. Mayor Nelson has possible candidates to fill the seat.

Motion by Grayson, seconded by Maas to reappoint Paul Beiser to the Planning and Zoning Board. Carried.

Scheduling of the Council and staff retreats. The Mayor would like to set two dates for the retreats, one for a strengths finder session and one for city planning and goal setting.

The strengths finder session would include the Council, Craig O'Hearn, Kristi Jorgenson, Heather McCallum, Amber Kniefel, Rick Hager, Rich Kucera, Vern Wheeler, and Dennis Clark.

The city planning and goal setting would include the Council, Heather McCallum, Amber Kniefel, Rick Hager, Rich Kucera, and Craig O'Hearn.

The goal setting session will be facilitated by CEDA and will involve both short term and long term goals.

The Council called the meetings for Wednesday, February 5, 2014 and Wednesday, February 12, 2014 at 5:30 p.m. to be held at the City Hall.

League of MN Cities Experienced City Officials Conference – The Council needs to let Administrator McCallum know if they would like to attend.

Motion by Grayson, seconded by Sexton to adjourn the meeting at 8:02 p.m. Carried.

Minutes approved at _____meeting.

Submitted by _____clerk

Regular Council Meeting
January 27, 2014
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, Rich Kucera, Seth Peterson, and Mark Rahrick.

Others attending were Senator Vicki Jensen, Ashley Stewart, Greg Sanborn, Butch Schultz, Edna Ringhofer, and Jennifer Hanson.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. None.

Agenda – Add EDA Seat Appointment under Council Committee EDA XII. B.

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

Minutes – Mayor Nelson asked to have Rick Hager added to the list of employees for the City Council/Staff sessions.

Motion by Sexton, seconded by Merritt to approve the December 16, 2013 public hearing and regular meeting minutes and the January 6, 2014 special and regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Sexton asked if the Hagen Excavation bill included the ice rink prep work. Kucera said that it did, but it was minimal. Mayor Nelson asked about the Fergus Power Pump Biosolid Application. Kucera said that the City hauls biosolids in the spring and the fall. Councilmember Merritt asked about the bill for the safety jackets. Kucera said it was for four safety jackets.

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

Check Register –

Motion by Sexton, seconded by Merritt to approve the December 2013 check register numbers E2019-E2030, 12569-12629, and 41790-41865 as presented. Carried.

Gambling Request for Owatonna Healthy Seniors – Edna Ringhofer

Edna Ringhofer presented a gambling request to hold a raffle fundraiser for the Dancing with the Steele County Stars event held up at that the Medford School on Saturday, April 26, 2014.

Motion by Maas, seconded by Merritt to approve the raffle request application with no waiting period. Carried.

Legislative Update – Senator Vicki Jensen

Senator Vicki Jensen gave an overview of her focuses for the upcoming legislative session. Among the list was the public infrastructure grant program, IT academies, business to business taxes, and comprehensive transportation funding.

Senator Jensen travels to Waseca, then to Owatonna, and ending in Faribault every second Saturday of the month to give legislative updates and listen to questions and concerns of the citizens.

City Administrator McCallum informed Senator Jensen on the concerns with the implementation of the City's local option sales tax such as the administrative fees imposed by the Department of Revenue and the training needed to view the details of the collection of the sales tax.

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

Consent agenda items include:

Resolution 2014-05 Accepting Donation from Al Kubat in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-06 Accepting Donation from Gary Ringhofer in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-07 Accepting Donation from John Dillemouth in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-08 Accepting Donation from Diane Olson in the amount of \$25.00 for the Medford Park Endowment Fund in Memory of “Bud” Olson.

Resolution 2014-09 Accepting Donation from Bryce Butler in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-10 Accepting Donation from Pat and Kay Merritt in the amount of \$11.00 for the Medford Park Endowment Fund in Memory of “Bud” Olson.

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

Mayor’s Report – Mayor Nelson reported that she attended the CERT meeting and spoke with Mike Johnson concerning the emergency warning systems. Kucera stated that the company will be in Medford in February to fix the system.

Mike Johnson will attend a council meeting to bring the council up to speed in regards to the county wide emergency action plan.

Mayor and staff met with Met Con representatives and a developer’s agreement is in the works.

Zoning Board – Kniefel presented the Zoning Board minutes from the last meeting.

The Planning and Zoning Board held a public hearing for a request from Jackie Gillis-Reuvers to create one parcel through an administrative survey. There was no public in attendance. The Zoning Board approved the request as presented.

The Planning and Zoning Board held a public hearing for the amendment to City Code Section 4.26 Conditional Uses.

The amendment would allow, as a conditional use, for a restaurant, eating establishment, community dining, etc., in an R-2 Multi-Family district. The Board made a recommendation to the City Council to approve the amendment as presented.

Council discussion on using conditional uses vs. interim uses. City Attorney Rahrck explained that anywhere in the Code that allows a specific use as a conditional use can also be allowed as an interim use. The City decides what to grant.

Motion by Sexton, seconded by Nelson to approve Ordinance 2014-1 amending City Code Section 4.26 conditional uses. Carried.

EDA – Mayor Nelson presented the minutes from the last EDA meeting. The EDA board is looking at hiring Ron Ziegler with Central Economic Development Associates (CEDA) to assist with the loan process such as with background and financial checks of loan applicants.

The fees for the CEDA services could be recouped through the approved loan package.

The EDA would like to continue with the networking events. The business to business networking and sharing of highlighted business activities is beneficial. The events will be held every other month.

Appointment of EDA Board Member to Open Seat – Mayor Nelson recommends to the City Council to appoint Bryan Duncan to the EDA Board, filling the open seat.

Motion by Sexton, seconded by Maas to appoint Bryan Duncan to the EDA Board. Carried.

City Attorney – None.

City Engineer – Resolution 2014-11 Receiving Feasibility Report and Calling for Public Hearing on Improvements.

This public hearing is a requirement determining that the City will be going ahead with the project. The assessment hearing will be scheduled later that will inform the residents on what the proposed assessments will be for each property.

The public hearing will be called for Monday, February 24, 2014 from 6:00 p.m. – 7:00 p.m. before the regular Council meeting.

Mayor Nelson asked for a correction of the project location to add in the section of Central Avenue about 110 feet east to the railroad tracks.

Motion by Sexton, seconded by Merritt to approve resolution 2014-11 receiving the feasibility report and calling for the public hearing on the improvements as amended. Carried.

City Administrator Memo – Administrator McCallum informed the Council that the Muni is now accepting credit and debit cards.

The warming house door was vandalized. City staff reinforced the door and Administrator McCallum wrote an article for the Owatonna People's Press that informed the public that this kind of action will not be tolerated.

The Mayor and city staff met with Joseph Duncan, Bolton & Menk engineer, to discuss the possibility of adding Mr. Duncan to the City's engineering team. Mr. Duncan will attend the February Council meeting and introduce himself to the Council.

Councilmembers Maas and Merritt would like to see Mr. Duncan get involved right away, even with the Central Avenue project.

Administrator McCallum would like to set up a date for a Council walk-through of the city vehicles.

Councilmember Maas would like to see the full city inventory list.

Public Works Department – Rich Kucera presented an update of the Veteran's Memorial project.

The Veteran's committee has made arrangements with Medford Area Recreational Committee (MARC) to accept donations. The committee is also presenting to charge \$250.00 per applicant to have a Veterans name engraved in the monument.

Clarification was needed on the classification of this group and the project. The question is whether this is a city project and how the decisions are going to be made going forward.

The Council felt the best approach was to consider this a city project and for the committee to be created as an advisory board to the Council, the same as the Zoning Board or the Park Board. The Veterans Memorial advisory board would make recommendations to the City Council for approval.

Time spent for City staff to work with and on the committee will be paid.

Wellhead Protection Plan, Part 1 Informational Meeting – Kucera reported that since the Minnesota Department of Health approved the submitted Wellhead Protection Plan, Part 1, an informational meeting needs to be scheduled. The meeting will be scheduled for Thursday, February 20, 2014 at 3:00 p.m.

Kucera informed the Council that the 1994 Ford L8000 Plow and Dump Truck needs a new ECU for the transmission. A temporary ECU is in the truck now until the new one is available. The cost of the new ECU is \$3,080.00.

The City of Medford was awarded the 2013 Wastewater Treatment Facility Operational Award. The Mayor and the Council is appreciative of the effort put forth from city staff to earn these awards.

New Business –

2014 Employee Wage Increase – Administrator McCallum presented information on employee wages with three different scenarios of increases – a 1%, a 1.5% and a 2%.

Administrator McCallum is recommending to the City Council to approve the budgeted employee wage increase of 2% for all full and part time staff excluding the pool staff and warming house staff.

Councilmember Maas is asking the Council and staff to run lean with the funds.

Council discussed the paid time off and extended illness bank as per the City Handbook.

Motion by Sexton, seconded by Nelson to approve a 1.5% wage increase for all full and part time city employees excluding the pool and warming house staff to be effective on the January 30, 2014 payroll. Carried.

2014 Fire Department Wage Increase – The proposed increase for the fire department would be an increase from \$8.00 per hour for fire calls to \$10.00 per hour.

Administrator McCallum also presented an increase in the Fire Chief's monthly stipend from \$75.00 per month to \$125.00 per month.

Motion by Sexton, seconded by Merritt to approve the proposed pay increase for the fire department for fire calls from \$8.00 to \$10.00 and would be retroactive to January 1, 2014.

Aye: Nelson, Sexton, Merritt Abstain: Maas Absent: Grayson Carried.

Motion by Sexton, seconded by Merritt to approve the proposed increase to the monthly stipend for the Fire Chief from \$75.00 to \$125.00 effective January 27, 2014.

Aye: Nelson, Sexton, Merritt Abstain: Maas Absent: Grayson Carried.

CEDA Proposal – The proposal includes initiating the comprehensive plan update process and the facilitating of the Council/staff planning session for an hourly rate of \$56.10 with a not to exceed cost of \$840.00, with the funds being pulled from the budget under comprehensive plan.

Motion by Sexton, seconded by Nelson to approve the proposal as submitted. Carried.

LMC Legislative Conference will be held on Thursday, February 27, 2014. Council will need to contact Administrator McCallum if they are interested in attending.

Unfinished Business –

Furnace for the Fire Hall/City Hall Update.

Councilmember Merritt suggests that the City hire an engineer to write the plans and specs for the project because they are the experts.

Council decided to have Kucera get two more bids in addition to the one that was already received and present the information at the next Council meeting.

The City Council/Staff retreat on Strengths Finder will be held on Wednesday, February 5, 2014 at 5:30 p.m.

The City Council/Staff retreat creating a 2014/2015 City work plan will be held on Wednesday, February 12, 2014 at 5:30 p.m.

The next regular City Council meeting will be held on Monday, February 24, 2014 starting at 6:00 p.m. for the Improvement Hearing with the regular meeting starting at 7:00 p.m.

Motion by Maas, seconded by Merritt to adjourn the regular city council meeting at 10:20 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Improvement Hearing for Central Avenue Project
February 24, 2014
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, Rich Revering, and Seth Peterson.

Others attending were Matt Mullenbach, Dave and Julie Kalk, Ivan and Mary Cowell, Charles Danks, Pat Merritt, Howard Schoenfeld, Ashley Stewart, Greg and Karen Sanborn, John Prondzinski, and Jennifer Hansen.

Mayor Nelson called the meeting to order at 6:03 PM.

City Engineer's Overview of the Feasibility Study – Rich Revering and Seth Peterson.

Rich Revering lead the discussion using a power point presentation. The purpose of tonight's public hearing is to hear questions and comments in regards to the Central Avenue Project Feasibility Study and the calculation of the proposed assessments to the benefitted properties.

In order for the City to use assessments as an avenue to fund this project, two hearings are required. The Improvement Hearing and the Assessment Hearing.

Three entities will be working together for this project. MnDOT will be doing the round-a-bout modifications. Steele County will be replacing the Straight River Bridge and the roadway. The City of Medford will be upgrading the watermain and sharing some of the roadway costs.

The estimated cost to the City is \$537,800.00. At this point, this number will fluctuate as the project progresses.

Revering went through the estimated costs of each portion of the project and the calculations used for the assessments of each portion.

Mayor Nelson opened the public hearing up to the Council for any questions or comments.

Councilmember Maas asked about the City installation of a new water main from the main to the property line. Currently, it is planned that new services would be installed on the City side, the water main to the property line. The property owners would be responsible for the service line from the property line to the house.

It was mentioned that there is a possibility for the property owners to have their service lines reconstructed through the project and City contractors. Revering suggested creating a waiver form that would cover the work done on service lines from the property line to the house.

Mayor Nelson would like Mark Rahrick to draft the waiver.

The public hearing was opened up to the public for questions and comments.

Pat Merritt is concerned with snowmobiles on the trail. Enforcement will be an issue, but the City could put up signage and work with law enforcement. Mr. Merritt was also concerned with the service line from the property line to the house and possibly having work done on the service line at the Olson house on Central Avenue.

Matt Mullenbach, lives at 405 W Central Avenue, has concerns with the amount of the proposed assessments against his property. The assessments are proposed at over \$10,000.00 and he does not feel his property value would increase that much with the completion of the project.

Dave Kalk is concerned about how much the proposed assessment being presented tonight will change in the future when more accurate costs start coming in. Kalk would like to have more exact numbers.

Peterson thought the engineers could prepare an "as-bid" cost assessment role, but the exact costs will not be available until the end of the project.

Rahrick explained that according to State Statute, the City can only assess up to the benefit of the property.

Kalk compared multiple lots and each of their assessments. He asked questions on the calculations and why there were differences. Kalk asked for an explanation on how his assessments were figured at his own property since he has a very small frontage. Revering explained that lot frontage is only one part of the calculations involved with calculating assessments. Lot size also gets figured in the calculations. Revering will verify the frontage calculation.

Mary Cowell asked what would happen if their water service came off a different street. Cowell was pretty sure their water service was on Riverview Drive. Revering answered that if a water service was not coming from Central Avenue then there would not be assessments for the water main or the water service for their property.

Motion by Sexton, seconded by Grayson to adjourn the public hearing at 7:15 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk

Regular Council Meeting
February 24, 2014
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, Rich Kucera, Seth Peterson, Rich Revering, and Mark Rahrck.

Others attending were Steele County Sheriff, Lon Thiele, Ashley Stewart, Greg Sanborn, Karen Sanborn, Pat Merritt, and Jennifer Hansen.

Mayor Nelson called the meeting to order at 7:24 p.m.

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. None.

Agenda – Kucera will be giving a verbal report.

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

Minutes – Mayor Nelson asked to correct the spelling of Ron Ziegler.

Motion by Merritt, seconded by Mass to approve the January 27, 2014 regular meeting minutes as amended. Carried.

Resolution 2014-17 Ordering Improvements and Preparation of Plans.

Motion by Sexton, seconded by Grayson to approve Resolution 2014-17 Ordering Improvements and Preparation of Plans as presented.

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

City and Liquor Store Bills -

Councilmember Merritt asked about the Bolton & Menk engineering bill for the Central Avenue project. The engineering costs will go into the bond project costs.

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

Check Register –

Councilmember Sexton asked about the Redwood Company bills. McCallum stated that the bills are for the credit card equipment at the Liquor Store.

Motion by Merritt, seconded by Grayson to approve the January 2014 check register numbers E2031-E2055, 12630-12666, and 41866-41977 as presented. Carried.

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

Consent agenda items include:

Resolution 2014-12 Accepting Donation from Matthew William in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-13 Accepting Donation from Patrick Leher in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-14 Accepting Donation from Dan Bowe in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-15 Accepting Donation from Lewis Woclka in the amount of \$5.00 for the Medford Park Endowment Fund.

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

Mayor's Report – Mayor Nelson reported on the frozen water line issue in Medford. The Mayor and city staff have delivered a notice to the majority of residents. The Oakridge Bluffs and Scenic Heights Additions have not been notified as to constantly running their water. A credit will be given to those who run their water at a pencil size stream. The credit will cover the extra sewer charges with a little extra for the water usage.

Medford Area Recreational Committee has received a \$5,000.00 donation from Jennie-O Turkey Store which will be donated to the Medford Veteran's Memorial Committee for the Veteran's Memorial project at Central Park.

Rahrick is drafting the encroachment agreement between the City and both the County and the Railroad for use of the property at Central Park for the Veteran's Memorial.

Zoning Board – No February meeting.

EDA – No meeting.

City Attorney – None.

City Engineer Memo – The draft cooperative agreement as well as the estimated cost split information has been received from the County on the Central Avenue project. The engineers and city staff will review and present at the March Council meeting.

Engineers are working with Kucera on the 2015 storm water and street issues in the SE area of town.

Engineers are working with Kucera to assemble a Request For Proposal for the water system communications upgrade.

The bid package for contractors to seal coat selected streets in 2014 for 5th St SE and 6th St SE is in the works. Councilmember Maas would like to add 3rd St NE to the list of streets for seal coating this year.

Joe Duncan was unable to attend the February Council meeting. Duncan will be introduced at the March meeting as an addition to the City of Medford engineering team.

Steele County Sheriff, Lon Thiele, spoke with the Council on snowmobile traffic through Medford. Enforcement is always an issue with snowmobiling. Deputy's will continue working on enforcing the Code and educating snowmobilers on the rules and safety.

City Administrator Memo – Administrator McCallum spoke towards the recommendation to have residents run their water constantly. The credit amount was figured at \$2.20 per day for those residents that choose to run their water. The meter read system will show staff the properties that are running the water constantly.

Mayor Nelson and Administrator McCallum will be attending the MAOSC legislative reception on March 12, 2014 in St. Paul. If any other council members would like to attend, please let Administrator McCallum know.

City Clerk – Amber Kniefel presented two options for the City to consider when looking at accepting credit cards for utility bill payments. Both Revtrak and Payment Service Network were recommendations from our software company, Banyon. There is fee from Banyon to have the module added to the City system.

Revtrak charges no start-up costs, no maintenance costs, no set-up fees, and no tech support fees. Revtrak will create a link from the City website to their "store" where residents can login and pay their utility bills. There is a 3.49% convenience fee for the users that will be added at the time of use. The City can also purchase a credit card swiper for City Hall for residents that would like to pay in person. The cost to purchase the swiper is \$89.95.

Payment Service Network (PSN) offers on-line presentment and e-mail billing. PSN charges a one-time service implementation fee of \$149.00, a one-time optional website customization fee of \$200.00, an annual security compliance fee of \$89.00 and a monthly maintenance fee of \$12.95 to \$39.95 depending on the options we choose.

Administrator McCallum and City Clerk Kniefel are recommending to the City Council to go with Revtrak and purchase the swiper for \$89.95.

Councilmember Grayson asked if the City would be held to any kind of contract for a certain amount of time to stay with the company. Kniefel will check on this.

Motion by Grayson, seconded by Nelson to approve the Revtrak proposal and charge the convenience fee back to the user and also to purchase the credit card swiper for \$89.95. Carried.

Public Works Department – Rich Kucera

Councilmember Grayson gave a thoughtful thank you to Kucera and the public works staff for their countless hours handling the City's water main, service line, and snow issues this winter.

Kucera would like to reschedule the Well Head Protection public hearing. The public hearing will be called for Thursday, March 6, 2014 at 3:30 p.m.

The City of Medford was granted an award for water fluoridation quality. Council congratulated Kucera for his efforts to again attain this award.

New Business –

Resolution 2014-16 Closing 2004A Refunding Bond #303.

Motion by Maas, seconded by Grayson to approve resolution 2014-16 closing the 2004A refunding bond #303 and transferring the remaining balance to the 2007A fund #312 in the amount of \$112,518.00. Carried.

Scheduling a Work Session for the Review of the Work Plan Results with CEDA.

Meeting will be called for Thursday, March 13, 2014 from 5:30 p.m. - 8:00 p.m. at the Medford City Hall.

Unfinished Business –

Furnace for the Fire Hall/City Hall Update.

Councilmember Merritt met with Rick Hager and discussed the options for the furnace/air conditioning unit. The decision was not to move forward with a combo unit. The Fire Department will leave the furnace as is and install a mini split air conditioning unit.

The May Council meeting is scheduled for Memorial Day and needs to be changed. The Council will meet on Monday, May 19, 2014 instead. The Zoning Board will also move up a week to Monday, May 12, 2014.

The next regular City Council meeting will be held on Monday, March 24, 2014 starting at 6:00 p.m. for the Emergency Management Workshop with the regular meeting starting at 7:00 p.m.

Motion by Grayson, seconded by Sexton to adjourn the regular city council meeting at 8:35 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
March 24, 2014
6:00 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, Rich Kucera, and Rick Hager.

Others attending were Steele County Emergency Management Director, Mike Johnson, Ashley Stewart, Alan Van Ormer, and Rich Dahman.

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

The purpose of this special council meeting is for Mike Johnson, Steele County Emergency Management Director, to update the City Council on disaster procedures, preparedness and response.

Mike Johnson presented a power point presentation detailing the aspects of emergency management. Emergency management is a collaborative effort between many entities. The goal is to have all entities following the same procedures so in the event of an emergency, there is consistency amongst everyone.

Mike Johnson handed out Emergency Management Booklets and spoke about all citizens getting signed up for Citizen Alert. The Citizen Alert link is on the City of Medford website. Residents need to sign-up through the internet. Mr. Johnson said a form is available at the County for those who do not have internet access.

The special meeting was closed at 7:00 p.m. for the regular City Council meeting.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
March 24, 2014
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, Rich Kucera, Rick Hager, and Seth Peterson.

Others attending were Steele County Sherriff Lon Thiele, Deputy Mary Ulrich, Ashley Stewart, Alan Van Ormer, Bob Hoen, Brett Carlson, Kris Stinocher, Brenda DeMars, Del Spronk, Danny Thomas, John Hager, Jerry Bauer, Roger Hagen, Butch Schultz, and Paul Beiser.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. None.

Agenda – Add under new business – National Mayoral Proclamation and Board of Appeal and Equalization Meeting, Wednesday, April 23, 2014 at 7:00 p.m. Also, under Public Works Director, Add Possible Boom Truck Purchase.

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

Minutes – No amendments.

Motion by Sexton, seconded by Merritt to approve the February 24, 2014 improvement hearing minutes and the February 24, 2014 regular meeting minutes as presented. Carried.

Gambling Permit Request – Ducks Unlimited Steele County, Bob Hoen.

Mr. Hoen is requesting Council approval for a raffle gambling request for an event held out at Ritchie Brothers Auctioneers. There will also be a silent auction.

Motion by Grayson, seconded by Maas to approve the gambling permit request as submitted without the 30 day waiting period. Carried.

Civic Club – Brenda DeMars.

DeMars updated the Council on the events that are being coordinated this year for Straight River Days. New board members have joined the Civic Club and are working together to bring back some of the past events as well as organizing new events.

DeMars inquired about food permits. The City will continue issuing food permits for the sale of food on public property.

City and Liquor Store Bills -

Councilmember Sexton asked about Ron Churchill's bill for unthawing frozen water service lines. Mayor Nelson asked about the Aflac bill. The Aflac payments are a payroll deduction.

Motion by Merritt, seconded by Sexton 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 2014 check register numbers E2056-E2075, 12667-12700, and 41978-42050 as presented. Carried.

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

Consent agenda items include:

Resolution 2014-18 Accepting Donation from John Anhrum in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-19 Accepting Donation from Garret Jeopelou in the amount of \$5.00 for the Medford Park Endowment Fund in memory of Andy Abrahamson.

Resolution 2014-20 Accepting Donation from Ron Schouweler in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-21 Accepting Donation from Wagner's Lunch in the amount of \$5.00 for the Medford Park Endowment Fund.

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

Mayor's Report – Mayor Nelson reported on the “Quiet Winter Disaster” and the possible State funding that could become available to assist Cities with these extra expenses. There is an estimated cost of \$50,000.00 to the City of Medford to cover the expenses of this “Quiet Winter Disaster”. This includes the credits that were offered, the cost to treat the extra water, the cost to treat the extra water running to the wastewater treatment facility, unthawing water service lines, and water main breaks.

Mayor Nelson and Administrator McCallum are working with the Medford School about Park and Rec programs for the summer. Also, a private individual has shared an interest in organizing a Park and Rec program.

Meetings have been held with representatives from MnDOT on the round-a-bout reconstruction.

Zoning Board – The Planning and Zoning Board held a public hearing to consider a conditional use request from Del and Julie Spronk for the Medford Senior Care to operate a restaurant in the congregate dining area of their facility.

The Zoning Board made a recommendation to the City Council to approve the issuance of an interim use permit with the following conditions: the permit needs to be reviewed every three years and no alcohol will be allowed on the premises.

There will not be a public hearing fee of \$125.00 for the review of the interim use permit every three years.

Motion by Merritt, seconded by Maas to approve the interim use permit to Del and Julie Spronk of Medford Senior Care for the “Whistle Stop Diner” with conditions of being reviewed every three years and no alcohol allowed on the premises. Carried.

EDA – Mayor Nelson gave the EDA minute report.

Officers of the EDA were elected. Paulson, President; Cowell, Vice-President; Grayson, Secretary; and Duncan, Treasurer.

The EDA made a recommendation to the City Council to send a letter to Steele County requesting \$5,000.00 for the update to the Medford Comprehensive Plan update.

Motion by Nelson, seconded by Sexton to approve the City to request \$5,000.00 from the County for the Comprehensive Plan update. Carried.

The EDA made a recommendation to the City Council to approve the use of EDA funds up to \$2,000.00 for gap signage/marketing while the Interstate 35 projects are underway.

Councilmember Sexton asked about the signage participation at the County and State level.

Mayor Nelson explained that once the signage has been placed by those entities, the City may feel that additional signage is needed.

Motion by Nelson, seconded by Sexton to approve the use of \$2,000.00 of EDA funds for gap signage/marketing while the Interstate 35 projects are underway, subject to the final approval of the City Council. Carried.

Medford Veterans Memorial Committee – Butch Schultz.

Schultz presented the City Council with a letter explaining their passion for the Memorial Project. Schultz presented three items that the group is asking for discussion on:

1. The Committee would like to be in charge of the entire project.

2. The Committee is requesting that all funds brought in for this project be earmarked specifically to the Veterans Memorial Project and not be allocated to any other project.
3. The Committee is requesting, from the City, a monthly statement showing the current funds for the project.

The Committee would like to have Keith Maas be appointed to the board as the Council Representative.

Motion by Sexton, seconded by Merritt to appoint Keith Maas as the Council Representative on the Medford Veterans Memorial Committee. Carried.

The project will remain a city project and the group will remain a city committee, following all the current regulations set forth for all city projects and boards.

Medford Fire Chief – Rick Hager - Municipal Complex Update.

Rick Hager presented the history of how the municipal complex began and the process that has occurred to get the City to where we are now.

In February 2008, a committee of 7 firefighters was formed to discuss the long-range plans for the Medford Fire Department. All discussions led the committee to the decision that a new facility is needed.

Once the idea to build a new facility came as a recommendation, Bill Goldy, City Administrator at that time, and Marie Sexton, City Council person were added to the committee to offer the City perspective of building a joint Municipal Complex.

In May 2009, authorization was given to the committee to have plans drawn up to show what the complex could look like.

In July 2009, the City Council approved the purchase of the land for the future Municipal Complex.

The Committee spent a lot of time traveling to different cities and touring their facilities. Between the November and December Council meetings, the Council hired I & S Group to develop a concept plan of the facility.

In January 2010, the committee presented the Municipal Complex drawing and cost estimates to the City Council. Two plans were presented, one with a flat roof and one with a peaked roof. Neither plan included the facility to have a basement.

The flat roof estimate came in at \$2,278,000.00 and the peaked roof came in at \$2,550,000.00.

At this time, Hager did not feel the need to resurrect the original committee or try to create a new one. Council decided to wait until budget time and discuss the funding more. Also, the Council needs to see if the bonding bill goes anywhere for possible funding at the State level.

City Attorney – None.

City Engineer Memo – Bolton & Menk submitted 100% plan sets to the County. The cooperative agreement has been reviewed by Anita Benson and the County Attorney following the City's responses of the original document. Rahrack will need final review and approval. There were five main comments the City had from the original for the County to approve.

1. Item B7 – The County will seek written approval from the City for any change orders involved with the project. The City shall make available at all times during the project a designated person who shall have the authority to approve any single change order that results in an increase cost of no more than \$15,000.00.

Council discussed the designated person and decided that the City Administrator would be the person to decide on change orders. McCallum will discuss the change order request with all the city experts before making a final decision. In the event that McCallum is completely unavailable, Kucera would be the designated person.

2. Item C3 – Rights of Entry permits to provide room to smooth the transition between the trail and residents' yards including the re-establishment of turf and driveways where needed. The permit would commit the City to restoring the existing private property to the existing or better condition.
3. Item E – The existing accesses that are currently on the map will be the only accesses allowed. No additional accesses will be permitted. This stipulation includes the moving of the access drive to Riverview Court.
4. Item G – There is an indemnification paragraph on behalf of both parties protecting from law suits. Mark Rahrack needs to review this yet.

5. Item H – Each party is responsible for loss or damage to its own equipment.

Motion by Nelson, seconded by Grayson to approve the proposed cooperative agreement contingent on the final review and approval by the City Attorney. Carried.

Motion by Grayson, seconded by Nelson to designate Administrator McCallum as the person authorized to approve change orders up to \$15,000.00 and in the event that McCallum is not available that Kucera will make the final decision. Carried.

Peterson will give a cost proposal for the engineers to have meetings with individual residents to answer questions. Also, a proposal for the engineers to work with property owners on the right of entry permits.

City Administrator Memo – Administrator McCallum presented the 2013-2014 warming house and ice rink numbers. 402 people attended the warming house this season. Overall, this was a success when considering all the days that it had to be closed for subzero temperatures.

A thank you to the fire department volunteers and especially Nick Goodnature for all the time and effort put forth to create and maintain the ice rink.

Administrator McCallum informed the Council that a \$25,000.00 investment that the City made back in the early 2000's was being returned because the investment firm will longer be in business. The investment was paid for out of the general fund in hopes to assist with EDA loans.

Administrator McCallum is recommending to the City Council to allocate this \$25,000.00 to the general fund, street department, to help offset some of the expenses used for the winter issues.

Motion by Sexton, seconded by Maas to approve the allocation of the \$25,000.00 to the general fund, street department as proposed. Carried.

City Clerk – None.

Public Works Department – Rich Kucera.

Kucera informed the Council that the Civil Defense Sirens have been reprogrammed and the scheduled tests came back all in working order.

Miller Welder, Onan Generator, and the Used Overhead Garage Doors from the Fire Department– Kucera is recommending to the City Council approval for him to sell these items under sealed bids.

Motion by Grayson, seconded by Sexton to authorize Kucera to sell the welder, the generator, and the garage doors under sealed bids. Carried.

Seal Coating Bids – Kucera sent letters to 15 contractors for street seal coating bids. Four bids were received with the deadline being Thursday, March 20, 2014. Kucera and Kniefel opened the bids.

Kucera is recommending to the City Council to approve the bid sent by Pearson Bros. Pearson Bros. was the low bidder at \$30,059.75 for the base bid and \$7,941.18 for the alternate bid. The base bid includes 6th Street SE and the alternate bid was 3rd Street NE that Councilmember Maas asked to have added.

Motion by Grayson, seconded by Merritt to approve the bid submitted by Pearson Bros for \$30,059.75 for the base bid and \$7,941.18 for the alternate bid. Carried.

Water System Telemetry – The current system uses analog modems. Analog modems are no longer available and are no longer able to be repaired. Kucera met with Councilmember Maas and discussed that a radio based communication system would be worth looking into.

Council consensus is to approve Kucera to get proposals on the cost of a radio based communications system for the water system.

Scoping 2015 Storm Sewer Project – Authorization was given to Kucera to begin working with Bolton & Menk on the scoping of the 2015 Storm Sewer Project.

Boom Truck – Councilmember Grayson has been in contact with Kucera about a 1996 utility truck with 160,000 miles for \$10,000.00. Grayson stated that the truck is owned by someone who is stopping his business and is looking at selling of all his equipment.

Councilmember Maas is concerned with the inspections, especially on the man lift. Council would like Kucera to get the inspection information and go and look at the vehicle.

Motion by Sexton, seconded by Grayson to authorize Kucera to visit the location, get an inspection of the vehicle, and possibly purchase the truck for up to \$10,000.00.

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

New Business –

Frozen Water Services Update – Estimated total cost to the City due to this abnormally cold winter is \$50,657.13.

Comprehensive Plan Proposal from CEDA – Estimated total hours of 281 at \$56.10 per hour would be a total cost of \$15,764.10. The hours could end up being a lot less. The County has given the City \$5,000.00 for a couple of years to assist in the funding to update the comp plan.

The Comprehensive Plan is a tool the City will use for future planning and possible grant opportunities.

Motion by Grayson, seconded by Sexton to approve the CEDA proposal for a not to exceed cost of \$15,764.10 for the Medford Comprehensive Plan Update.

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

Council Work Day Session – Add to the April 28, 2014 regular meeting agenda to set.

Meeting was called for Wednesday, April 23, 2014 at 6:00 p.m. for a City vehicle walk through.

The Board of Appeal and Equalization meeting will be held on Wednesday, April 23, 2014 at 7:00 p.m. at the City Hall.

The next regular City Council meeting will be held on Monday, April 28, 2014 at 7:00 p.m.

Mayor Nelson read a proclamation. The Proclamation of National Donate Life Month declares April as National Donate Life Month.

Motion by Grayson, seconded by Maas to adjourn the regular city council meeting at 10:51 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

City Council Board of Appeal and Equalization
April 23, 2014
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 and Amber Kniefel

Others attending were Greg Nelson, Steele County Assessor's Office, Rich and Betty Quiring, Dan and Mona Kaiser.

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

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.

Greg Nelson presented highlights of the 2014 assessment report. The total market value of the City of Medford increased from 76.3 million to 80.7 million, which is an increase of 5.7%. The increase was driven by new construction. Every residential property in Medford was re-appraised and the land and buildings were recalculated.

Mayor Nelson asked about the jump in market value of the four apartments. There are many factors that were evaluated when an increase was given to properties.

A few property owners contacted Steele County before tonight's meeting. The assessor's office made recommendations on the following properties:

Jeff Valek, parcel #16-016-4401. Steele County is not recommending an adjustment to the market value at this time. The assessor's office will evaluate the property and determine if they feel an adjustment is warranted. Mr. Valek has the opportunity to appeal to the County Board if he disagrees with the assessor's determination.

Pat McCauley, parcel #16-101-1213. McCauley owns a rental house and asked for a decrease of the proposed market value. The Assessor is recommending a decrease of market value from \$91,500.00 to \$67,500.00 due to a major need of updating the property.

Todd Kavitz, parcel #16-117-0201. Recommendation to decrease the market value from \$19,100.00 to \$16,200.00.
Todd Kavitz, parcel #16-117-0202. Recommendation to decrease the market value from \$19,100.00 to \$16,200.00.
Todd Kavitz, parcel #16-117-0301. Recommendation to decrease the market value from \$17,100.00 to \$14,500.00.
Todd Kavitz, parcel #16-117-0302. Recommendation to decrease the market value from \$15,600.00 to \$13,200.00.
Todd Kavitz, parcel #16-117-0303. Recommendation to decrease the market value from \$16,100.00 to \$13,600.00.
Todd Kavitz, parcel #16-122-0201. Recommendation to decrease the market value from \$21,200.00 to \$16,900.00.
Todd Kavitz, parcel #16-122-0202. Recommendation to decrease the market value from \$20,700.00 to \$16,000.00.
Todd Kavitz, parcel #16-122-0203. Recommendation to decrease the market value from \$25,000.00 to \$19,900.00.

Motion by Grayson, seconded by Sexton to approve the recommendations as presented from the Steele County Assessor's office. Carried.

Rich and Betty Quiring, parcel #16-114-0302. The Quiring's are asking for an explanation of the increased market value of their home from \$246,000.00 to \$278,900.00. A meeting was set-up for the assessor to visit the property and see the inside of the house. Tonight's recommendation from the assessor would be to not adjust the market value at this time.

Motion by Grayson, seconded by Merritt not to make adjustments to the market value of the Quiring property and defer to the County. Carried.

Dan and Mona Kaiser, parcel #16-101-2307. The Kaiser's are in attendance to hear the explanation of how the market values were determined following the town re-evaluation.

Chad Merritt, parcel #16-008-2017. Mr. Merritt inquired if the reason why his market value increased was because of the at home business at his property. The assessor affirmed that this was the reason.

Motion by Grayson, seconded by Sexton to adjourn the Board of Appeal and Equalization meeting at 8:17 p.m. Carried.

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Regular Council Meeting
April 28, 2014
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, Rich Kucera, Craig O'Hearn, Seth Peterson, Joe Duncan, and Tom Olinger.

Others attending were Ashley Stewart, Paul Beiser, Brenda DeMars, John Rathai, Don Schultz, Luke Johnston, Boyd Johnston, Dave Kalk, Pat Merritt, Logan Keilen, and Scott Keilen.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. None.

Agenda – Add under new business – Civic Club Parade Permit Request and Gambling Permit Request.

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

Minutes – Mayor Nelson corrected the verbiage for the number of years the County has granted \$5,000.00 to the Medford EDA for the Comprehensive Plan update.

Motion by Sexton, seconded by Maas to approve the March 24, 2014 special meeting minutes and the March 24, 2014 regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Maas asked about the March Anhorn's bill.

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

Check Register –

Mayor Nelson asked about the final land payment for the Municipal Complex Land. Councilmember Sexton asked about the checks written for the dart teams.

Motion by Sexton, seconded by Grayson to approve the March 2014 check register numbers E2076-E2095, 12701-12733, and 42051-42125 as presented. Carried.

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

Consent agenda items include:

Resolution 2014-22 Accepting Donation from Pat & Kay Merritt in the amount of \$15.00 for the Medford Park Endowment Fund.

Resolution 2014-23 Accepting Donation from Minerva Joy Cassels in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-24 Accepting Donation from Mac Bowman in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-25 Accepting Donation from Don Dagne in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-26 Accepting Donation from Pat and Kay Merritt in the amount of \$150.00 for the Medford Veterans Memorial.

Resolution 2014-27 Accepting Donation from Paul & Joyce Pribyl in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-28 Accepting Donation from Dean R. Lechner in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-32 Accepting Donation from The Eagles 1791 in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-33 Accepting Donation from Central Valley Co-op in the amount of \$250.00 for the Medford Veterans Memorial.

Resolution 2014-34 Accepting Donation from KSW Roofing & Heating, Inc. in the amount of \$100.00 for the Medford Veterans Memorial.

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

New Business -

Food Permit Request – RJ's BBQ.

Food Permit Request – Ole and Lena's.

Motion by Grayson, seconded by Merritt to approve the food permit requests from RJ's BBQ and Ole and Lena's as presented. Carried.

Straight River Days Update – Brenda DeMars gave an update of all the events going on the weekend of Straight River Days. Currently, the Civic Club is planning on the same parade route as in the past. The Civic Club will continue to work with Steele County on the road closure for the parade.

DeMars asked about the use golf carts during Straight River Days. The Civic Club would like the City to issue special temporary permits to the Civic Club for use during Straight River Days weekend.

Council consensus is to allow staff to create temporary permits for the Civic Club.

Parade Permit Request – The Civic Club is asking for the parade permit fee of \$25.00 to be waived.

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

Gambling Permit Request – The Civic Club renewed their non-profit status with the State. They are requesting the approval of the gambling request with the 30 day waiting period waived.

Motion by Grayson, seconded by Maas to approve the gambling permit request and waiving the 30 day waiting period as presented. Carried.

City Council will be participating in the Straight River Days parade.

2014 Final Audit Presentation – Tom Olinger, Abdo, Eick, Meyers. Olinger summarized the management letter and spoke towards segregation of duties, council review of finances and disbursements, etc.

It was noted in the Audit that some of the staff went over in their Paid Time Off (PTO) allotment for 2013 and entered 2014 with a negative balance. Council requests to review the City Handbook.

The City is making great strides towards getting the City out of debt. The recommendation would be to continue building the City's fund balance to around \$250,000.00 - \$300,000.00.

The Medford Municipal Liquor Store had a positive revenue balance of around \$16,000.00.

Proposal from Bolton & Menk for Central Avenue Work Sessions – The engineers are suggesting two, four hour sessions to work with individual property owners. The proposed dates are Saturday, May 10, 2014 from 9:00 a.m. to 1:00 p.m. and Tuesday, May 13, 2014 from 4:00 p.m. to 8:00 p.m. The Council would like to look at May 17, 2014 instead of the 10th.

Motion by Grayson, seconded by Sexton to approve the proposal as presented for \$4,500.00 with the possibility of changing one of the session dates. Carried.

Proposal from Bolton & Menk for a Street Capital Improvement Plan (CIP) – The CIP would be created using a Pavement Condition Index (PCI) which rates the streets on a scale from 0 to 100. The CIP would cost \$5,500.00 and would go out five years with estimated costs associated for the street improvements for each year.

Council would like to discuss the 2015 street improvement feasibility study agenda item first before making a decision on the CIP.

Resolution 2014-29 Ordering Preparation of a Preliminary Report for 2015 Street Project.

The Council discussed which streets are included and whether or not the storm sewer issue in the SE section of town is a major problem right now.

Motion by Sexton, seconded by Nelson to approve resolution 2014-29 ordering the preparation of a preliminary report for the 2015 street improvement project as presented.

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

Council would like to discuss both the CIP and the 2015 Street Project at the next council meeting.

Motion by Grayson, seconded by Sexton to table the CIP proposal, Resolution 2014-29 ordering the preparation of a preliminary report for the 2015 street improvement project and Resolution 2014-31 reimbursement for project expenses from bond proceeds until the May City Council meeting. Carried.

Awarding of Bid for Water Telemetry System – Councilmember Maas and Public Works Director Kucera have been working on the solution to the water telemetry system and have received two bids.

Kucera's recommendation is to approve the bid from Ancom in the amount of \$13,505.00 for the water telemetry updates.

Motion by Grayson, seconded by Merritt to approve the recommendation from Kucera to accept the bid from Ancom for \$13,505.00 for the water telemetry system. Carried.

Acceptance of High Bid for Garage Door Sale – City received a bid of \$183.00 for the garage doors from the fire hall.

Motion by Grayson, seconded by Maas to approve the garage door sale for \$183.00. Carried.

Acceptance of High Bid for Generator/Welder Sale – City received a bid for \$383.00 for the generator/welder.

Motion by Sexton, seconded by Grayson to approve the generator/welder sale for \$383.00. Carried.

Discussion on the Pool Deck coating – Kucera received one bid so far for the pool deck coating. The project is estimated at over \$20,000.00. This is not a budgeted item for 2014. Council to discuss at budget time and possibly add to the 2015 budget.

Resolution 2014-30 Certifying Unpaid Water Bills to Steele County – Kniefel presented the list of properties for certification to Steele County for unpaid water bills.

Motion by Grayson, seconded by Sexton to approve resolution 2014-30 certifying unpaid water bills to Steele County. Carried.

Water Shut-Off Policy – Council and staff discussed the procedures used when determining if a property will have their water disconnected. Cold weather rule was also discussed.

Council would like to review the water shut-off ordinance at the May council meeting.

Unfinished Business

Scheduling of Park Walk-Through and Council Work Day – Park walk-through will be scheduled for Thursday, May 15, 2014 at 5:00 p.m. starting at the Medford Pool.

Planning & Zoning Board – Chairperson Beiser presented the minutes from the public hearings and the regular meeting.

The Planning & Zoning Board held two public hearings. Approval was given to John Paul for a lot combination by way of recording an administrative land survey. The public hearing for Met-Con was tabled due to floodplain questions. The Zoning Board will hear the Met-Con platting and rezone requests at the May meeting.

Mayor's Report – Mayor Nelson reminded the Council of the MNDOT/County meeting being held up at the Medford School on Wednesday, April 30, 2014.

Mayor Nelson visited the Capital to hear the about the County Bridge Funding Project.

Veterans Committee – March minutes were included in the packet. Kniefel will add the April meeting minutes to the next Council packet.

City Attorney – North Park Update – Rahrick reported that not much has happened since the Council discussed this last. Mayor Nelson requested a meeting be held to include the Mayor, Administrator McCallum, Rich Kucera, Mark Rahrick, Mark Walbran, and County Administrator Tom Shea.

City Engineer – Update on the County project. Projected timeline includes bid opening on May 8, 2014, contract awarded by County Board action on May 13, 2014, pre-construction conference the week of June 2, 2014 and construction begins on June 9, 2014.

City Administrator McCallum – McCallum informed the Council that the Dram Shop lawsuit against the Medford Muni has been settled. The City's liquor liability insurance will be covering the settlement payment.

Recycling receptacles have been added to the Straight River Park and the Pool.

Mayor Nelson asked Liquor Store Manage O'Hearn if the Muni is recycling. O'Hearn responded that the cans are being recycled, but not the bottles.

First Quarter Budget Financial Review – Administrator McCallum gave an overview of the 2014 budget to date. The current budget would be a good topic for a work study session along with the water rate study and local option sales tax update.

Public Works Director Memo – Kucera asked about direction on the boom truck. Councilmember Maas feels the clutch should be fixed and possibly some of the smaller things.

Council would like to discuss this at a work session.

The handicap accessible porta potty for Straight River Park will be delivered on May 1, 2014.

Kucera would like to sell the chain link fence from the old water tower site.

Council would like to discuss this at a work session.

The tennis and basketball court lighting has been bid to replace the fixtures and have them installed.

Municipal Liquor Store – Craig O'Hearn gave an update on happenings at the Muni. O'Hearn has two food vendors for the Straight River Days Street Dance.

The new canopy will be coming within the next couple of weeks. The building will be painted when the canopy brackets are removed.

Dram Shop training with the liquor store staff will be held on June 1, 2014.

Meat raffles start this Friday.

EDA networking event will be on Tuesday, April 29, 2014 at Poly Pak Plastics from 5:30 p.m. – 6:30 p.m.

The next regular City Council meeting will be held on Monday, May 19, 2014 at 7:00 p.m.

Motion by Merritt, seconded by Grayson to adjourn the regular city council meeting at 10:44 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
May 19, 2014
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, Rich Kucera, Craig O'Hearn, Rich Revering, and Joe Duncan.

Others attending were Ashley Stewart, Anna Segner, Paul Beiser, Pat Merritt, Dan Behrens, and Kelly Ahrens.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. Kelly Ahrens addressed the City Council with a request to amend City Code Ordinance 11.23, Dogs, to also include the regulations of cats. Ms. Ahrens informed the City Council that her property has been damaged by neighboring household cats. Ms. Ahrens alleges that the property owners in that area of town allow their domesticated cats to run free and that those cats have entered her property and caused urine damage.

City Administrator, McCallum, stated that the City does not currently have the manpower or facility to handle stray or domesticated cats.

City Council directed Rahrick to investigate a possible ordinance to regulate cats to be presented at the regular June 23 council meeting.

Agenda – Add under council committees and boards D – Request for funds from MARC.

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

Minutes –

Motion by Sexton, seconded by Merritt to approve the April 23, 2014 Board of Appeal minutes and the April 28, 2014 regular meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Merritt asked about the bills for the latex-free gloves. These are for the fire department and public works department.

Councilmember Maas asked about the bill for the agri lime for the ball field. Staff will research the agreement between the City and the Diamond Association to make sure the City has full responsibility of this cost.

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

Check Register –

Motion by Sexton, seconded by Grayson to approve the April 2014 check register numbers E2096-E2116, 12734-12766, and 42126-42238 as presented. Carried.

Municipal Liquor Store – Painting Bid. The City received a bid from Shane Wutschke to paint both the Muni and the old fire hall building. Councilmember Sexton feels hiring a professional for these buildings makes sense since they will have all the supplies, materials, etc. to get the work done properly. The bid amount for one coat of paint is \$2,580.00. If Wutschke would need to add a second coat of paint, the City would have additional charges.

Motion by Grayson, seconded by Sexton to approve the proposal from Shane Wutschke for \$2,580.00 for the one coat of paint and if a second coat is needed, approval from the City Administrator prior will be needed.

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

Draft of Met-Con Developer's Agreement – Dan Behrens, Met-Con.

Met-Con would prefer to design and construct the public improvements, subject to the supervision of the City Engineer.

Met-Con has the staffing and owns all the equipment to accomplish this project.

City Engineer fees will be 10% of the estimated project cost.

Met-Con will escrow \$30,000.00 to the City of Medford for security if the public improvements are not completed to City satisfaction.

Council consensus is to allow Met-Con to design and construct the project under the supervision of the City Engineers.

Discussion on the open space dedication requirement. The city requires 10% dedication of the platted land to green space or a 10% contribution of cash equivalent of the value of the platted land. The Council discussed the use of the floodway in that area and that it is part of the city wide trail plan. Final determination will be in the developer's agreement.

Current trunk fees will be added to the developer's agreement.

Casey's involvement in the developer's agreement is still to be determined.

Central Avenue Work Sessions – Rich Revering, Bolton & Menk. The sessions will be taking place on Wednesday, May 28 and Saturday, May 31. The purpose of the sessions is to review the special assessment calculations, right of entry forms and specific property questions. City representatives are asked to attend both sessions. Councilmember Maas will attend the May 28th session from 4:00 p.m.-6:00 p.m. and Councilmember Grayson will attend the May 28th session from 6:00 p.m.-8:00 p.m. Mayor Nelson and Administrator McCallum will attend the May 31st session; Mayor Nelson from 9:00 a.m.-11:00 a.m. and Administrator McCallum from 11:00 a.m.-1:00 p.m.

Revering and McCallum presented the information from the bid opening with the County for the Central Avenue/County Road 12 project. The Council needs to formally support the lowest bid and proceed with the project.

Motion by Grayson, seconded by Sexton to support the lowest bid from Minnewa and proceed with the project and the estimated costs as presented. Carried.

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

Consent agenda items include:

Resolution 2014-35 Accepting Donation from John & Shirley Hager in the amount of \$150.00 for the Medford Veterans Memorial.

Resolution 2014-36 Accepting Donation from Hager Snow Removal in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-37 Accepting Donation from Paul & Jean Gillis in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-38 Accepting Donation from Extreme Custom Powder Coating/Linda & Greg Peterson in the amount of \$1,250.00 for the Medford Veterans Memorial.

Resolution 2014-39 Accepting Donation from Mills Fleet Farm in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-40 Accepting Donation from Tim Penny in the amount of \$110.00 for the Medford Veterans Memorial.

Resolution 2014-41 Accepting Donation from Dan Bowe in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-42 Accepting Donation from Lewis Wocika in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-43 Accepting Donation from Matthew William in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-44 Accepting Donation from Patrick Jeher in the amount of \$5.00 for the Medford Park Endowment Fund.

Resolution 2014-45 Accepting Donation from Vern & Diane Wheeler in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-46 Accepting Donation from Viracon, Inc. in the amount of \$100.00 for the Medford Veterans Memorial.

Resolution 2014-47 Accepting Donation from Michael Hogate in the amount of \$150.00 for the Medford Veterans Memorial.

Resolution 2014-48 Accepting Donation from Straight River Cable, Inc. in the amount of \$1,000.00 for the Medford Veterans Memorial.

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

Mayor's Report – Mayor Nelson met with Congressman Waltz at a local area Mayor's meeting. They spoke about bridge funding.

Planning & Zoning Board – Chairperson Paul Beiser presented the minutes from the May Planning & Zoning Board meeting. The Zoning Board held a public hearing for Met-Con requesting a rezone of the property, approval of the preliminary and final plat, and the vacation of the utility easements from the prior plat.

Motion by Grayson, seconded by Maas to table this action for the three requests from Met-Con until the June 23, 2014 council meeting. Carried.

EDA Board – MNDOT Business Signage Update – At a previous City Council meeting, there was a discussion to allot \$2,000.00 for additional signage for businesses to assist with traffic direction during the construction months.

MNDOT will have signage during the round-a-bout project directing traffic. McCallum will research the proposed signage for Central Avenue for after the round-a-bout project.

Motion by Grayson, seconded by Maas to not authorize the \$2,000.00 for additional signage during the Central Avenue construction period.

Veteran's Memorial Committee – Kucera presented the minutes from the April and May meetings. The County and Railroad easement agreements are being worked on.

The Committee is working with the Outlet Center to hold a flag raising ceremony on May 25, 2014 at 11:00 a.m. with the honor guard.

The Committee would like to request from MARC for the Veterans Memorial funds be transferred to the City account.

Motion by Grayson, seconded by Maas to approve the request of the funds transfer from MARC to the City's Veterans Memorial Fund in the amount of \$5,550.00. Carried.

Councilmember Maas suggested for the Veterans Committee to look into the Muni meat raffle to help with raising funds for the Memorial.

Councilmember Grayson suggested to keep an eye on the pull tab proceeds in conjunction with the meat raffle.

Steele County approved \$2,500.00 to the City for the Veterans Memorial project.

City Attorney – Mark Rahrlick. Rahrlick presented a memo on the tentative terms of the agreement in North Park. The terms are all subject to the final approval of the City Council.

Rahrlick will possibly have a draft agreement for review at the June meeting.

City Engineer Memo – Joe Duncan. The City Council is not moving forward with a Capital Improvement Plan (CIP) at this time.

2015 Street and Storm Sewer Project – Kucera and Duncan scaled the project back to focus on the SE storm sewer issues.

Preliminary Engineering Report (PER)/Feasibility Report – Duncan proposed to prepare the PER for a not to exceed cost of \$8,800.00. The PER will detail the different options on handling the storm sewer in the SE section of Medford and also look at street condition and infrastructure.

Motion by Sexton, seconded by Nelson to approve Resolution 2014-29 ordering the preparation of a preliminary report for the 2015 street project.

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

Councilmember Grayson asked the Council to give ideas on what other projects the City needs to look into at this time.

No suggestions were made.

Motion by Grayson, seconded by Sexton to approve Resolution 2014-29 ordering the preparation of a preliminary engineering report for the 2015 street project.

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

Motion by Grayson, seconded by Nelson to approve Resolution 2014-31 allowing reimbursement for project expenses from bond proceeds. Carried.

City Administrator McCallum – McCallum will draft a letter to the County informing them of the City’s support for the Central Avenue/County Road project.

Public Works Department – Kucera. Kucera informed the Council that the next Well Head meeting will be held on August 13, 2014 at 3:30 p.m. Part two will be completed.

Boom Truck – Kucera has concerns with fixing only the clutch when there are many other deficiencies with the truck. Kucera does not feel it is worth putting more money into this boom truck.

Park Walk-Through Items –

- New light bulbs were installed at the tennis courts.
- The area for the ice rink should be made oversized with possibly city staff doing the work.
- 5th Street Pond – Carr’s Tree Service will clear out the entire area.

Council discussion on the 5th Street Pond and whether staff should continue clearing the area instead of hiring it out.

Motion by Maas, seconded by Merritt to leave the 5th Street Pond area the way it is. Carried.

Second Park Walk Through Date – Council set the date for June 12, 2014 at 5:30 p.m. meeting at City Hall.

Council directed city staff to remove the day lilies from the round-a-bout and bring them down to City Hall. Anyone that wants the lilies can come to City Hall and take them free of charge.

New Business -

Water/Sewer Ordinance Amendment Items – Council did not have any additions for the amendments. A revised version will be presented at the June meeting.

The August Council Meeting Date – The Mayor and Councilmember Maas will be out of town the week of the regular council meeting. The meeting will be moved to Monday, August 18, 2014 at 7:00 p.m. to accommodate.

The Council Work Day will be scheduled in the fall.

Parade Coordination for Straight River Days – All Council members will wear the green shirts from last year. Line-up is at 5:30 p.m.

The next regular City Council meeting will be held on Monday, June 23, 2014 at 7:00 p.m.

Motion by Grayson, seconded by Maas to adjourn the regular city council meeting at 10:50 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Emergency Council Meeting
June 19, 2014
Medford City Hall
5:45 p.m.

Members present were Nelson, Maas, and Sexton.

Members absent: Merritt.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Rick Hager, and County Commissioner Bruce Kubicek.

Mayor Nelson called the meeting to order at 5:45 p.m.

The purpose of this emergency meeting is for Mayor Nelson to declare a local state of emergency for the City of Medford.

Administrator McCallum presented Resolution 2014-68 Local Declaration of a State of Emergency.

Public Works Director, Rich Kucera, gave an update on the status of the flood conditions. The Wastewater Treatment Facility was switched to manual pumping and needed to be watched twenty-four hours a day; the Straight River Park was closed on Tuesday; the houses on the South end of town were sand bagged; and Riverview Drive houses were sand bagged.

Over a hundred volunteers came to help fill sand bags and deliver the sand bags to the residents. The volunteers filled and extra 4,000 sand bags just in case they are needed at a later time.

Councilmember Maas asked Commissioner Kubicek if the extra sand bags could be stored at the vacant Public Works building in Owatonna to be used for the next flood event. Commissioner Kubicek will check on this with the County Board.

The estimated preliminary damage was figured at approximately \$97,000.00.

Motion by Sexton, seconded by Maas to approve Resolution 2014-68 Declaring a Local State of Emergency for the City of Medford. Carried.

Motion by Maas, seconded by Sexton to adjourn the emergency meeting at 6:08 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
June 23, 2014
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Ashley Stewart, Kelly Ahrens, Pat Merritt, Linda Dusek, Anna Segner, Allan Van Ormer, Jessica Grayson, and Jeff Karow.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations. None.

Agenda – Add under Public Works Department ii. Flood Damage and Straight River Park Update and Status of Emergency Declaration, Add Vacant Council Seat Interviews under New Business D. along with Water Rate Study, Add under Unfinished Business A. Construction Signage for Businesses on the West Side, Add SE Storm Sewer under City Engineer Section.

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

Minutes – Councilmember Sexton asked about the engineering fees for the Met-Con project being stated at 10%. The final amount will be approved with the Developer's Agreement.

Councilmember Sexton asked for the sentence about the Administrator and City Clerk learning the equipment to landscape the ice rink to be removed from the minutes as the comment was taken out of context.

Mayor Nelson asked to have the new Blooming Prairie Times reporter, Anna Segner to be added to the list of people in attendance at the May meeting.

Motion by Merritt, seconded by Sexton to approve the May 19, 2014 regular meeting minutes as amended. Carried.

City and Liquor Store Bills -

Councilmember Merritt asked about the Trugreen bill for spraying and fertilizer. Kucera responded that the cost for Trugreen to spray and fertilize cost \$210.00 more than the City bought the chemical for last year; not figuring in any labor. Merritt asked about the bill for garbage cans. McCallum responded that the bill was for two concrete garbage cans for the park.

Councilmember Sexton asked if there was a need for the Muni to be painted with a second coat and why the bill was higher than approved. Administrator McCallum responded that some softett work needed to be done and Craig O'Hearn approved the extra expenditure just to let them fix it at the same time. Sexton asked about the bill at the pool for a shower.

Councilmember Maas asked about the R&E Enterprises of Mankato bill for ¾" with fines. Kniefel will research this bill.

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

Check Register –

Motion by Merritt, seconded by Sexton to approve the May 2014 check register numbers E2117-E2135, 12767-12796, and 42239-42322 as presented. Carried.

Certificate of Appreciation Presentation to outgoing Councilmember Jessica Grayson. Grayson submitted a letter of resignation from the City Council effective June 1, 2014 due to selling her house in town and moving outside city limits.

Resolution 2014-60 Accepting Council Resignation and Declaring a Vacancy.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-60 Accepting the Council Resignation and Declaring a Vacancy as presented. Carried.

City Attorney, Mark Rahrck, presented a memo on the process the Council can set to fill a vacant City Council seat. State Statute requires the Council to fill the seat. With four members on the City Council, if there is a tie vote for a particular candidate, the Mayor will break the tie and appoint.

Council would like to advertise in the CAST and on the city website. The newspapers will probably write an article on this also.

Application deadline will be end of day, Monday, July 14, 2014.

City Council members will each send two questions to Administrator McCallum to coordinate a list for the interviews of the candidates.

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

Consent agenda items include:

Resolution 2014-50 Accepting Donation of \$25.00 from Margaret Stroschein for the Medford Veterans Memorial.

Resolution 2014-51 Accepting Donation of \$200.00 from Richland Repair, LLC for the Medford Veterans Memorial.

Resolution 2014-52 Accepting Donation of \$150.00 from Faribo Plumbing & Heating, Inc. for the Medford Veterans Memorial.

Resolution 2014-53 Accepting Donation of \$100.00 from BPOE 1395 Elks Lodge for the Medford Veterans Memorial.

Resolution 2014-54 Accepting Donation of \$250.00 from KGP Companies for the Medford Veterans Memorial.

Resolution 2014-55 Accepting Donation of \$250.00 from Custom Building Components, Inc. for the Medford Veterans Memorial.

Resolution 2014-57 Accepting Donation of \$5,000.00 from the Medford Fire Relief Association for the Medford Veterans Memorial.

Resolution 2014-58 Accepting Donation of \$280.00 from Medford Fire Relief Association for the Medford Straight River Days Portable Bathrooms.

Resolution 2014-59 Accepting Donation of \$5,550.00 from Jennie-O Turkey Store, Dave and Lois Nelson, and Our Homes South, Inc. Transferred Through MARC for the Medford Veterans Memorial.

Resolution 2014-62 Accepting Donation of \$5.00 from Lewis Woclka for the Medford Park Endowment Fund.

Resolution 2014-63 Accepting Donation of \$5.00 from Matthew William for the Medford Park Endowment Fund.

Resolution 2014-64 Accepting Donation of \$5.00 from Patrick Jeher for the Medford Park Endowment Fund.

Resolution 2014-65 Accepting Donation of \$100.00 from Dan Bowe 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 expressed what a wonderful job the Fire Department, City Staff, and all of the volunteers did for the flood emergency.

Mayor Nelson has been in contact with MNDOT trying to get cooperation for adequate signage during this construction season.

The bridge funding did go through at the Capital, but the approved \$735,000.00 is only 50% of the requested amount instead of 70%. There are other projects in the County that will need to be delayed due to the loss of 20% of the anticipated funding. The awarding of the bids for the Central Avenue project was delayed until the funding went through.

Veterans Committee – Councilmember Maas presented the minutes from the last meeting. The Committee would like to begin working on the electrical and concrete for the project.

Rahrick stated that before any work can begin, the City needs the encroachment agreement from the Railroad. City Attorney – Mark Rahrick presented a memo on the regulation of cats. The memo described three levels of regulation that the City can take a look at. The regulations range from licensing all animals, having a “leash law” for animals at large, and amending the nuisance ordinance to send letters to the owners of the animals at large.

Administrator McCallum stated that sending a letter would be fine, but nothing will happen from it, if there are no fines involved. Then the next step is how to collect on a fine that the City administers. Rahrick was not sure if the fines could be certified to the property taxes of the owners of the animal.

Kniefel has concerns with the enforcement of the ordinance.

Mayor Nelson would like to research what other small cities do for cats. City staff will find out what Ellendale, Morristown, Blooming Prairie, and New Richland do.

Draft of the Borwege Agreement – Rahrick presented the draft agreement between the City, the Borwege’s and the County. Currently, we are waiting on the comments from the Borwege’s and the County. An improved easement agreement will also be approved with this agreement.

Update on Central Avenue Project – Project is moving forward, still need to obtain 6-8 right of entry forms from residents.

The feasibility report will be presented at the July meeting. Councilmember Merritt asked about the storm sewer with the flooding. J & L Collision had flood damage in their office.

City Administrator Report – CSAH 12/Central Avenue Project Update – The project has been awarded to Minnewa. The start date of the project will be June 30, 2014.

City Clerk – Kniefel is asking for the Council to approve two resolutions for this upcoming election season.

Resolution 2014-67 – Designating a Polling Place for the Primary and General Election.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-67 Designating a Polling Place for the Primary and General Elections. Carried.

Resolution 2014-56 Designating Election Judges for the Primary and General Elections.

Motion by Sexton, seconded by Merritt to approve Resolution 2017-56 Designating Election Judges for the Primary and General Elections. Carried.

Public Works Department – Wastewater Treatment Facility Effluent Lines – Public Works Director, Kucera is recommending to the City Council to approve the Wencil Construction bid for \$6,800.00 for the improvements at the WWTF.

Motion by Merritt, seconded by Maas to approve the Wencil Construction bid for \$6,800.00 for the WWTF effluent line improvements.

Flood Damage Update and Straight River Park Flood Update – Administrator McCallum would like to thank the Fire Department, the Public Works Staff, and the volunteers for all their efforts with the flooding.

Straight River Park – The electrical repairs will be approximately \$1,000.00. The preliminary damage assessment submitted to the County totaled approximately \$100,000.00, but will be lowered due to dock at Frank Woodfill Wildlife Refuge not being damaged. The lime in the ball field needs to be replaced, the wood chips need to be dug out and replaced, and all the sand in the sand box and volleyball courts needs to be replaced.

The County has a form on their website under the fire department emergency management page for all damage reporting.

Kucera is asking the Council for direction with the Straight River Park clean-up. City staff is unable to get the job done in a timely manner. Possible contract out the work on the playground equipment to dig out the woodchips and fabric and replace with all new fabric and woodchips.

Councilmember Maas would like to look into the sentence to serve/community service workers to assist with park clean-up. Councilmember Merritt asked if some of the pool employees would like to have some extra hours and help with the park clean-up. Administrator McCallum will look into these options.

The staff was authorized to purchase and replace the woodchips, but not contract the work out.

Declaration of Emergency Status – The County recommends keeping the declaration of emergency through the weekend.

New Business -

Ordinance 2014-2 Midcontinent Communications Franchise Renewal. The current franchise is up in July.

Councilmember Maas would like to have a representative from Midcontinent attend a Council meeting to address any questions the Council may have.

Administrator McCallum will contact Midcontinent and ask them to attend a Council meeting. No action was taken on the franchise agreement.

Comprehensive Plan Update – CEDA created a survey to gather information from the public for the Strengths, Weaknesses, Opportunities, and Threats (SWOT) sessions. The survey will be published in the CAST for no additional cost to the City. The Medford School will host two meetings at different times to accommodate the public. The Outlet Center and Medford Senior Care also offered to host SWOT sessions. The dates will be confirmed and advertised.

Scheduling Work Session for Water Rate Study – The Water Rate Study will be on Monday, July 28, 2014 from 6:00 p.m. – 7:00 p.m. The information from the water rate study will be distributed to the Council on July 21, 2014.

Council Seat Vacancy – Interviews will be held on July 22, 2014 starting around 6:00 p.m., times may vary depending on the number of applicants. Council to have interview questions to Administrator McCallum by July 14, 2014.

Rahrick will draft a resolution declaring the process the City Council will follow for this and future vacant council seats.

Additional Signage for Construction – Mayor Nelson has been in contact with MNDOT to change the signage to clarify that the West side businesses are still open. Mayor Nelson is asking the City Council to allow for the \$2,000.00 recommended by the EDA to be used in conjunction with the West side stores to create new additional signage to help with traffic direction to the businesses.

City Council does not feel this expense is feasible.

The next regular City Council meeting will be held on Monday, July 28, 2014 at 7:00 p.m.

Motion by Sexton, seconded by Merritt to adjourn the regular city council meeting at 9:40 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
July 22, 2014
Medford City Hall
6:00 p.m.

Members present were Nelson, Maas, Merritt and Sexton.

Members absent: None.

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

Others in attendance were Matt Hudson, Owatonna People's Press.

Interview candidates were Richard Quiring, Shirley Lee, Linda Dusek, Greg Sanborn, and Erin Sammon.

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

The purpose of this special meeting is the for City Council to take action to end the state of emergency from the June flooding and perform interviews of the applicants for the vacant council seat.

Resolution 2014-73 Terminating of the Declared State of Emergency.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-73 Terminating of the Declared State of Emergency. Carried.

Council reviewed the interview questions and began the interviews with Richard Quiring.

Interview #2 – Shirley Lee
Interview #3 – Linda Dusek
Interview #4 – Greg Sanborn
Interview #5 – Erin Sammon

Council had a brief discussion of the interviews. The vote will be taken at the regular City Council meeting on July 28, 2014 and the new councilmember will be sworn in that evening.

Motion by Maas, seconded by Sexton to adjourn the special meeting at 8:32 p.m. Carried.

Minutes approved at _____meeting.

Submitted by _____clerk.

Special Council Meeting
July 28, 2014
Medford City Hall
6:00 p.m.

Members present were Nelson, Maas, Merritt and Sexton.

Members absent: None.

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

Others in attendance were Ashley Stewart, Greg and Karen Sanborn.

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

The purpose of this special meeting is to discuss the water and sewer rate study. Possible action to amend the water and sewer fees will take place during the regular City Council meeting at 7:00 p.m.

2014/2015 Water and Sewer Rates.

Currently, the water flat rates are \$21.50 per account per month. City Administrator McCallum proposed to lower the water flat rates to \$14.00 per account per month.

Currently, the sewer flat rates are \$14.00 per account per month. City Administrator McCallum proposed to lower the sewer flat rates to \$9.50.

The water availability charge and the sewer availability charge (WAC and SAC) currently is \$5.00 per fund per account per month. The proposed WAC and SAC is \$6.00 per fund per account per month. The WAC and SAC charges assist with future capital needs and offset depreciation.

The current water usage charge per 1,000 gallons is \$3.43 and the proposed amount is \$3.65 per 1,000 gallons. The current sewer usage charge per 1,000 gallons is \$6.03 and is proposed to be adjusted to \$5.55. Sewer charges are based on the average monthly water usage from January, February, and March.

The proposed amendments to the rates would be implemented on the July 2014 utility bills.

The resolution for the amendments will be presented at the regular City Council meeting following this special meeting.

Motion by Maas, seconded by Sexton to adjourn the special meeting at 6:35 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
July 28, 2014
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Joe Duncan, Craig O'Hearn, and Mark Rahrick.

Others attending were Greg Sanborn, Shirley Lee, Linda Dusek, Rich Quiring, Pat Merritt, Jeffrey Jackson, Ashley Stewart, County Commissioner Bruce Kubicek, Midcontinent Representatives, Dan Nelson and Jim Ireland, Brain Russel, Nicole Winter, Kelly Ahrens, Lon Thiele, and the Blooming Prairie Times reporter Shannon.

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

Pledge of Allegiance.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-75 Relating to the Procedures for Appointing a Person to Fill the Vacant Council Position Formerly Held by Jessica Grayson. Carried.

Council began the vote to fill the council seat as set forth in Resolution 2014-75. If after five rounds of voting, the Council does not have a majority vote for one applicant, the Mayor will make the appointment. Applicants: Shirley Lee, Rich Quiring, Greg Sanborn, Linda Dusek, and Erin Sammon.

Vote #1

1. Greg Sanborn
2. Rich Quiring
3. Linda Dusek
4. Rich Quiring

Vote #2

1. Linda Dusek
2. Rich Quiring
3. Rich Quiring
4. Linda Dusek

Vote #3

1. Rich Quiring
2. Rich Quiring
3. Linda Dusek
4. Linda Dusek

Vote #4

1. Rich Quiring
2. Linda Dusek
3. Linda Dusek
4. Rich Quiring

Vote #5

1. Rich Quiring
2. Linda Dusek
3. Rich Quiring
4. Linda Dusek

Voting is concluded with no majority vote.

Mayor Nelson appoints Rich Quiring to the open City Council seat.

Motion by Maas, seconded by Sexton to approve Resolution 2104-76 appointing Rich Quiring to the fill the vacant City Council position formerly held by Jessica Grayson. Carried.

City Clerk Kniefel swore Rich Quiring in with the Oath of Office.

Concerns/Requests from the General Public and Organizations. None.

Agenda.

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

Minutes – Mayor Nelson asked County Commissioner Bruce Kubicek about the storage of the extra sand bags that were prepared during the flood. Commissioner Kubicek was going to check with the County about possibly storing the sand bags in the vacant Public Works Building. Commissioner Kubicek spoke with Mike Johnson and the building would not be a practical place to store the sand bags because the building needs to be climate and moisture controlled since the bags deteriorate very quickly.

Councilmember Merritt asked if the City could sell the sand. Kucera stated that the sand will be used for the sand/salt mixture for the streets during the winter sanding process.

Motion by Merritt, seconded by Sexton to approve the June 19, 2014 emergency meeting minutes and the June 23, 2014 regular meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Sexton asked about the Faribo Plumbing and Heating bills and the bill for the fabric at the park for the playground equipment.

Councilmember Maas asked about the bill from Abel Signs for the Muni canopy.

Mayor Nelson addressed the R & E Enterprise bill for the Medford Township and City of Medford gravel road agreement.

Motion by Sexton, seconded by Merritt 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 2014 check register numbers E2136-2154, 12797-12846, and 42323-42427 as presented. Carried.

Midcontinent Communications Franchise Agreement Renewal – Dan Nelson and Jim Ireland - Ordinance 2014-2.

The agreement is for 15 years and includes a 3% franchise fee, the same as the franchise agreement for Jaguar Communications.

Midcontinent is agreeable to a 14 year agreement to match up with Jaguar's agreement so the City can review the franchise agreements together and at the same time.

Dan Nelson addressed the Council on the peddler's fee that was not received from Midcontinent for a license that was approved by the Administrator. The check was mailed, but not received. Mr. Nelson presented a new check to the Council.

Councilmembers Maas and Quiring asked about customer service and lost channels.

Motion by Sexton, seconded by Merritt to approve Ordinance 2014-02 granting a franchise agreement to Midcontinent Communications for 14 years. Carried.

Resolution 2014-61.

Motion by Maas, seconded by Merritt to approve Resolution 2014-61 allowing the publication of Ordinance 2014-02 by title and summary due to the length of the ordinance. Carried.

Straight River Days Street Dance Review – Craig O'Hearn, Liquor Store Manager, presented a cost break down of the expenses and revenues for the dance. Revenues were approximately \$10,468.77.

O'Hearn stated that many people enjoyed the bean bag tournament.

O'Hearn would like to have a pot luck appreciation for the 40 volunteers who helped out to make the street dance so successful. Also, a special thank you to the public works staff for the over and above assistance.

Met-Con Developer's Agreement – Rahrlick gave an overview of the agreement setting forth the expectations on both sides. Casey's is not included in this developer's agreement. They will have an entirely separate agreement.

Council asked about the future development for Block 2. John Jasinski stated that this block would possibly have a smaller multi-family apartment complex with 8 units or less. This would make a nice buffer to the R-1 district.

Casey's will also be required to submit all the plans required by the City at the time of applying for the building permit.

The storm water section of the developer's agreement needs to be amended to show that the individual property owners will take care of their own storm water.

In the future, when Outlot B is developed, a separate developer's agreement will be needed at that time.

Councilmember Quiring asked about the floodplain. Administrator McCallum stated that the developer will be following the City Code for building in the floodplain.

Met-Con will develop the public improvements. Met-Con will have an escrow account or letter of credit in the amount of \$30,000.00 to ensure that the City has funds in the event that changes need to be made to those improvements.

The County Road 12 assessments will be paid up front estimating \$28,116.18.

The trunk fees for both Block 1 and 2 will also be paid with this developer's agreement.

In the future, when Outlot B gets developed, the trunk fees set at that time will need to be paid.

Open Space Dedication – Met-Con will be donating Outlot A to the City and will be owned and maintained by the City.

Motion by Sexton, seconded by Quiring to approve the developer's agreement and allow the Mayor to sign contingent upon the Casey's signed agreement and amending the storm water section of the agreement. Carried.

Motion by Maas, seconded by Merritt to approve the rezone request of Block 1, Lot 1 to C-2 and Block 2 to R-2 contingent upon the signed agreement with Casey's and the amendments to the storm water section of the developer's agreement. The remainder of the property will remain R-1. Carried.

Motion by Merritt, seconded by Sexton to approve the preliminary and final plat contingent upon the signed agreement with Casey's and the amendments to the storm water section of the developer's agreement. Carried.

Motion by Sexton, seconded by Quiring to approve Resolution 2014-49 vacating the public utility easements contingent upon the signed agreement with Casey's and the amendments to the storm water section of the developer's agreement. Carried.

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

Consent agenda items include:

Resolution 2014-66 Accepting Donation of \$100.00 from Reliance Bank for the Medford Veterans Memorial.

Resolution 2014-69 Accepting Donation of \$200.00 from Bosch for the Medford Veterans Memorial.

Resolution 2014-70 Accepting Donation of \$1,000.00 from Dennis Root for the Medford Veterans Memorial.

Resolution 2014-71 Accepting Donations from Garret Jeddelloh (\$5.00), Ron Schouweler (\$5.00), Wagner's Lunch (\$5.00), and Jon Anthrum (\$5.00) for the Medford Park Endowment Fund.

Resolution 2014-72 Accepting Donation of \$100.00 from Owatonna's VFW Men's Auxiliary Post #3723 for the Medford Veterans Memorial.

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

Mayor's Report – Mayor Nelson shared with the Council the good possibility of a landscaping grant through MNDOT for the round-a-bout and surrounding areas. Councilmember Sexton feels that the City should be looking at easily maintainable plants.

EDA Board – The EDA has made a recommendation to approve a loan application request from Brian and Nicole Russell, Urban Finds, for a new bistro/restaurant at the Medford Outlet Center. The request is for \$14,250.00 with a term of 5 years at 2% interest. The restaurant will seat just under 50 with the possibility of an outdoor patio. The Outlet Center completely supports this business and will be helping with advertising.

Motion by Nelson, seconded by Quiring to approve the EDA loan agreement between the City and Brian and Nicole Russell, with Urban Bistro for \$14,250.00 for 5 years at 2% interest. Carried.

The EDA networking event is this Thursday at the Whistle Stop Diner from 5:30 p.m.-6:30 p.m.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-78 approving the grant award of \$5,000.00 from Steele County for the Medford EDA comprehensive plan updates. Carried.

Veterans Committee – Councilmember Maas presented the minutes from the last meeting. The committee is entertaining an idea of a new product made of concrete instead of using granite.

Railroad agreement update for Central Park – The railroad requested an actual surveyed drawing of the location. They have received the survey, just have not gotten back to Rahrick. The City will need to obtain an agreement from both the railroad and the County. There is a piece of land that is not designated to any property owner. Rahrick will work on obtaining this piece of land through quiet title action.

City Engineer Memo – The water main on Central Avenue is almost finished. Bridge demolition should begin on August 4, 2014.

SE Area Storm Sewer Feasibility Report – City Engineer, Joe Duncan, presented two options. Option A would be to run the storm sewer along the railroad tracks and reconstruct 1st Ave SE. Estimated cost is \$351,698.00. Option B would be a total reconstruct of all the streets affected by this area storm sewer. Estimated cost is \$825,676.00.

Councilmember Maas asked the engineer to present approximate costs per foot for both options A and B for the September City Council meeting.

City Administrator Report – FEMA visited Medford to assess the flooding damage. Steele County has met the threshold to qualify for assistance.

City Regional Safety Group – The City of Faribault is no longer a member. Owatonna and Medford will continue working with the League of Minnesota Cities Insurance Trust for our regional safety requirements.

Administrator McCallum presented the liability coverage waiver for LMCIT insurance renewal.

Motion by Sexton, seconded by Merritt to approve the liability coverage waiver form with the City not waiving the monetary limits on municipal tort liability established by Minnesota Statutes 466.04. Carried.

Letter of Resignation from Amber Kniefel – Administrator McCallum would like to publish and advertise for this position immediately.

Mayor Nelson would like to evaluate the job descriptions of both the City Administrator and the City Clerk.

Kniefel offered to continue running the utility billing, payroll, and fund accounting part-time for now. As long as the time works out, Kniefel will train the next City Clerk. Kniefel will continue to work at her current rate of pay.

Council would like to review the personnel handbook, the salaries, the wage scale, and the job descriptions.

Council called a special meeting to discuss the clerk and administrator job descriptions and the posting of the position.

The special meeting will be held on Monday, August 4, 2014 at 4:00 p.m.

Letter of Resignation from Vern Wheeler – Wheeler's last day will be Friday, August 29, 2014.

Approval for Hire for the Full-Time Public Works Worker with Wage Recommendation – Administrator McCallum recommends to the Council to hire Sean Witter at \$13.50 per hour which is Step 1, Range 1 of the wage scale for the full-time public works worker position.

Motion by Merritt, seconded by Maas to approve the Administrator's recommendation as presented. Carried.

City Clerk – Resolution 2014-74 Certifying Unpaid Bills to Steele County.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-74 Certifying Unpaid Bills to Steele County. Carried.

Public Works Department – Rich Kucera – Kucera presented a memo informing the Council that the street chip sealing will be done this week.

The large pavilion roof was damaged and the claim was submitted. The insurance agent said the City should receive insurance money. Kucera presented a recommendation to approve a bid from Southern Minnesota Seamless to replace the large pavilion roof for the amount of \$8,524.58.

Motion by Sexton, seconded by Quiring to approve Kucera’s recommendation as presented with the possibility of having someone donate the labor. Carried.

New Business -

Resolution 2014-77 Establishing Adjusted Water and Sewer Rates – The discussion was held at a special meeting prior to the council meeting.

Motion by Nelson, seconded by Sexton to approve Resolution 2014-77 effective on the July 2014 water bills as presented. Carried.

The final draft of the amended water and sewer ordinance will be presented at the August Council meeting.

Alley Vacations – Rahrlick will check with the Recorder’s Office to see if they have an efficient way to search for vacated alleys and easements. Rahrlick will report back at the August Council meeting.

Scheduling a Work Session for the 2015 Budget and Levy – Council set the work session for August 18, 2014 at 6:00 p.m.

Unfinished Business –

Cat Memo and Ordinance – Kniefel presented a brief recap on what was found from other smaller cities in the area.

Rahrlick presented Ordinance 2014-3 Creating Section 11.25 Regulating Cats in the City Code.

Motion by Merritt, seconded by Quiring to approve Ordinance 2014-3 Creating Section 11.25 Regulation Cats in the Medford City Code. Carried.

The next regular City Council meeting will be held on Monday, August 18, 2014 at 7:00 p.m.

Motion by Maas, seconded by Merritt to adjourn the regular city council meeting at 11:28 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
August 4, 2014
Medford City Hall
4:00 p.m.

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

Members absent: None.

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

Others in attendance were Ashley Stewart.

Mayor Nelson called the meeting to order at 4:00 p.m.

The purpose of this special meeting is to discuss the city administrator and city clerk job descriptions. Also, to discuss the advertisement of the city clerk position.

Council examined both job descriptions and adjusted which duties should go with which position. Rahrick went through the duties that were specifically set up by State Statute for the City Clerk position.

Council discussed advertising the position. Council would like to require a 4 year degree. The City will continue accepting applications until August 27, 2014. Administrator McCallum will advertise in the newspapers, the League of MN Cities website, and the City website.

Mayor Nelson would like to see information presented at the August regular meeting showing the average wage of city clerks in the southeast region.

Motion by Maas, seconded by Sexton to adjourn the special meeting at 6:00 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
August 18, 2014
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Greg and Karen Sanborn, Linda Dusek, Pat Merritt, Ashley Stewart, Craig Helgeson, Bernie LaCanne Jr., and Connor LaCanne.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations – Mayor Nelson informed the audience that there were the Strengths, Weaknesses, Opportunities, and Threats (S.W.O.T) surveys on the back table for everyone to fill out and submit to assist in the updating of the Comprehensive Plan.

Agenda – Add Resolution 2014-81 Donation from Marie Sexton under consent agenda B., add Resolution 2014-82 for Steele Wascea under new business B.

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

Minutes – July 28, 2014 special meeting minutes and July 28, 2014 regular meeting minutes.

Motion by Sexton, seconded by Merritt to approve the July 28, 2014 special meeting minutes and July 28, 2014 regular meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Maas asked about the sewer back-up bill. Kucera explained that the back-up was on the City side and the bill was for the property owners plumbing bill.

Councilmember Merritt asked about the publication bill to the Owatonna People's Press. Administrator McCallum stated that there were many larger publications due to job postings, resolutions, and the TIF report.

Councilmember Sexton asked about the bill labeled for a street light. Public Works Director Kucera stated that there were other items included on the bill along with the street light.

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

Check Register –

Councilmember Sexton asked why the PERA contribution for the July 15, 2014 payroll was so much higher than the July 30, 2014 payroll. Kniefel will research this and send the information out to the Council.

Motion by Merritt, seconded by Quiring to approve the July 2014 check register numbers E2156-E2181, 12847-12903, and 42428-42536 as presented. Carried.

LMCIT Insurance Renewal – Dave Rubey was unable to attend the meeting tonight. Council would like Mr. Rubey to attend the September regular City Council meeting.

Lazy U Mobile Home Park Escrow Agreement – Bernie LaCanne Jr. and Connor LaCanne.

Rahrlick informed the City Council that the Lazy U is interested in exploring the possibility of some combination of water and sewer services being extended from the City to the Lazy U. Research is needed to move forward as a connection of utility services would depend on cost. The LaCanne's are in agreement with the City to start an escrow account of \$10,000.00 to pay for the fees incurred in the research to investigate cost.

Overall, all options of annexation, extending water services, and extending sewer services is on the table.

The long-term plan would be to have the sewer services extended in order for the Lazy U to expand the mobile home park.

Motion by Sexton, seconded by Quiring to proceed with the escrow agreement between the LaCanne's and the City of Medford as outlined in the agreement. Carried.

Relief Association By-Laws – Craig Helgeson and Greg Sanborn.

Sanborn informed the City Council that the Relief Association By-Laws were updated according to State Statute. Any changes that would affect City contributions would need to come before the City Council for approval.

Motion by Merritt, seconded by Sexton to approve the Relief Association By-Laws as presented. Carried.

Abstain: Maas Aye: Nelson, Merritt, Sexton, Quiring

Relief Association Form SC-14.

Form SC-14 is a form signed by the City Clerk and submitted to the State every year that explains contributions for each member of the fire department. Currently, the plan is fully funded and there is no required contribution needed from the City for 2015.

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

Consent agenda items include:

Resolution 2014-80 Accepting Donations from Don Dagen (\$5.00), Pat and Kay Merritt (\$10.00), Dean Lechner (\$5.00), and Mac Bowman (\$5.00) for the Medford Park Endowment Fund.

Resolution 2014-82 Accepting Donation of \$30.00 from Marie Sexton for the Medford Municipal Complex.

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

Mayor's Report – Mayor Nelson shared with the Council a recap of the 4 town meetings for the S.W.O.T studies. Over 40 people total attended the meetings. The survey forms will be accepted until September 15, 2014. Another town meeting will be scheduled to discuss the collected information from the meetings and the surveys.

Mayor is asking city staff to review the work plan and discuss at the September Council meeting the progress of the projects.

Veterans Committee – Councilmember Maas presented the minutes from the last meeting.

Rahrick gave an update on the railroad agreement for Central Park. After speaking with a representative from the railroad, Rahrick does not feel optimistic of the railroad signing an agreement. They spoke about possibly installing a barrier between the Memorial and the railroad. Rahrick stated that maybe the City would need to move the Memorial over by approximately 5 feet to stay out of the Railroad right of way to get the project moving.

City Attorney – Draft Borwege Agreement.

The presented draft does not need action tonight since the groups are still working on an easement exhibit to include with the agreement. Rahrick discussed the main points of the agreement.

In the agreement, the City would be granting Borwege an easement to access his land through the City land.

The County Board will review the agreement after the exhibits are finalized. The final agreement with the exhibits will be ready for the September City Council meeting.

City Engineer Memo – Joe Duncan submitted a memo, but was unable to attend the meeting. Rich Revering informed the City Council that the water main from Main Street to the bridge is done. There were a few instances where minor changes were needed and Bolton and Menk handled those as they came up.

City Administrator Report – Heather McCallum.

Letter of Resignation from Dennis Clark. The job was posted on the League of MN Cities website, the City website, the newspapers, and Job Works. Applications will be accepted until Wednesday, August 27, 2014

City Clerk Positions Wage Range – Administrator McCallum researched through the League of MN Cities salary survey different cities wages for their city clerks. There were no cities shown under the population of 1200.

Mayor Nelson would like to know the wages of the clerks from Blooming Prairie, Kenyon, New Richland, Ellendale, and Morristown.

Motion by Sexton, seconded by Maas to accept Dennis Clark’s resignation. Carried.

Public Works Department – Rich Kucera.

Kucera and the Wellhead Protection Committee recommends to the City Council to approve the Wellhead Protection Plan Part 2 so it can be sent out to the local units of government for their review and comments.

Motion by Sexton, seconded by Maas to accept and move forward with the committee’s presented Wellhead Protection Plan Part 2. Carried.

Crack Filling Approval – Kucera would like approval to move forward with finishing the east side of town with crack routing and seal coating. This would keep the city on track with the street maintenance as set forth in the street maintenance plan.

Motion by Sexton, seconded by Merritt to approve the recommendation from Kucera and finish the east side of town crack routing and seal coating. Carried.

New Business -

Scheduling a Budget Work Session – Recommendation from Administrator McCallum to schedule a meeting at the beginning of September and possibly vote to approve the preliminary budget and levy at the regular September City Council meeting.

Scheduling of City Clerk Interviews – The City Council called a special meeting on Tuesday, September 9, 2014 starting at 5:00 p.m. for the interviews of the City Clerk candidates.

The City Council set a budget work session for Tuesday, September 16, 2014 at 6:00 p.m.

Resolution 2014-81 – City resolution of support for Interstate Power and Light Company/Southern Minnesota Energy Cooperative.

City Council discussed the sale between Alliant Energy and Steele Waseca and the increase of fees charged by Steele Waseca.

Motion by Nelson, seconded by Sexton to approve the Resolution 2014-81 a city resolution of support for Southern Minnesota Energy Cooperative. Carried.

Nay: Maas and Merritt Aye: Nelson, Sexton, Quiring

Unfinished Business –

Approval of the City Clerk and City Administrator Job Descriptions. Council consensus is to accept the job descriptions as presented. The job descriptions are part of the City Code. The Ordinances will need to be presented at the September Council meeting with the Resolution to publish by title and summary.

Ordinance 2014-04 Amending Water Ordinance.

Motion by Sexton, seconded by Quiring to accept Ordinance 2014-04 pertaining to the metering and payment of water and sewer services. Carried.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-79 allowing the publication of Ordinance 2014-04 by title and summary. Carried.

The next regular City Council meeting will be held on Monday, September 22, 2014 at 7:00 p.m.

Motion by Maas, seconded by Merritt to adjourn the regular city council meeting at 9:10 p.m.

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Special Council Meeting
September 9, 2014
Medford City Hall
5:30 p.m.

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

Members absent: Merritt.

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

Others in attendance: None.

Mayor Nelson called the meeting to order at 5:00 p.m.

The purpose of this special meeting is to conduct the interviews for the City Clerk/Treasurer position.

Interview finalists are: Laura Johnson, Jason Buryska, Terry Berg, Teresa Hottman, and David Justice.

The first interview was scheduled for 5:00 p.m. and the final interview was held at 8:00 p.m.

Council discussed the candidate interviews and talked about possibly holding second interviews. A special meeting may need to be called, but was not scheduled as of yet.

Council would like City Administrator McCallum to begin checking references.

Motion by Maas, seconded by Quiring to adjourn the special meeting at 9:00 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Special Council Meeting
September 18, 2014
Medford City Hall
5:30 p.m.

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

Members absent: None.

City staff in attendance were Heather McCallum and Amber Kniefel.

Mayor Nelson called the meeting to order at 5:30 p.m.

The purpose of the meeting is to evaluate the City Administrator's job performance and possible disciplinary action.

Mayor Nelson asked Heather McCallum if she would prefer to have the meeting open or closed.

McCallum requested the meeting be closed.

The basis for closing the meeting is to evaluate McCallum's job performance and discuss possible disciplinary action pursuant to Minn Stat Sec 13D.05 Subd. 3.

Mayor Nelson asked Heather McCallum and Amber Kniefel to exit the meeting the room for the initial discussion. Heather McCallum will be asked to join the meeting when the Council completes their discussion.

Motion by Sexton, seconded by Merritt to close the meeting at 5:35 p.m.

Council asked Heather McCallum to join the discussion at 7:00 p.m.

Motion by Maas, seconded by Sexton to come out of closed session at 8:45 p.m.

The Council was presented with a letter of resignation from Heather McCallum effective immediately.

Motion by Sexton, seconded by Quiring to accept the letter of resignation from Heather McCallum effective immediately. Carried.

Motion by Sexton, seconded by Nelson to authorize Rahrlick to draft a separation agreement between McCallum and the City which will include two weeks of severance pay. Carried.

Motion by Merritt, seconded by Sexton to adjourn the special meeting at 8:49 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
September 22, 2014
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Amber Kniefel, Rich Kucera, Joe Duncan, Mark Rahrlick, and Dave Rubey.

Others attending were Linda Dusek, Pat Merritt, Adam Jirak, Ashley Stewart, Kelley Ahrens, Shannon Kinely, Alan Van Ormer, John Hager, Butch Schultz, and Nolan Sackett.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations – None.

Agenda – Add Pay Rate for Public Works Employee Under vii. Public Works Department, Add Separation Agreement Under New Business B., Add Christ the King Gambling Permit Under New Business F., Add Work Session on Administrative Staffing New Business G, and Add League of MN Cities Fall Agenda Schedule Under Unfinished Business D.

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

Minutes – August 4, 2014 special meeting minutes, August 18, 2014 regular meeting minutes, and the September 9, 2014 special meeting minutes.

Motion by Merritt, seconded by Mass to approve the August 4, 2014 special meeting minutes, August 18, 2014 regular meeting minutes, and the September 9, 2014 special meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Maas asked how the billing worked for the engineering of the Central Avenue project. Joe Duncan will forward the information.

Councilmember Sexton asked about the Fire Department air conditioning unit. Kucera stated that the equipment has been paid for, but the installation will be done internally.

Councilmember Merritt reminded the staff to pursue the rebate associated with new appliances and energy efficiency.

Mayor Nelson asked about the bill from US Bank for the City Hall copy machine. Kniefel explained that this is a lease agreement and the payments go to US Bank.

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

Check Register –

Councilmember Merritt asked about the NSF checks. Kniefel stated that one was from the pool and one from the Muni. The Muni NSF checks get sent to collections. Letters go out to the pool NSF checks.

Councilmember Sexton asked about the \$800.00 check for Shane Yule. Kucera stated the check was for two months of storage.

Motion by Merritt, seconded by Quiring to approve the August 2014 check register numbers E2182-E2206, 12904-12960, and 42537-42614 as presented. Carried.

LMCIT Insurance Renewal – Dave Rubey was in attendance to explain the 2015 insurance renewal and premiums. Worker's Comp premiums are going down and will continue to do so as long as the claims stay the way they are now.

Claims are reviewed on a five year average.

The City insurance premium went up slightly mainly due to an overall increase in the industry.

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

Consent agenda items include:

Resolution 2014-83 Accepting Donations from Steven & Rhonda McMahan (\$50.00), Pat and Kay Merritt (\$50.00), Medford Senior Care Connection (\$500.00), and Ivan & Mary Cowell (\$100.00) for the Medford Veterans Memorial.

Resolution 2014-84 Accepting Donation of \$100.00 from James Hermel for the Medford Fire Department.

Resolution 2014-85 Accepting Donations from Al Kubat (\$5.00), Gary A. Ringhofer (\$5.00), John C Dillemath (\$5.00), and Bryce Butler (\$5.00) for the Medford Park Endowment Fund.

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

Mayor's Report – Mayor Nelson shared with the Council that a meeting was held with Patti Fritz and there was discussion on the focal points for this upcoming session.

Planning and Zoning Board. The Planning and Zoning Board held a Public Hearing for a lot combination and vacation of utility easement for Jason Brandvold. Zoning Board approved the lot combination and is recommending to the City Council to approve the request for vacation of the utility easements and presented.

Resolution 2014-90 Vacation of Utility Easements.

Motion by Sexton, seconded by Nelson to approve Resolution 2014-90 vacating the utility easements as presented along with a notice of vacation to be recorded with the County Recorder's Office.

Abstain: Maas Aye: Nelson, Sexton, Quiring, Merritt Motion Carried.

EDA Board. The EDA Board is in need of another City Council representative on the Board. Rich Quiring was in attendance at this EDA meeting, but will not be appointed to the seat at this time due to elections coming up in November.

Jose Herrera has purchased the old KC Hall building for an American style restaurant.

Sharon Paulson has contacted MNDOT concerning the possibility of adding restaurant names to the blue signs on I-35.

Veterans Committee – Councilmember Maas presented the minutes from the last meeting.

Butch Schultz and John Hager were in attendance to present the recommendation from the committee to move the Veterans Memorial to the new Municipal Complex site. This discussion began after all the trouble the City Attorney is having with the railroad and getting a use agreement with them for the five feet the Memorial would be in the railroad right of way.

The Veterans Committee would like to begin measuring and marking off the site. The committee feels this Memorial would compliment the new Municipal Complex someday.

Councilmember Merritt questioned how long it will be until the City builds a Municipal Complex. Councilmember Sexton does not feel that the building will be that far out.

Motion by Maas, seconded by Sexton to approve the request from the Veterans Committee to move the Veterans Memorial site to the new Municipal Complex site.

Nay: Merritt Aye: Nelson, Quiring, Maas, Sexton. Motion carried.

Councilmember Sexton asked about the Stirling Stoneworks proposal to the Veterans Committee. Stirling Stoneworks has not made the last two Veterans meetings. The Committee will contact one more time and see if they can attend the next meeting.

City Attorney – Borwege Agreement.

The presented agreement has been approved by both the Borwege's and the County. Rahrack went through and explained the terms of the agreement to the City Council.

Motion by Sexton, seconded by Merritt to approve the final Borwege Agreement as presented. Carried.

Casey's Agreement – Casey's requested a separate agreement from the Met-Con Developer's Agreement that was particular to their parcel. Casey's has approved the agreement presented to the City Council this evening. The next step would be for the Council to authorize the Mayor to sign the agreement contingent upon the submission and approval of all required plans described in the agreement.

Councilmember Sexton would like the City Engineer, Joe Duncan, to make certain that the lighting plan is sufficient for the residents.

Motion by Quiring, seconded by Sexton to approve the Casey's agreement as presented contingent upon the approval of the required plans by the City Engineer. Carried.

Municipal Complex Update – The City's final payment has been escrowed in the City Attorney's account. The abstract is being updated. Rahrlick will handle the closing and the final payment to Wencl after taxes and fees are paid.

McDonald's/Outlet Center Update – Three years ago, McDonald's did work in the City right of way on the Outlet Center property to connect to the City water main. The Outlet Center has expressed concern with the way the property was left and not brought back to original condition. Rahrlick mailed a letter to McDonald's giving them 30 days to abate the issue or the City would take care of it and bill them.

City Engineer Memo – Joe Duncan presented the estimate assessment costs if the Council were to move forward with either option 1 or 2 for the SE storm sewer project. Option 1 was to only reconstruct the storm sewer with minimal disturbance to the streets. Reconstruction storm sewer projects are 50% assessable to benefitted property owners. This would result in a charge of approximately .06/square foot or about \$650.00 for a quarter acre lot.

Option 2 included street reconstruction and storm sewer reconstruction. Any new construction, including changing gravel roads to pavement would be 100% assessable to benefitted property owners. This would result in a charge of approximately \$130.00 per linear foot for new construction and \$65.00 per linear foot for any reconstructions.

Council would like to make their final decision at the October Council meeting after taking more time to study the PER and the approximate cost estimates.

Lazy-U Community – Duncan will begin working on cost estimates for service extension.

City Clerk – Kniefel presented Resolution 2014-87 Certifying Unpaid Invoices/Administrative Fines to Steele County.

Motion by Sexton, seconded by Quiring to approve Resolution 2014-87 certifying unpaid invoices and administrative fines to Steele County. Carried.

2014 Pool Year-End Summary – Kniefel presented a year-end report for the 2014 pool season. The 2014 season went well with an increase in pool memberships. Need to work on a few things such as staffing for the 2015 season.

2014 Building Permits Update – Council suggested a meeting with the County to discuss the agreement and the fees.

Public Works Department – Rich Kucera.

Kucera attended the Steele County Soil and Water Conservation District meeting and presented the City's Wellhead Protection Plan Part 2 updates.

The water system radio communication installation is completed and working well.

All documentation from the June flooding has been submitted to FEMA.

Water Tower II Inspection and Evaluation – Bolton & Menk submitted a quote to finish up inspection and evaluation of Water Tower II for \$2,200.00.

Motion by Merritt, seconded by Maas to approve the quote from Bolton & Menk for \$2,200.00 to finalize the inspection and evaluation of Water Tower II. Carried.

Boom Truck Direction – Kucera is referring to the 1991 utility truck and whether the use of the budgeted funds for the purchase of a different truck will be approved.

Council would like to see cost estimates to repair the electrical system in the 1991 Ford. Also, look into the possibility of using the budgeted funds for a different skid loader this year instead of budgeting for a new skid loader next year.

Water Tower Space Rental Draft Agreement – Jaguar Communications has inquired about the opportunity to install wireless communication antennas on the water tower. Council would like to review the agreement and investigate with other cities. Possibly invite Jaguar to a Council meeting.
New Public Works Worker Recommendation – Kucera is recommending to hire Adam Jirak with a starting wage of \$13.50. Jirak has a Class D license in both water and wastewater and a CDL permit.

Motion by Merritt, seconded by Maas to approve the hiring of Adam Jirak as the new Public Works Worker at \$13.50 per hour. Carried.

Pay Rate for Public Works Workers – Kucera is recommending to move the current Public Works Worker to \$16.00 per hour. He would also like to see the newly hired Adam Jirak receive \$16.00 per hour after the first 30 days of satisfactory performance.

Motion by Sexton, seconded by Quiring to approve the recommendation to move the current public works worker to \$16.00 per hour and to move Jirak to \$16.00 per hour after the first 30 days of satisfactory performance. Carried.

New Business -

Resignation of the City Administrator Effective September 18, 2014.

Motion by Sexton, seconded by Merritt to accept the resignation of Heather McCallum effective September 18, 2014. Carried.

Separation Agreement – The agreement provides for a two week severance pay in exchange for a release of claims against the City.

McCallum has 21 days to sign this agreement. Once signed, McCallum has another 15 to rescind the agreement. The severance check can be paid out after the 15 days if McCallum does not rescind the agreement.

Motion by Merritt, seconded by Maas to authorize the Mayor to execute the agreement contingent upon McCallum executing the agreement. Carried.

Resolution 2014-86 Adopting Preliminary Tax Levy – The preliminary tax levy was presented as:

General Fund	\$500,000.00
Fire Relief	\$15,000.00
2004B Refunding	\$10,000.00
2007A Refunding	\$15,000.00
2014 GO Bond	\$45,000.00
EDA	<u>\$14,605.00</u>
Total Levy	\$599,605.00

Motion by Sexton, seconded by Merritt to approve Resolution 2014-86 adopting the preliminary tax levy as presented. Carried.

Scheduling the Truth in Taxation Hearing – The public is invited to the hearing to comment and ask questions pertaining to the proposed 2015 budget and levy.

Motion by Sexton, seconded by Merritt to schedule the Truth in Taxation Hearing on Monday, December 22, 2014 at 6:00 p.m. Carried.

Wine and 3.2 Beer License for Urban Finds Bistro. Kniefel sent the forms to Rahrlick and he will be reviewing them to verify that they comply with the City Code for liquor licenses. A special meeting will need to be called to help expedite the Russell's liquor license request.

Christ the King Bingo Request.

Motion by Merritt, seconded by Maas to approve the request from Christ the King Church for a gambling permit waiving any fees. Carried.

Work Session on Administrative Staffing.

The agenda would be for the Council to discuss and review the city staff positions. City Council set a meeting for Tuesday, October 14, 2014 at 5:00 p.m.

Unfinished Business –

Work Plan Status Updates. The work plan was presented with the status of each of the projects.

Vacation of Alleyways and Research Update.

Council discussed at great length the need and the purpose for alleyways. A majority of the alleyways more than likely have city services located in them. Council consensus was that vacating all the alleyways was not a good idea if services are there. Council will take no further action at this time and will address alleyway petitions as they come forth.

City Clerk Replacement Update. Communication to the applicants and interviewees needs to go out. The Council will discuss this at the work session on October 14, 2014.

League of MN Cities Fall Agenda Schedule. Council members who wish to attend this meeting will need to confirm with Kniefel to set up registration.

City Administrator and City Clerk Job Descriptions.

Motion by Nelson, seconded by Sexton to table the approval of the City Administrator and City Clerk job descriptions. Carried.

Next Meeting Dates.

Thursday, September 25, 2014 Business Networking Session at Evapco at 5:30 p.m.

Tuesday, September 30, 2014 United Way Kick-Off Event – John Anhorn will be recognized.

The next regular City Council meeting will be held on Monday, October 27, 2014 at 7:00 p.m.

Motion by Merritt, seconded by Quiring to adjourn the regular city council meeting at 10:41 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
October 6, 2014
Medford City Hall
5:30 p.m.

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

Members absent: None.

City staff in attendance were Amber Kniefel and Rich Kucera.

Others in attendance were Ashley Stewart and David Drown.

Mayor Nelson called the meeting to order at 5:30 p.m.

The purpose of this special meeting is to consider action to approve a liquor license application from Brian Russell, Urban Finds Bistro, take action to continue the City Clerk designation and wages, and to introduce David Drown/Drown Associates, and take action to move forward with bond funding for the County Road 12/Central Avenue Project.

Brian Russell, Urban Finds Bistro, Liquor License Application. The request is for a 3.2 liquor on-sale license and a wine license. Approval of a 3.2 on-sale liquor license with a wine license authorizes liquor sales on Sunday.

Councilmember Merritt wanted to make sure that Sharon Paulson can sign under the “owner” of the Outlet Center section. The City Attorney has reassured Mayor Nelson that Sharon Paulson is authorized to sign as the manager of the Outlet Center.

Council would like to see written authorization from the owners of the Outlet Center authorizing Sharon Paulson to sign on their behalf allowing the sale of liquor on their premises.

Motion by Quiring, seconded by Sexton to approve the liquor license as presented contingent upon written authorization from the owners of the Outlet Center authorizing Sharon Paulson to sign on their behalf allowing the sale of liquor on their premises. Carried.

Action to Continue City Clerk Designation and Wages – Mayor Nelson recommended to the City Council to approve a full reinstatement and appointment of Amber Kniefel as the City Clerk of Medford at the 2014 current wage.

Motion by Sexton, seconded by Merritt to approve the full reinstatement and appointment of Amber Kniefel as the City Clerk of Medford at the current 2014 wage. Carried.

Introduction of Dave Drown/Drown Associates. David Drown Associates is an independent public financing consultant with 16 years of specializing in municipalities.

Mr. Drown spoke with the Council about the County Road 12/Central Avenue Project. Resolution 2014-89 is an agreement to guarantee the payment of the principal and interest on the \$550,000.00 GO Utility Improvement Bonds.

The State has a \$500.00 fee paid to them to guarantee payment on behalf of the City.

Motion by Sexton, seconded by Quiring to approve Resolution 2014-89 covenanting and obligating the City to be bound by and to use the provisions of Minnesota Statutes Section 446A.086 to guarantee the payment of the principal and interest on its \$550,000.00 GO Utility Improvement Bonds, series 2014A as submitted. Carried.

Motion by Merritt, seconded by Maas to adjourn the special meeting at 6:23 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Special Council Meeting
October 27, 2014
Medford City Hall
6:00 p.m.

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

Members absent: None.

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

Others in attendance were Ashley Stewart, Shannon Kinley, CEDA CEO Ron Zeigler, Andy Welti, Mayor of Lewiston, Dave Sommer, Councilmember of Lewiston, Larry Rupprecht.

Mayor Nelson called the meeting to order at 6:04 p.m.

The purpose of this special meeting is to discuss with CEDA, CEO Ron Zeigler and interim candidate Andy Welti on the Interim City Administrator Position. In addition, possible Council action to approve a contract from CEDA for professional administrative services for the City of Medford.

Mayor Nelson gave an overview and introduction of CEDA, Ron Zeigler and Andy Welti.

Ron Zeigler presented the contract and went through the different points with the Council. The contract could commence on Tuesday, October 28, 2014 if the Council desires.

Andy Welti shared with the Council his background, experiences, and education. Andy Welti will be graduating with a Master's in Public and Private Administration in December. He has interned with different cities and has also served at the State level.

Councilmember Sexton asked about only working 32 hours per week and if this would be a flexible schedule with night meetings. Welti answered that he will do what is needed for the City.

Discussion was had about meetings outside the office and paying mileage. Basically, if the meeting benefits the City, the City will pay the mileage and any fees associated with the training.

The majority of the meetings will be scheduled far enough in advance that approval from the Council can be given to attend outside meetings or trainings.

The City of Lewiston Mayor, Dave Sommer and Councilmember Larry Rupprecht gave input on their experiences working with CEDA for administrator functions. They spoke highly of their experiences with CEDA.

Motion by Sexton, seconded by Nelson to approve the contract for professional services from CEDA for Andy Welti as proposed. Carried.

Motion by Sexton, seconded by Merritt to adjourn the special meeting at 7:02 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
October 27, 2014
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Amber Kniefel, Rich Kucera, Joe Duncan, Mark Rahrlick, Rich Revering and David Drown.

Others attending were Linda Dusek, Pat Merritt, Ashley Stewart, Shannon Kinely, and Andy Welti.

Mayor Nelson called the meeting to order at 7:07 p.m.

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations – None.

Agenda – Add Public Works Worker Under D. 4, Add Plaza Morena Parking Lot Lease Under New Business B, and Add Canvassing of Election Under Next Meeting Dates.

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

Minutes – September 18, 2014 special meeting minutes, September 22, 2014 regular meeting minutes, and the October 6, 2014 special meeting minutes.

Motion by Sexton, seconded by Merritt to approve the September 18, 2014 special meeting minutes, September 22, 2014 regular meeting minutes, and the October 6, 2014 special meeting minutes as presented. Carried.

City and Liquor Store Bills -

Councilmember Sexton asked if the water system radio project bill for \$13,505.00 was paid for by a grant. Kucera answered that the radio system for the fire department was the grant project, not this one.

Councilmember Nelson asked about the CAST bill for \$3,000.00. Kniefel answered that the amount is available in the budget.

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

Check Register –

Motion by Maas, seconded by Quiring to approve the September 2014 check register numbers E2207-E2229, 12961-12997, and 42615-42701 as presented. Carried.

David Drown – CSAH 12/Central Avenue Project Bond Recommendation.

Drown presented that since the project includes other improvements other than utility improvements, the City does not qualify for the PFA bond. Drown's recommendation will be to apply for the Minnesota Rural Water Association (MRWA) MIDI Improvement Loan. The process is relatively quick and the Council should be able to approve the loan package at the November Council meeting and close on the loan in December.

The approximate loan request will be \$545,000.00. Assessments will pay for approximately 50% of the loan payment. The assessment interest rate recommendation is 4.5% for 15 years.

The City could choose to pay the loan off early, but there is a 1% penalty to do so in the early years.

Motion by Quiring, seconded by Sexton to approve the recommendation from David Drown and proceed with the MRWA MIDI loan request in the amount of \$545,000.00. Carried.

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

Consent agenda items include:

Resolution 2014-88 Accepting Donations from Wenger Corporation (\$100.00), Amvets (\$400.00), Jostens (\$300.00), and John & Sandy Kucera (\$250.00) for the Medford Veterans Memorial.

Resolution 2014-89 Accepting Donation of \$11,500.00 from the Medford Fire Relief Association for the Medford Pool and the Medford Municipal Liquor Store.

Resolution 2014-90 Accepting Donations from Matthew William (\$5.00), Dan Bowe (\$5.00), Lewis Woclka (\$5.00), and Patrick Leher (\$5.00) for the Medford Park Endowment Fund.

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

Mayor's Report – Mayor Nelson shared with the Council the status on the Central Avenue Project. The road is anticipated to be open by November 21, 2014.

Mayor Nelson spoke towards the signs along County Road 45 and that they are not allowed in the County ROW. For more information on placement of signs, please visit the Secretary of State website.

Mayor Nelson and Kniefel had a meeting with the owners of the property located at 513 W Central Avenue. This property was annexed many years ago. The property is being serviced by a private septic and well. Met Con was working on installing the sewer main to the North of their property and discovered that the septic's drain field was located on Met Con's property. During the work, the drain field was damaged and the property owner decided to connect with city sewer services. Kucera was present at the job site and requested Krenz to put it in writing that they would also be connecting to city water services and capping the well by December 31, 2014. The hook-up fees will be paid at that time also.

Veterans Committee – Councilmember Maas presented the minutes from the last meeting.

Council has been approached as to why the Veterans Memorial was placed more towards the center of the block instead of the corner. The flags poles have not been permanently placed so there are options to adjust the placement.

Mayor Nelson would like to give thanks and appreciation to the Knights of Columbus for the tree removal at North Park and the Medford Fire Relief Association for their donations to the Medford Pool and the Medford Municipal Liquor Store.

Motion by Maas, seconded by Sexton to acknowledge thanks and appreciation to the Knights of Columbus for the removal of the trees at North park and to the Medford Relief Association for their donation to the Medford Pool and Municipal Liquor Store. Carried.

City Attorney – Wencil Land Purchase.

The closing on the property did occur, however, \$3,000.00 was held out in order to proceed with cleaning up the title on the property. There are parcels located within the block that still show Medford Development Corporation as being the owner of those parcels. Rahrlick will get the land transferred into the City of Medford using the quit claim deed process.

McCallum's unemployment hearing is coming up in November.

City Engineer Memo – Joe Duncan presented information concerning different projects.

The West elevated water storage tank report may possibly be ready for review at the November City Council meeting.

The lighting on Central Avenue needs to be addressed. The light poles that were strictly used for lighting and not electrical service have not been installed. Council would like city staff or the engineers to coordinate with Alliant to get the light poles put back in.

Public Works Department – Rich Kucera.

Steele County/City of Medford Routine Maintenance Agreement – Kucera has been working with Anita Benson on updating the agreement. The original agreement from 1992 is currently the one being executed. The updated maintenance agreement will reimburse the City for 2.58 miles.

Rahrlick discussed areas where there could be amendments to the details of the agreement. Rahrlick suggested to amend the amount of time to request a change for the agreement or terminate the agreement to 90 days instead of one year.

Rahrick would also like to see a description of what routine road maintenance is.

The County would like this agreement to be the standard for all the cities in Steele County to use for reimbursement. Kucera will inform Anita Benson of the amendments suggested by the City Attorney.

Motion by Sexton, seconded by Merritt to approve the agreement subject to amending the year notice for changes or termination of the agreement to 90 days. Carried.

510 Riverview Drive – Kucera and Revering presented that the bushes located at this address were thought to be removed or damaged during the Central Avenue Project. The homeowner would have liked to see a fence in place of the bushes. After the trail was installed and the road work was completed, it was found that the bushes were not damaged and would not need to be removed. Council would like City Administrator, Andy Welti, to draft a letter explaining the situation and that the city will not be taking any action involving the bushes that were not altered by the project.

Public Works Worker – Kucera would like approval from City Council to move forward with the hiring of another public works worker. There are a couple candidates in mind that Kucera will be looking at further and would like to start one of them at \$13.50 per hour with the increase to \$16.00 after the first month of satisfactory performance.

Motion by Merritt, seconded by Quiring to authorize Kucera to move forward with hiring a full-time public works worker at \$13.50 per hour with the increase to \$16.00 per hour after the first month of satisfactory performance. Carried.

Draft Steele County 2015-2025 Transportation Capital Improvement Plan – County will be discussing this plan at their November County Board meeting.

Steele County will be asking for a ½ cent sales tax for this transportation capital improvement plan.

Councilmembers Maas and Merritt have concerns for the timing of all the projects. Would like to be a part of conversations early concerning County roads within City limits.

Council directed Andy Welti to draft a letter to the County expressing the City's feelings on the capital improvement plan.

Boom Truck – Kucera presented the cost estimates to repair the 1991 boom truck. Councilmember Merritt suggests to rent a truck when needed since the truck is only used for 80 hours per year.

Councilmember Maas suggested other ways to hang flags, possibly by using a ladder in the back of one of the trucks.

Direction from the City Council is to bring the truck back without making the repairs and work with the City Administrator on a plan.

New Business -

Administrative Tasks Awaiting Investigation and/or Completion – This list was given to the new interim city administrator. Mayor Nelson would also like to add to the list a possible ordinance addressing septic tanks within city limits.

Plaza Morena Parking Lot Lease – Jose Herrera is the new owner of the property and would like to continue on with the parking lot agreement with the City.

Motion by Merritt, seconded by Maas to approve the updates to the parking lot lease with Jose Herrera, Plaze Morena, LLC as presented. Carried.

Unfinished Business –

Rich Revering presented an updated assessment role for the properties along West Central Avenue. The assessment numbers are based on project cost to date and the City Code.

Council set the assessment hearing for Tuesday, December 2, 2014 at 6:30 p.m.

Motion by Sexton, seconded by Nelson to approve Resolution 2014-91 declaring cost to be assessed and ordering preparation of the proposed assessments. Carried.

Motion by Merritt, seconded by Sexton to approve Resolution 2014-92 calling for a hearing on the proposed assessments for Tuesday, December 2, 2014 at 6:30 p.m. Carried.

Councilmember Maas asked Revering about the engineering bills for the Central Avenue project. Revering and Duncan stated that since the direction in the beginning on what the project was going to be, a strict percentage based billing system would not have worked. Kniefel will forward an e-mail to the Council from Revering explaining how the billing worked for this project.

Setting a Date to Canvass the Election Results – Council set the meeting for Wednesday, November 12, 2014 at 6:00 p.m.

Reminder the EDA event at the Medford Muni is on November 20, 2014 from 5:30 p.m. – 6:30 p.m.

Next Meeting Dates.

The next regular City Council meeting will be held on Monday, November 24, 2014 at 7:00 p.m.

Special City Council meeting on November 12, 2014 at 6:00 p.m. to canvass the election results.

Truth in Taxation Hearing will be held on Monday, December 22, 2014 at 6:00 p.m.

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

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
November 12, 2014
Medford City Hall
5:30 p.m.

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

Members absent: None.

City staff and consultants in attendance were Amber Kniefel.

Others attending were Linda Dusek.

Mayor Nelson called the meeting to order at 5:32 p.m.

The purpose of the meeting is to discuss and possibly approve Resolution 2014-95 allowing for street lighting of Central Avenue and Riverview Drive and Resolution 2014-96 canvassing the returns and declare the results of the November 4, 2014 general election for the positions of Council Member (two seats – four year terms) and Council Member (one seat – two year term).

Resolution 2014-95 – Alliant Energy is requesting a resolution approved by the City Council to install a street light at the intersection of Central Avenue and Riverview Drive.

Motion by Sexton, seconded by Merritt to approve Resolution 2014-95 approving the street lighting of Central Avenue and Riverview Drive. Carried.

City Clerk, Amber Kniefel, presented the resolution certifying the 2014 election results. The General Election had 438 persons voting, including 20 absentee votes.

Council Members – Four Year Term votes cast: Keith Maas – 321 votes
Chad Merritt – 281 votes
Write-in – 9

Council Member – Two Year Term votes cast: Richard Quiring – 164 votes
Linda Dusek – 258 votes
Write-in – 1 vote

Motion by Maas, seconded by Merritt to approve Resolution 2014-96 canvassing the election results from the November 4, 2014 general election and declaring Keith Maas, Chad Merritt, and Linda Dusek as council members-elect. Carried.

Motion by Merritt, seconded by Maas to adjourn at 5:36 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
November 24, 2014
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Andy Welti, Amber Kniefel, Rich Kucera, Joe Duncan, Mark Rahrlick, Rich Revering and Mike Bubany.

Others attending were Linda Dusek, Pat Merritt, Ashley Stewart, Dana Kircher, Allen Krenz, Glen Meger, Butch Schultz, and Lon Thiele.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations – None.

Agenda – Move the update for the Central Avenue Project up after approval of check register.

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

Minutes – October 27, 2014 special meeting minutes, October 27, 2014 regular meeting minutes, and the November 21, 2014 special meeting minutes.

Motion by Merritt, seconded by Maas to approve the October 27, 2014 special meeting minutes, October 27, 2014 regular meeting minutes, and the November 21, 2014 special meeting minutes as presented. Carried.

City and Liquor Store Bills -

Mayor Nelson asked about the bill from Caron Fence. Kucera explained this bill is for Straight River Park and will be added to the FEMA reimbursement list for flood repairs.

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

Check Register –

Motion by Maas, seconded by Quiring to approve the October 2014 check register numbers E2230-E2246, 12998-13029, and 42702-42767 as presented. Carried.

Rich Revering – Revering summarized the assessment role and explained four options for the Council to consider when determining the approval of the assessment role.

Option 1 – the Council can adopt the assessment role as-is.

Option 2 – the Council can set a cap to all the assessments.

Option 3 – the Council can direct the engineer to re-work some or all of the computations used to figure the assessment numbers.

Option 4 – the Council can adjust individual assessments prior to the adoption of the assessment role.

Revering explained the advantages and disadvantages of each option.

Revering is recommending to the Council to apply option 1 in relation to the assessment role. Every property owner still has the option to appeal their individual assessment amounts.

Council discussed at great length the computation used for odd shaped/sized lots.

The Assessment Hearing is scheduled for Tuesday, December 2, 2014 at 6:30 p.m. Council did not move forward on any changes at tonight's meeting.

David Drown Associates – Mike Bubany – CSAH 12/Central Avenue Project Bond Recommendation. Bubany presented Resolution 2014-101 Authorizing the Issuance, Sale and Delivery of \$545,000.00 General Obligation Improvement Bonds Series 2014A. Bubany went through the terms of the bond with the Council.

Motion by Nelson, seconded by Sexton to approve Resolution 2014-101 Authorizing the Issuance, Sale and Delivery of \$545,000.00 General Obligation Improvement Bonds Series 2014A as presented. Carried.

Allen Krenz and Dana Kircher – 513 W Central Ave – The property was connected to City sewer services on October 24, 2014, but not to City water services. The issue remaining that needs Council consideration is the water connection. Krenz is the owner of the property. The Kircher's are purchasing the property.

Rahrlick explained that the property is grandfathered in when it come to the use of the private well.

In order for the City to bill for the sewer that is already connected, a meter will need to be installed on the well to measure the water used. At the time the well needs to be rebuilt/replaced, the property owner will need to cap the well and connect to City water.

Motion by Merritt, seconded by Maas to allow the well to continue to be grandfathered in and to be utilized within city limits and to install a meter on the well to measure the water until said time that the well needs to be rebuilt/replaced. Carried.

Motion by Maas, seconded by Sexton that the homeowner is responsible for the cost of the meter and installation. Carried.

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

Consent agenda items include:

Resolution 2014-93 Accepting Donation from AgStar Financial Services for \$3,000.00 for the Medford Fire Department Extrication Equipment.

Resolution 2014-94 Accepting Donation of \$2,500.00 from the Steele County Parks and Recreation Department for the flags and flag poles for the Medford Veterans Memorial.

Resolution 2014-97 Accepting Donations from John Anthrum (\$5.00), Ron Schouweler (\$5.00), Garret Jeddelloh (\$5.00), and Wagner's Lunch (\$5.00) for the Medford Park Endowment Fund.

Resolution 2014-98 Accepting Donation from the Medford Fire Relief Association for \$300.00 for the Medford Veterans Memorial.

Resolution 2014-100 Accepting Donation of \$10.00 from Dale and Sharon Shaske for the Medford Fire Department.

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

Mayor's Report – Mayor Nelson explained to the Council that the contract with CEDA for Andy Welti's administration services specifically states that Welti will not be handling any personnel issues. Mayor Nelson is asking for Council consent to allow herself and Councilmember Quiring to perform the employee evaluations for Kniefel, Kucera, and O'Hearn for 2014. Mayor is asking for Council input in regards to the employee performances.

Mayor Nelson would like herself and Councilmember Sexton to be on a budget work group with Interim Administrator Welti to discuss the 2015 budget and levy. Mayor Nelson would like to hold a budget work session before the Truth in Taxation Hearing on December 22, 2014.

The elevation difference between the Central Avenue bridge and the round a bout will be rectified in the spring with the final bituminous installation.

The Roadway Grill restaurant owned by Jose Herrera will hopefully be open by the end of January.

Planning & Zoning Board – Interim Administrator Welti presented the minutes from the November meeting. Olson's and Cowell's terms are up in 2015 and both expressed interest in remaining on the board. The Board will be reviewing the lighting ordinance at their December meeting.

EDA Meeting – The EDA Board would like to change the meeting date for the regular EDA meetings to the 2nd Wednesday of odd months at 5:00 p.m.

Veterans Committee – Butch Schultz reported to the Council that the Medford Student Council would like to meet with the group on possible fundraising ideas. They will be at the December 10, 2014 meeting.

City Attorney – Rahrlick reported that the City was successful in the unemployment compensation case for the former City Administrator.

City Engineer Memo – Joe Duncan – Resolution to move forward with the 2015 Street and Utility Improvement/SE Area Storm Sewer, 3rd Ave SE to 2nd Ave NE.

The feasibility study was presented to the City Council in July 2014. Council requested additional information involving cost and assessment amounts in September 2014.

Councilmember Maas, Merritt, and Quiring are not ready at this time to move forward with this project.

Councilmember Sexton stated that the problem will keep occurring and the City could possibly be forced to do this later.

Mayor Nelson tabled the discussion on this project and will possibly look at it again once the Comprehensive Plan is finalized.

Interim City Administrator – Andy Welti – presented a memo sharing the various items that have been worked on since becoming the Interim City Administrator. Interim Administrator Welti met with the council members, City Attorney, Rahrlick, City Engineer Duncan, Senator Jensen, and school Superintendent Dahman. Interim Administrator Welti attended the housing dialogue in Austin, an audit workshop in Mankato hosted by Abdo, Eick, & Meyers, the safety meeting at the Owatonna City Hall with the joint safety committee members, the Planning & Zoning Board and the EDA meeting. Interim Administrator Welti has also been addressing various ordinance additions and amendments.

Public Works Department – Rich Kucera presented a draft water conservation ordinance. Kucera is asking for Council input and would like to present a final version for approval at the December City Council meeting.

Kucera received no comments concerning the Wellhead Part 2 updates. The updates will now be submitted to the State for final review.

New Business -

Administrative Tasks Awaiting Investigation and/or Completion –

Lighting Ordinance Draft. Interim Administrator Welti will be presenting this draft to the Planning and Zoning Board and would like City Council input as well. The draft will be presented at the December City Council meeting.

Strong Beer Ordinance 2014-5. The ordinance would authorize the sale of strong beer with the approval of a wine and 3.2 beer license through the City. Council would review each application and decide the approval of the strong beer authorization on a case by case basis.

Motion by Sexton, seconded by Maas to approve Ordinance 2014-5 allowing the authorization of strong beer in conjunction with a wine and 3.2 beer license with the fee of \$175.00 per year. Carried.

Motion by Sexton, seconded by Maas to allow Brian Russell, owner of Urban Bistro, the strong beer authorization contingent upon publication of the ordinance. Carried.

GASB 67 Actuarial Costs of Fire Relief Association's – By the middle of 2015 the City needs to hire a firm to have an actuarial done on the Medford Fire Relief Association's contribution plan. The cost for an actuarial is approximately \$3,000.00-\$4,000.00. The additional fee from the auditor for the GASB 67 paperwork will be an additional \$1,000.00-\$2,000.00. These costs will need to be built into the annual budget. Interim Administrator Welti will meet with the city auditor and the Relief Association Board to work on the best way to move forward in order to comply with this new requirement.

Unfinished Business –

1991 Ford Service Truck Memo – Interim Administrator Welti and Public Works Director Kucera presented three options for the service truck issue.

Option 1 – Purchase a used truck with an aerial lift for a not to exceed price of \$29,463.00 and sell the 1991 Ford.

Option 2 – Install an aerial man lift on the 2010 F350 for approximately \$20,000.00.

Option 3 – Purchase a used truck with an aerial man lift for no more than \$29,463.00 and sell the 1991 Ford and the Dodge.

Staff recommendation would be to go with option 1.

Motion by Sexton, seconded by Nelson to purchase a used truck with an aerial lift for no more than \$29,463.00 and sell the 1991 Ford truck.

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

Other options were discussed on what to do with the \$29,463.00 that is in the budget. Welti and Kucera will explore other options and present at the December City Council meeting.

Council consensus is to not put any more money into the 1991 Ford service truck.

Motion by Sexton, seconded by Quiring authorizing Kucera to sell the 1991 Ford service truck. Carried.

Met Con/Casey's Update – Casey's will be holding off construction until spring. They need to wait until Met Con finishes the site preparation work.

Central Avenue Project Update – The road will be opened before Thanksgiving. The mailboxes will be installed this week.

Next Meeting Dates.

The assessment hearing for Central Avenue is on Tuesday, December 2, 2014 at 6:30 p.m.

Truth in Taxation Hearing will be held on Monday, December 22, 2014 at 6:00 p.m.

The next regular City Council meeting will be held on Monday, December 22, 2014 at 7:00 p.m.

The organizational meeting will be held on Monday, January 5, 2014 at 6:30 p.m.

Comprehensive Plan Open House will be held on Wednesday, January 14, 2015 at 6:30 p.m.

Comprehensive Plan Public Hearing will be held on Monday, January 26, 2015 at 7:00 p. m.

Motion by Maas, seconded by Merritt to adjourn the regular city council meeting at 10:30 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Assessment Hearing on Central Avenue/CSAH 12
December 2, 2014
Medford City Hall
6:30 p.m.

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

Members absent: None.

City staff and consultants in attendance were Andy Welti, Amber Kniefel, Rich Kucera, Mark Rahrlick, Rich Revering, Joe Duncan, Josh Hrabe.

Others attending were Linda Dusek, Ashley Stewart, Shannon Kinley, Charles Danks, Dave Kalk, Sharon Langerfeld, Lisa Full, Phil Heim, Marilyn Beckstrom, John Beckstrom, Howard Schoenfeld, Yvonne Baker, Mike Corbin, Kevin and Wanda Kewatt, LaVonne Leibeg, Paul Beiser, and Lon Thiele.

Mayor Nelson called the meeting to order at 6:34 p.m.

Mayor Nelson welcomed everyone to the public hearing and explained the procedure for the assessment hearing. Public comment is welcomed during the public hearing portion of the assessment hearing and everyone will be given approximately 3 minutes each to address the Council on their proposed assessments. Other questions relating to the project can be addressed after the meeting with the engineers or city staff.

Rich Revering, Project Engineer, spoke toward the challenges of doing a construction project like this, the policy philosophy in determining assessments, and the benefits that come from this project.

Mayor Nelson opened the public hearing up at 6:49 p.m.

The order of the speakers will be the order in which the property owners signed in at the beginning of the hearing.

Dave Kalk presented a letter of appeal opposing the assessment amounts for his property. Mr. Kalk felt that since he was not receiving new curb and gutter, nothing is done to his boulevard and the new storm sewer do not benefit his property, that the assessments should be lowered. Kalk also does not feel the amount being assessed benefits his property by that amount.

Kevin Kewatt asked about the other funding sources for this project. Kewatt also asked about the moving of the fire hydrants and how this will affect his property. Kewatt is also not satisfied with the way the driveway was left.

Michael Corbin raised a concern about individual appraisals for the properties to prove that the project increased the property values in the amount of the assessments. Corbin does not feel that any of the properties will increase in value due to this project.

Lisa Full asked about the trail and who will be maintaining it from snow. The City will clear the snow from the trail.

Yvonne Baker asked about the deferment process.

Howard Schoenfeld asked about the payments and who the payments should go to.

Phil Heim commented that he feels the new road and bridge benefits everyone and that the project will increase the property values.

LaVonne Leibeg asked about paying the assessment off in full within the 30 days and not accruing interest during that time. Leibeg also asked about her tree that was damaged and had to be taken down.

Mayor Nelson asked if anyone else would like to ask a question or comment towards their assessments.

Motion by Maas, seconded by Quiring to close the public hearing portion of the meeting at 7:10 p.m. Carried.

Resolution 2014-102 Adopting the Assessment Role.

Council discussion on the assessment role began with Councilmember Sexton clarifying a few of the comments made during the public hearing.

Councilmember Quiring continues to have concerns with the assessment amount at the Kalk property. Quiring feels that with the house being set back 100+ feet from the road, a different equation needs to be figured for the assessments.

Quiring does feel the appeal process is the fair way to address this issue.

Councilmember Sexton agrees with the appeal process also.

Councilmember Maas would like to revisit the policy that involves odd shaped/sized lots.

Councilmember Merritt does not like any of it. Merritt would like to continue looking at the assessment amounts.

City Attorney Rahrck explained that any adjustments need to be addressed before approving the resolution adopting the assessment role.

Motion by Quiring, seconded by Nelson to approve resolution 2014-102 adopting the final assessment role as presented.
Aye: Nelson, Quiring, Maas, Sexton Nay: Merritt Motion Carried.

Councilmember Merritt stated that in the future the City needs to budget and plan ahead and take on the brunt of the cost of these projects.

Motion by Sexton, seconded by Merritt to adjourn at 7:30 p.m. Carried.

Minutes approved at _____meeting.

Submitted by _____clerk.

Special Council Meeting
December 18, 2014
Medford City Hall
5:30 p.m.

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

Members absent: None.

City staff and consultants in attendance were Andy Welti, Amber Kniefel and Rich Kucera.

Others in attendance were Ashley Stewart, Linda Dusek, Dave and Julie Kalk, and John Anhorn.

Mayor Nelson called the meeting to order at 5:30 p.m.

The purpose of this special meeting is to review the 2015 preliminary budget and consider Dave Kalk's assessment objection.

Interim City Administrator Welti presented the changes discussed by the budget committee.

The proposed changes to both the revenues and expenditures would result in lowering the preliminary levy set at 3.1% increase to a 2.85% increase over 2014.

The Council reviewed the proposed final tax levy. The resolution to approve the final tax levy will be on the agenda for the December 22, 2014 regular meeting. Discussion will take place after the Truth in Taxation Hearing.

The presented budget follows the Five Year Financial Plan.

Consideration of Dave Kalk's Assessment Objection – Mayor Nelson, Councilmember Maas, Interim Administrator Welti and Dave Kalk all met to negotiate the assessment amount. A 35% reduction was offered at that time.

Dave Kalk presented option that he drafted for the Council to consider when calculating his assessments. The amounts range from \$3,150.05 to \$8,316.66. A 40% reduction would result in an assessment amount of approximately \$9,300.00. After an in depth discussion, the Council decided to make a motion to lower the assessments.

Motion by Sexton, seconded by Quiring to reduce the assessment amount for the Kalk property to \$8,321.64 and to have all parties involved sign the special assessment agreement.

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

Motion by Maas, seconded by Sexton to adjourn the special meeting at 6:40 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Special Council Meeting
December 22, 2014
Medford City Hall
6:00 p.m.

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

Members absent: None.

City staff and consultants in attendance were Interim Administrator Welti, Kniefel, Kucera, and Joe Duncan.

Others in attendance were Pat Merritt, Steve Kotek, Ashley Stewart, and Bud Sanders.

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

The purpose of the meeting is to hold the annual Truth in Taxation Hearing, discuss the water tower inspection report and findings, and discuss the Lazy U Community preliminary cost estimates.

Interim City Administrator Welti summarized the budget and levy. The total proposed levy for certification is \$589,105.00 which is an increase over the 2014 levy by 2.85%.

2015 Proposed Levy

General Fund	\$498,500.00
Fire Relief	\$15,0000.00
2004B Refunding	\$10,0000.00
2007A Refunding	\$15,0000.00
2014 A Central	\$45,0000.00
EDA	<u>\$14,605.00</u>
	\$598,105.00

The levy allows the City to begin building a reserve fund for unexpected expenditures that may come though out the year. Also, budget reserves can help improve bond ratings for Cities.

The budget is consistent with the Five Year Financial Plan.

Interim Administrator Welti went through a few commonly asked questions about why taxes get raised or lowered.

Property owners need to pay close attention to the different taxing districts.

Tax capacity is determined by value of all properties.

Valuation increases on properties effect tax amount.

Mayor Nelson spoke towards the local government aid (LGA) that Medford receives from the State. Mayor Nelson has been working and will continue working with the elected officials on the LGA formula.

Mayor Nelson opened the public hearing for comments at 6:10 p.m.

Steve Kotek, 308 2nd Ave SE, owns the apartment building. Mr. Kotek has questions regarding the valuation of the property. City Council advised Mr. Kotek to contact the Assessor's Office for an explanation of the property valuation.

Pat Merritt questioned how a property would have a reduction in the property value. Administrator Welti did not have specific examples, but did explain that sometimes the value of a property does go down.

Bud Sanders questioned the property value of his house. He feels that the citizens are going to be taxed right out of their homes. Mr. Sanders asked the Council to really think about the effect that the taxes have on the citizens.

Councilmember Maas understood what Mr. Sanders is saying, but feels that as a Council they are doing due diligence with the budget and sticking with the Five Year Financial Plan.

Mayor Nelson closed the public hearing portion of the special meeting at 6:27 p.m.

Motion by Sexton, seconded by Quiring to approve Resolution 2014-102 adopting the 2015 final tax levy of \$598,105.00. Carried.

Motion by Maas, seconded by Sexton to approve the final 2015 budget. Carried.

City Engineer Update – Outlet Center water tower inspection report.

An in depth inspection and evaluation on the 50,000 gallon elevated water storage tank was done to determine maintenance that needs to happen within the next few years.

Funds can be budgeted in 2016 to begin addressing the water tower issues. Bolton & Menk estimate to refurbish the water tower is approximately \$249,205.00.

Councilmember Maas would like to look at the possibility of ground storage and wait until we see what is happening with the Lazy U.

Council consensus was to do the minimum amount of work on this tower until further research. A meeting with the County should be set up to discuss the County Road 12 project west of town.

Lazy U Preliminary Cost Estimates – Bolton & Menk researched the cost estimates of three project possibilities; the sanitary sewer main extension, the water main extension, and the pond decommissioning. The total project cost would be approximately \$1,253,000.00.

The project could be in conjunction with the County’s capital plan for the streets located in this area.

The City essentially would just be extending services to the Lazy U, but everything within the community would remain privately owned.

Motion by Sexton, seconded by Merritt to close the special meeting at 7:04 p.m. Carried.

Minutes approved at _____meeting.

Submitted by _____clerk.

Regular Council Meeting
December 22, 2014
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Andy Welti, Amber Kniefel, Rich Kucera, Joe Duncan, and Mark Rahrick.

Others attending were Pat Merritt, Ashley Stewart, Butch Schultz, Shannon Kinley, Cris Gastner and Joya, CEDA representatives.

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

Pledge of Allegiance.

Concerns/Requests from the General Public and Organizations – None.

Agenda – Move Cris Gastner, the Comprehensive Plan Update, up after consent agenda.

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

Minutes – November 24 regular meeting minutes and December 2, 2014 assessment hearing minutes.

Motion by Sexton, seconded by Merritt to approve the November 24, 2014 regular meeting minutes and December 2, 2014 assessment hearing minutes as presented. Carried.

City and Liquor Store Bills – Council had questions with the descriptions that get printed on the bill listing. Kniefel will try and make them clearer.

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

Check Register –

Motion by Merritt, seconded by Quiring to approve the November 2014 check register numbers E2249-E2269, 13030-13058, and 42768-42872 as presented. Carried.

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

Consent agenda items include:

Resolution 2014-99 Accepting Donations from Pat & Kay Merritt (\$10.00), Dean Lechner (\$5.00), Don Dagne (\$5.00), Minerva Cassels (\$5.00), and Mac Bowman (\$5.00) for the Medford Park Endowment Fund.

Resolution 2014-103 Accepting Donation of \$5.00 from Marjorie Charlton for the Park Endowment Fund in memory of Mary Ann Yocum.

Resolution 2014-106 Accepting Donation of \$150.00 from Darwin & Barb Kasper for the Medford Veterans Memorial.

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

Comprehensive Plan – Cris Gastner, CEDA.

Mr. Gastner presented the draft of the updated comprehensive plan. The Council will need to set a public hearing to accept the comprehensive plan. A comp plan open house has been set for Wednesday, January 14, 2015 at 6:30 p.m. The open house will be open to the public to share comments and thoughts about the proposed comp plan.

Councilmember Sexton had a few comments on parts of the draft. Some of the statistics were from the Department of Employment and Economic Development.

CEDA received 123 surveys from the public with 93 of the surveys being filled out by citizens within city limits.

Mr. Gastner will be at the comp plan open house on Wednesday, January 14, 2015 at 6:30 p.m.

The comp plan public hearing will be held at the regular city council meeting on Monday, January 26, 2015 at 7:00 p.m.

Mayor's Report – County Capital Improvement Plan – City officials needs to meet with the County officials to discuss the plans for the County roads within city limits and out to the Lazy U. The County ½ cent sales tax was approved for these street projects.

Mayor and Administrator met with the newly elected County Commissioner James Brady and updated him on the various City projects and issues.

The Steele Waseca/Alliant Energy sale will probably happen this spring.

Mayor Nelson would like to publically acknowledge with appreciation city staff for their efforts as employees for the City of Medford.

Planning & Zoning Board – Interim Administrator Welti presented the minutes from the December meeting.

The Zoning Board made a recommendation to the City Council to approve the proposed lighting ordinance as presented.

The Zoning Board made a recommendation to the City Council to approve the land use portion of the proposed Comprehensive Plan as presented.

Veterans Committee – Butch Schultz presented the minutes from the December meeting.

The Veterans Committee made a recommendation to the City Council to move the Veterans Memorial site to the northwest corner of the Municipal Complex site land.

Motion by Maas, seconded by Quiring to accept the recommendation from the Veterans Committee to officially move the Veterans Memorial site to the northwest corner of the Municipal Complex site land. Carried.

Roger Hagen volunteered to remove the back stop from that corner.

City Attorney – Rahrch updated the Council on the North Park/Borwege agreement that all easements and quit claim deeds have been prepared.

Rahrch also reported that the former City Administrator has appealed the unemployment decision made by the unemployment law judge. No new evidence will be presented.

City Engineer Memo – Joe Duncan – Reported that the boulevards have been hydro seeded along Central Avenue.

Councilmember Maas asked about the mailboxes being placed on the north side of the road in the driving lane. Council feels this is a dangerous situation and is asking Interim City Administrator Welti to contact the postmaster and see if there is a way to move the mailboxes to the south side of Central Avenue.

Interim City Administrator – Andy Welti – presented a memo sharing the various items that have been worked on since the November City Council meeting. Interim Administrator Welti has addressed the citizen's complaint forms, looked into whether the 2015 storm water/street project qualifies for grants, which it does not, and has been addressing the safety list that has been compiled through the internal Medford Safety Group.

Interim Administrator Welti will be setting up a meeting with the Medford Fire Relief Association and Fire Department to discuss the contributions, the pool, the Municipal Complex, GASB 67, etc.

Councilmember Sexton offered to be on the committee with the Mayor, Administrator and Fire Department.

Health Stipend – Interim Administrator Welti has been informed that the City is no longer able to offer employees a monetary stipend in lieu of health insurance. Interim Administrator Welti will be researching the different options for health care for city employees and will present to the HR group.

Interim Administrator Welti is recommending that beginning January 1, 2015, all full-time employees will receive an increase in their hourly wage of \$2.74 per hour.

Motion by Nelson, seconded by Merritt to accept the recommendation to increase the employees' wages by \$2.74 per hour and removing the health stipend from the payroll checks until the Council decides on a health care policy. Carried.

The City has received notice from the County that Medford has address discrepancies. Welti and Kucera are working with Tim Boyer and Sue Worms to resolve this issue. Council will be presented a map to discuss this further.

Interim Administrator Welti recommended the City hire Jaden Hoffman and Jordan Madsen as ice rink attendants for the 2014-2015 season.

Motion by Sexton, seconded by Quiring to approve the hiring of Jaden Hoffman and Jordan Madsen as ice rink attendants for \$8.00 per hour. Carried.

City Clerk – Resolution 2014-105 Certifying Unpaid Bills to Steele County.

Motion by Merritt, seconded by Maas to approve Resolution 2014-105 certifying unpaid bills to Steele County.

Public Works Department – Rich Kucera presented a memo addressing where he is at with the FEMA process.

Outlet Center Well #2 has failed and has been removed by Bergerson Caswell. Kucera is working on options to repair the well.

Skid Loader Purchase – Kucera is recommending to the City Council to purchase a Mustang 1900R from Northland Farm Systems for \$22,200.00 and trade in the Bobcat skid loader for \$10,500.00.

Motion by Nelson, seconded by Sexton to accept the recommendation to purchase the Mustang 1900 R from Northland Farm Systems for \$22,200.00 and trade in the Bobcat skid loader for \$10,500.00. Carried.

New Business -

Administrative Tasks Awaiting Investigation and/or Completion –

The MNDOT Landscape Partnership Application has been completed.

Resolution 2014-104 Authorizes the Submission of the Application.

Motion by Maas, seconded by Quiring to approve Resolution 2014-104 authorizing the City of Medford to submit the MNDOT Landscape Partnership Application. Carried.

Regional Safety Training Memo – the City of Medford and the City of Owatonna are continuing to collaborate in a regional safety group. The cost per training is \$600.00. The Council will need to decide how much the City will contribute for the trainings. Administrator Welti suggested between \$50.00 to \$100.00 per training.

Motion by Merritt, seconded by Quiring to contribute \$75.00 per session for the regional safety trainings. Carried.

Intercity Passenger Rail Update – Councilmember Quiring presented that there is a group working through MNDOT that wants to upgrade the railroad to a regional inter-city passenger rail service line from Minneapolis on existing rail lines through Northfield.

One of the big hurdles is that the group needs to get the rail line changed from a Tier 2 line to a Tier 1 line; meaning a double track.

The group is looking for the City to possibly send a letter in support of updating the inter-city passenger rail line.

Motion by Quiring, seconded by Nelson to sign a letter of support of the South Central Minnesota Inter-City Regional Passenger Rail Project.

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

Unfinished Business –

Lighting Ordinance 2014-6 – Ordinance discussion has been tabled until the ordinance addresses pre-existing lighting.

Water Conservation Ordinance 2014-7 – No changes have been made since the original draft.

Motion by Sexton, seconded by Nelson to approve the Water Conservation Ordinance 2014-7 establishing Section 3.04 adding restrictions to water usage. Carried.

GASB 67 – Interim Administrator Welti drafted a contribution request for the Medford Fire Relief Association for the actuarial and audit costs associated with GASB 67 for the Relief Associations pensions. City Council needs to decide on the amount to request from the Relief Association.

Motion by Nelson, seconded by Sexton to request \$3,000.00 from the Fire Relief Association to comply with GASB 67 requirements for the actuarial and audit costs associated with the associations pensions. Carried.

Executive Search Memo – A search such as this usually takes 3-4 months from the time the job descriptions are created and the job listing is posted to the time the person begins the job. The City will need to look at their options to move forward. The City could post the position, extend the contract with CEDA to continue administrative services, or negotiate with the Interim City Administrator Welti directly. Discussion of this will be on the regular meeting agenda for January.

Task Memo – 2014/2015 task list and 2014/2-15 work plan.

Interim Administrator Welti recommends the Council to prioritize the task list and work plan list for 2015. The Council recommended that Interim Administrator Welti use his discretion to prioritize the list and present at the January regular city council meeting.

Councilmember Maas would like Joe Duncan to begin preparing for the pavement project on 3rd Ave SE and 7th St SE up on the hill. Councilmember Maas would like the project to be bid in early spring.

Next Meeting Dates.

The organizational meeting will be held on Monday, January 5, 2015 at 7:00 p.m.

Comprehensive Plan Open House will be held on Wednesday, January 14, 2015 at 6:30 p.m.

Comprehensive Plan Public Hearing will be held on Monday, January 26, 2015 at 7:00 p. m.

Regular City Council meeting will be held on Monday, January 26, 2015 at 7:00 p.m.

Mayor Nelson presented a certificate of appreciation to Richard Quiring for his service on the City Council for the last 6 months. Thank you Richard Quiring.

Motion by Merritt, seconded by Sexton to adjourn the regular city council meeting at 9:55 p.m.

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.