

Special Council Meeting
January 6, 2012
Medford City Hall

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

Members absent: None.

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

Others attending were Thomas Smith and Becca Rodenborg.

Mayor Thomas called the meeting to order at 11:05 a.m.

The purpose of this special council meeting is for the Medford City Council to conduct an interview with Thomas Smith for the city administrator position.

City Council interviewed Thomas Smith.

Motion by Grayson, seconded by Merritt to adjourn the meeting at 11:55 a.m. Carried.

Minutes approved at _____meeting.

Submitted by _____clerk.

Organizational Council Meeting
January 9, 2012
7:00 PM
Medford City Hall

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

Members absent: None.

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

Others attending were Pat Merritt.

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

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

Pledge of allegiance.

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

Ordinance 2011-8 Metering and Payment of Water and Sewer Services

Council discussion on the late fee percentage. Councilmember DeMars feels the council should leave the percentage at 1%. Councilmember Grayson feels the council should raise the percentage to possibly encourage timely payments of water bills. Councilmember Merritt feels the council should leave the percentage at 1%. Mayor Thomas feels the percentage should stay the same.

Motion by DeMars, seconded by Merritt to approve amendments to Ordinance 2011-8 Metering and Payment of Water and Sewer Services pending the correction in sub 13A. Carried.

Motion by Grayson, seconded by DeMars to approve resolution 2011-45 authorizing the publication of ordinance 2011-8 by title and summary. Carried.

Open council seat on the EDA. Councilmember Grayson will join the EDA board.

Motion by Grayson, seconded by Sexton to approve Resolution 2012-01 stating the annual city designations as presented. Carried.

Resolution 2012-02 Establishing 2012 City Fees.

Kniefel went through the list and stated a few updates that were made for 2012.

Council consensus is to change the charge for mowing and snow plowing. The mowing charge will be set for \$50/hour and the snow plowing charge will be set at \$125/hour.

Council discussion on the stipend paid to board members for attending meetings. Boards in the discussion are the Zoning Board, Park Board, and EDA.

Mayor Thomas would like to continue paying the board members and reevaluate when the new city administrator has a chance to review the information.

City Administrator, Connor, explained to the Council that most cities do not pay board members for meeting attendance. Connor fully believes Medford should find volunteers to serve on our boards.

Special meetings were discussed. Council stated that prior approval would be needed before a board can hold a special meeting.

Council consensus is to leave the board stipend alone until the new administrator has time to review.

Motion by DeMars, seconded by Grayson to approve Resolution 2012-02 establishing 2012 city fees as amended. Carried.

Resolution 2012-03 Establishing 2012 Water and Sewer Rates

2012 rates include a 5% increase on the water and sewer usage rates, the water flat rate will increase to \$26.00 per meter and the sewer flat rate will increase to \$16.50 per meter.

Motion by Grayson, seconded by Sexton to approve Resolution 2012-03 establishing 2012 adjusted water and sewer rates. Carried.

Resolution 2012-04 Establishing 2012 Water and Sewer Fees

Council discussion on trunk fees.

Motion by Merritt, seconded by DeMars to approve Resolution 2012-04 establishing 2012 adjusted water and sewer fees as presented. Carried.

Resolution 2012-05 Establishing Equipment Rates

Mayor Thomas would like the City to research the option to rent out city equipment.

Administrator Connor explained that renting out city equipment needs to be looked at very carefully and cautiously.

Public Works Director, Kucera, explained to the council the purpose of the equipment rates schedule. The rates would be used in conjunction with emergency situations when dealing with MNWARN and FEMA. Kucera is in favor of helping other cities in emergency situations.

The renting of city equipment discussion is tabled until more information is presented to council.

Motion by Grayson, seconded by Sexton to approve resolution 2012-05 establishing equipment rates as presented. Carried.

Motion by DeMars, seconded by Grayson to adjourn the meeting at 8:05 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
January 23, 2012
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Theresa Sierakowski, Pat Merritt, Andrew Colwell, and Rick Hager.

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

Agenda: Add – ii. Under City Attorney Frank Woodfill Annexation Agreement and add the ordinance number to the Jaguar Franchise Agreement, 2012-1.

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

Motion by Sexton, seconded by Merritt to approve the December 19, 2011 regular meeting minutes, the January 6, 2012 special meeting minutes and the January 9, 2012 special meetings minutes as presented. Carried

City and Liquor Store Bills-

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

Check Register-Councilmember DeMars asked about the NSF checks on the register. Kniefel reported that the checks were from the Muni.

Motion by Grayson, seconded by DeMars to approve the December 2011 check register numbers E1584-E1600, 11640-11693, and 39703-39753 as presented. Carried

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

Steele County Law Enforcement – None.

Consent Agenda – None.

Planning and Zoning Board. Chairperson Pat Merritt presented the minutes from the Planning & Zoning Board meeting. The Zoning Board had a public hearing on the amendment to section 4.10 of the Medford City Code regarding the definition of an interim use. The Planning & Zoning Board makes a recommendation to the City Council to approve the amendment to section 4.10 as presented.

Motion by Grayson, seconded by Merritt to approve Ordinance 2011-8 regarding the definition of an interim use. Carried.

EDA – EDA Chairperson Andy Colwell presented information from the last EDA meeting. The EDA board members would like to verify that the \$10,000 EDA levy goes into the EDA Revolving Loan Fund. Kniefel verified that the levy does get deposited into the revolving loan fund.

The EDA is also looking into a creating a 5-10 year city plan.

Park Board – Theresa Sierakowski presented the Park Board meeting minutes from the January meeting. Mr. Halverson, from the Medford School, is the teacher working with the Park Board on the park survey. He is reluctant to having the children go door to door after school hours. The survey is still in its preliminary stages and the details are being worked on.

The Park Board would like to attend park board meetings in Rice and Steele County and the City of Owatonna. Mayor Thomas reminded the council that these meetings are paid on a per meeting basis. Mayor Thomas, DeMars, and Merritt spoke in favor of allowing the Park Board to attend additional meetings. Whenever a regularly scheduled meeting gets changed or a special meeting is scheduled, the Park Board needs to inform Kniefel so a sign can be put up at City Hall.

Sierakowski asked about the status of the Medford Diamond Association. Kucera spoke with Jon Chappius and Chappius said he will be getting a schedule down to City Hall.

Fire Department – Rick Hager presented the council with the fire department annual report, the annual fire call summary, and FEMA grant information.

The fire department was awarded a grant from FEMA in the amount of \$85,905.00 for the cost and installation of the 800 MHz radio system. The resolution will be presented at the next council meeting.

City Engineer – None.

City Attorney – Mark Rahrck spoke with the council about the Jaguar Franchise Agreement. Jaguar has reviewed the agreement. The main change was to the franchise fee of 5%. The fee needs to be the same as Midcontinent of 3%. Jaguar was getting more information about the local access channel for the city and school at no cost.

The franchise agreement will be sent to Jaguar again for their approval.

Motion by Sexton, seconded by Grayson to approve the Jaguar Franchise Agreement Ordinance 2012-1. Carried.

Rahrck presented a joint resolution between the Township of Medford and the City of Medford for annexation of part of an area designated for orderly annexation. This resolution needs to be in place in order to annex the Frank Woodfill Wildlife Refuge in the City of Medford.

Motion by Sexton, seconded by DeMars to approve the joint resolution between the township and the city for annexation of Frank Woodfill Wildlife Refuge. Carried.

City Clerk – Amber Kniefel presented Resolution 2012-06 certifying unpaid water bills to Steele County.

Motion by DeMars, seconded by Grayson to approve Resolution 2012-06 certifying unpaid water bills to Steele County as presented. Carried.

City Administrator – Connor informed the council that the city administrator search is complete. Connor has three candidates to present to council for interview. Connor would like to have the interviews on Friday, January 27, 2012 starting in the morning.

Council agreed to have the interviews on Friday morning starting at 8:00 AM.

Public Works Department – Kucera presented the council with an update waste acceptance policy to reflect the charges that were approved at the organizational meeting for 2012.

Motion by DeMars, seconded by Grayson to approve the waste acceptance policy as presented. Carried.

North Park Use Agreement – Kucera is looking for council input on this policy before sending it to Anita Benson with Steele County.

Councilmember Grayson would like to research how this agreement will affect the city insurance.

Council gave Kucera the go ahead to present this agreement to the County.

Wastewater Treatment Facility Effluent Line – Kucera presented one estimate from Ellingson Companies to perform a pipe burst. The effluent line continues to plug and Kucera is researching different options to fix the problem. This is a budgeted expense for 2012.

Old Business. None.

New Business.

NIMS & ICS Training for Council Members – Kniefel presented information on additional training for council members in preparedness of emergency situations.

Additional city council concerns. Kniefel spoke with Tom Olinger on the Five Year Financial Plan presentation. Kniefel will work with Mr. Olinger on a meeting date to discuss the plan.

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

Motion by DeMars, seconded by Merritt to adjourn at 8:27 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
 January 27, 2012
 Medford City Hall

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

Members absent: None.

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

Others attending were Becca Rodenborg and Lois Nelson.

Mayor Thomas called the meeting to order at 8:00 a.m.

The purpose of this special council meeting is for the Medford City Council to conduct interviews with for the city administrator position.

Candidates:

Robert Mittet
 Lisa Shadick
 Heather McCallum

City Council interviewed Robert Mittet.

Motion by Sexton, seconded by Merritt to take a five minute recess. Carried.

Mayor Thomas called the meeting back to order at 9:00 a.m.

City Council interviewed Lisa Shadick.

Motion by Sexton, seconded by DeMars to take a fifteen minute recess. Carried.

Mayor Thomas called the meeting back to order at 10:05 a.m.

City Council interviewed Heather McCallum.

Motion by Sexton, seconded by Grayson to take a five minute recess. Carried.

Mayor Thomas called the meeting back to order at 11:00 a.m.

Council discussed the candidates at great length.

Mayor Thomas asked each council member which candidate they would like to make the offer to.

Councilmember Grayson – Heather McCallum
 Councilmember Sexton – Robert Mittet
 Councilmember Merritt – Heather McCallum
 Councilmember DeMars – Heather McCallum
 Mayor Thomas – Heather McCallum

Motion by Grayson, seconded by Merritt to offer the City Administrator position to Heather McCallum pending receipt of a reference check and background check and to allow Mayor Thomas to enter into negotiations with Ms. McCallum and if Ms. McCallum declines the offer, to offer the job to Robert Mittet. Nay: Sexton Yes: Thomas, Merritt, DeMars, Grayson Carried.

Motion by DeMars, seconded by Grayson to adjourn the meeting at 11:55 a.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
 February 27, 2012
 7:00 p.m.
 City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Rick Hager, Becca Rodenburg, Paul Sontheimer, Brian Sontheimer, Steven Luebben, and Ricky Iverson.

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

Agenda: Under XIV. Additional City Concerns Add – Medford Parade Information.

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

Motion by Sexton, seconded by Merritt to approve the January 23, 2012 regular meeting minutes and the January 27, 2012 special meeting minutes as presented. Carried

City and Liquor Store Bills-

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

Check Register

Motion by Grayson, seconded by DeMars to approve the January 2012 check register numbers E1601-E1620, 11694-11721, and 39754-39833 as presented. Carried

Concerns from the general public/requests from organizations – Boy Scouts were in attendance to observe the city council meeting.

Steele County Law Enforcement – None.

Consent Agenda – Agenda items are approved by one motion unless a Council member requests separate action. Council member Sexton asked for items I-L to be removed from consent agenda and discussed separately.

Consent agenda items include:

Resolution 12-07 Accepting Donation from Ms. Elstad for the Park Endowment Fund
 Resolution 12-08 Accepting Donation from Dan Bowe for the Park Endowment Fund
 Resolution 12-09 Accepting Donation from First State Bank of Red Wing for the Park Endowment Fund
 Resolution 12-10 Accepting Donation from First State Bank of Red Wing for the Medford Pool
 Resolution 12-12 Accepting Donation from Minerva Cassels for the Park Endowment Fund
 Resolution 12-13 Accepting Donation from Jackson Von for the Park Endowment Fund
 Resolution 12-15 Accepting Grant from FEMA for the 800 MHz Radio System
 Public Works Records Retention Schedule

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

Planning and Zoning Board. No meeting was held.

EDA – No meeting was held.

Park Board – No meeting was held.

Fire Department – Rick Hager presented the council with the rural fire protection contracts for the years 2013, 2014, and 2015. Hager is recommending a 5.17% increase for both Medford and Deerfield Township.

Motion by Grayson, seconded by DeMars to approve the recommendations from the Fire Chief for the rural fire protection contracts for the years 2013, 2014, and 2015 with an increase of 5.17% for both Medford and Deerfield Township. Carried.

City Engineer – Seth Peterson presented a memo and pay request #15 from Wapasha Construction in the amount of \$28,268.33. Peterson's recommendation to the city council is to approve the pay request.

Motion by Merritt, seconded by DeMars to approve pay request #15 from Wapasha Construction in the amount of \$28,268.33. Carried.

Peterson spoke with the council on Steele County's plans to reconstruct Central Ave from the round-a-bout to Main Street in 2013. Peterson feels this could be a good time to look at upgrading infrastructure such as the water, sewer, and storm piping, sidewalks, curb stops, etc.

City Attorney – Mark Rahrck presented an updated easement agreement with Roger Borwege at the Wastewater Treatment Plant. Rahrck went over the amendments with the council. Basically, adding language that includes all the infrastructure that is contained within the easement and elaborating on what the City will do in case of damages made to the property.

Mr. Borwege is reviewing the agreement.

City Clerk – Amber Kniefel presented Resolution 2012-11 certifying unpaid water bills to Steele County.

Motion by Grayson, seconded by DeMars to approve Resolution 2012-11 certifying unpaid water bills to Steele County as presented. Carried.

City Administrator – Connor addressed the council on the intentions for the rest of the week since Heather McCallum has started. Connor has a few loose ends to tie up along with transitioning Ms. McCallum.

City Council would like to thank Mr. Connor for his work with the city.

City Administrator, Heather McCallum, would like approval from the council to adjust her office hours for a couple of months until relocating closer to Medford.

Council consensus was to allow McCallum to work different office hours until relocating closer to Medford.

McCallum will also be added to the signature cards at the bank.

Public Works Department – Kucera presented the council with information on the Well Head Protection Committee. Kucera is working with the Department of Health and will be presenting an updated Well Head Protection Plan for parts 1 and 2 early next year.

Kucera presented a chart showing annual water and wastewater flows from the last five years.

Items pulled from the consent agenda will be discussed. The items include: Sanitary Sewer Emergency Response Policy, Sanitary Sewer Maintenance Policy, Sanitary Sewer Maintenance Schedule, and the Sanitary Sewer System Rehabilitation Policy.

Councilmember Sexton has concerns with the repetition of the verbiage in the policies. Connor explained that each policy is a standalone document so each one needs to have the language contained within it.

Councilmember Sexton also added that the Sanitary Sewer Maintenance Policy has a 12 year retention of documents when all the other ones say 10 years. Council would like that policy to be changed to 10 years for consistency.

Motion by Grayson, seconded by DeMars to approve the Sanitary Sewer Emergency Response Policy, Sanitary Sewer Maintenance Policy, Sanitary Sewer Maintenance Schedule, and the Sanitary Sewer System Rehabilitation Policy amending the Sanitary Sewer Maintenance Policy to 10 years for record retention. Carried.

North Park Use Agreement – Kucera is working with Anita Benson and Tom Shea. Kucera spoke with Mr. Shea and the County will be looking into giving the North Park land to the City.

Old Business. Boards and commissions meeting stipend.

Mayor Thomas would like to clarify when boards get paid for meetings. The Mayor feels the City needs to adhere to the budget. The Boards are budgeted to be compensated for one meeting per month. Council consensus is to compensate the board members for one meeting per month except in emergency or urgent situations.

Diamond Association Schedule for Straight River Park – Kniefel is concerned with not having a schedule for the tournaments that are to be held this year at the park. Reservations have already been taken for the large pavilion. Council would like McCallum to meet with the Diamond Association Reps and discuss this.

New Business.

Resolution 2012-14 Committing Fund Balances for Specific Purposes for GASB 54.

Motion by Sexton, seconded by Merritt to approve resolution 2012-14 committing fund balances for specific purposes for GASB 54. Carried.

Additional city council concerns - Councilmember DeMars reported to the council that the Medford Parade will be held on Saturday, June 23, 2012 around 4:30 p.m. to coincide with the Muni Street Dance. The Parade Committee is accepting volunteers.

Councilmember Merritt inquired about the Sheriff’s sale of the Medford Outlet Center. There is not a lot of information on this except the feeling is that the Outlet Center will be just fine.

Special meeting will be held on Wednesday, February 29, 2012 at 6:00 p.m. for the five year financial plan.

Next regular council meeting will be Monday, March 26, 2012 at 7:00 p.m.

Special meeting will be held on Wednesday, April 25, 2012 at 7:00 p.m. for Board of Appeal and Equalization.

Motion by Sexton, seconded by DeMars to adjourn at 8:08 p.m. Carried

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Special Council Meeting
February 29, 2012
Medford Fire Hall

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

Members absent: None.

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

Others attending were: None.

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

The purpose of this special council meeting is for Tom Olinger, Abdo Eick, & Meyer, to present the city council with a draft five year financial plan.

Mr. Olinger went through the highlights of the five year financial plan. Council discussed important capital improvements and the financial direction of the city. Within the next couple of months, Mr. Olinger will receive additional comments about the plan. A final presentation of the financial plan will be ready around April.

Motion by DeMars, seconded by Grayson to adjourn the meeting at 7:30 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
March 26, 2012
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, and Jeff Halverson.

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

Agenda: Under City Attorney add Local Option Sales Tax, under New Business add Resolution 12-17 Establishing Precinct and Polling Place, under Park Board ii. Add Pool Attendance Fees, and under Public Works Department E ii. Lawn Mowing Services.

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

Motion by Sexton, seconded by Grayson to approve the February 27, 2012 regular meeting minutes and the February 29, 2012 special meeting minutes as presented. Carried

City and Liquor Store Bills-

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

Check Register

Motion by Merritt, seconded by DeMars to approve the February 2012 check register numbers E1621-E1639, 11722-11750, and 39834-39917 as presented. Carried

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

Medford Parade Committee – Brenda DeMars presented a parade permit request for approval. DeMars is asking the City to waive the parade permit fee.

Motion by Grayson, seconded by Sexton to approve the parade permit request and to waive the parade permit fee. Abstain: DeMars. Carried.

Steele County Law Enforcement – None.

Consent Agenda – None.

Planning and Zoning Board. No meeting was held.

EDA – Councilmember Grayson presented a recap of the March EDA meeting. The EDA would like to do a “Feature a Business” promotion. McCallum will run an advertisement in the CAST asking businesses to contact city hall if they are interested in being featured by the City. Businesses will be chosen and advertised in the CAST through the EDA.

Park Board – Theresa Sierakowski presented the Park Board minutes from the March meeting. The April Park Board meeting has been cancelled. The board will hold its May meeting and also attend the swimming lesson registration at the Medford School in May.

Park Board is asking that city staff run an advertisement in the CAST asking for interested residents to join the Park Board.

Mayor Thomas would like staff to look into the park board by-laws on having out of town residents join a city committee and having high school students join.

Flower Pots/Whiskey Barrels – Park Board discussed that the city had already purchased new whiskey barrels for flowers at the park, city hall, etc.

Kucera informed the council that whiskey barrels have not been purchased. Council discussed the cost and the need for the flower pots.

Motion by DeMars, seconded by Sexton to authorize Kucera to purchase up to \$400 worth of flower pots for the City. Carried.

Draft Park Survey – Jeff Halverson, Medford School, addressed the City Council on the park survey that he created, both a hard copy and an on-line survey. Council thanked Mr. Halverson for the work he put into creating the survey on behalf of the City.

Administrator McCallum presented proposed amendments to the survey based on staff input. The draft survey has not been presented to the Park Board. The Council went through the survey question by question.

Motion by Grayson, seconded by DeMars to approve the amendments as discussed by the council, park board chairperson, and staff and to authorize McCallum to incorporate the changes and send the survey to publication in the CAST and on-line. Carried.

The survey will be printed in the May CAST and have a deadline to participate of May 15, 2012, about two weeks after publication. This will give Mr. Halverson time to compile the results.

The May Council meeting needs to be rescheduled due to Memorial Day. The meeting will be posted for Wednesday, May 30, 2012 at 7:00 p.m. Mr. Halverson will present the results at the May meeting.

Pool Fees – Councilmember Merritt inquired about the pool and the loss of revenue each year and the possibility of raising the fees to compensate.

Motion by Grayson, seconded by DeMars to raise the pool membership fee by \$10 making the season pass \$85 for residents and \$95 for non-residents. Nay: Merritt, Sexton Aye: DeMars, Grayson, Thomas. Carried.

Councilmember Sexton asked about the rest of the pool fees, such as; the daily rate, weekly pass, single pass, swimming lesson fees, etc. Park Board has not discussed the pool fees at a meeting. A suggestion was made to have staff research the fees at Owatonna and Faribault before changing the fees at the Medford Pool.

Motion by Grayson, seconded by DeMars to rescind the motion approving a \$10 increase in pool membership family season passes. Carried.

City Engineer – Seth Peterson spoke with Anita Benson, County Engineer, on the Central Ave street project. Ms. Benson will know more information later this spring.

City Attorney – Mark Rahrack addressed the council on the city's involvement with the advertisement of the Local Option Sales Tax that will be on the ballot this November. A public entity may not spend public funds advertising or promoting a "yes" or "no" vote on a local option sales tax question.

City Clerk – Amber Kniefel presented Resolution 2012-16 certifying unpaid water bills to Steele County.

Motion by DeMars, seconded by Grayson to approve Resolution 2012-16 certifying unpaid water bills to Steele County as presented. Carried.

City Administrator – Mayor Thomas met with City Administrator, McCallum, on a few focal points that he would like McCallum to work on. The Mayor would like council feedback/additions to the list of focal points.

- Filling the Park Board and Zoning Board empty seats.
- Five year Capital Improvement Plan
- Municipal Complex Plan
- Re-side the Fire Hall using city staff and volunteers.

The Fire Hall siding is not a budgeted item for 2012. Cost of materials was discussed. McCallum and Kucera will research the Fire Hall.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month. McCallum presented a Citizen Compliant Form to be used when residents have any kind of issue that they would like addressed.

Public Works Department – Kucera presented the council with information on the mandate for the City to install a pool lift chair before opening the Medford Pool this year. The legislature continues to change the installment deadline and the regulations involved. Kucera recommends to wait and see what the legislature decides before purchasing the lift chair.

Councilmember Merritt asked Kucera about the camering of the effluent line at the Wastewater Treatment Plant. Kucera explained that camering the line would be beneficial to determine exactly where the leak(s) are instead of just fixing the entire length of the line.

Councilmember Merritt inquired on the possibility of the City sending out RFP's on the mowing for the entire City. Kucera explained that the City has looked into this before and it was not cost effective. Council would like to see research done on the current costs of mowing by city staff versus what it would cost to outsource the mowing.

Old Business. None.

New Business.

Resolution 2012-17 Reestablishing Precinct and Polling Place.

Due to the State redistricting, the City needs to approve this resolution and submit it to the County Auditor.

Motion by Sexton, seconded by Grayson to approve resolution 2012-17 reestablishing the City of Medford precinct and polling place. Carried.

Additional city council concerns – None.

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

Special meeting will be held on Wednesday, April 25, 2012 at 7:00 p.m. for Board of Appeal and Equalization.

Motion by DeMars, seconded by Merritt to adjourn at 9:35 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 April 23, 2012
 7:00 p.m.
 City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Deb Tenold, Tom Olinger, Edna Ringhofer, Kris Stinocher, and Michael Collins.

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

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

Minutes. Councilmember DeMars requested to correct the minutes to reflect abstaining from the vote that approved the parade permit.

Motion by Sexton, seconded by Grayson to approve the March 26, 2012 regular meeting minutes as amended. Carried.

City and Liquor Store Bills-

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

Check Register -

Motion by DeMars, seconded by Grayson to approve the March 2012 check register numbers E1640-EE1656, 11751-11780, and 39918-40017 as presented. Carried

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

Steele County Law Enforcement – The report for last month's patrolling was in the council packet.

Girl Scouts Request – Deb Tenold presented a request on behalf of the Girl Scouts to hold a day-camp at the old school playground area which is now owned by the City. The day camp would be held on June 19-21 from 8:00 a.m. to 5:00 p.m. Council also offered the Girl Scouts the use of the warming house to store supplies if needed.

Motion by Grayson, seconded by DeMars to approve the request from Deb Tenold, Girl Scout representative, to hold a day-camp at the old school playground property. Carried.

Deb Tenold also presented information on an event called the Centennial Day of Service. October 13, 2012, the Girl Scouts would like to clean storm drains throughout Medford. They would also hang informational flyers on everyone's door explaining the purpose of keeping storm drains clean and that it is the responsibility of the property owners.

City Council thought this was a wonderful idea. Council consensus is to allow the girl scouts to move forward with the project.

Edna Ringhofer, Healthy Seniors – presented a raffle request to be used in conjunction with the Dancing with Our Steele County Stars event. The event will be held at the Medford School.

Motion by DeMars, seconded by Grayson to approve the raffle request without the waiting period. Carried.

Sales Tax – Public Information Request – City Attorney, Mark Rahrlick, explained that if the information is readily available and is requested by a citizen, we need to follow the data practices policy and give the information to the citizen. If staff would have to go out of the ordinary searching for the information, that could be construed as expending public funds to support the sales tax.

City council members and city staff cannot give out the exact amount that a sales tax will affect the utility bills because there are many variables when figuring the revenues at this time. All questions will be directed to the City Administrator.

City Audit 2011- Tom Olinger with Abdo, Eick, and Meyer presented the 2011 audit to the City Council. The management letter summarizes the audit. The general fund deficit was decreased to (\$22,237.00) down \$26,000.00 from 2010. Overall, general fund expenditures decreased by approximately \$26,000.00. Council was happy to see the decrease in the general fund deficit.

Mayor Thomas would like Olinger and city staff to meet to finalize the Five Year Financial Plan. Once the final plan is drafted, the entire council will have a planning session around July or August.

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

Consent agenda items include:

Resolution 2012-18 Accepting Donation from Marc Bowmen for the Park Endowment Fund

Resolution 2012-20 Accepting Donation from Pat & Kay Merritt for the Park Endowment Fund in Memory of Wayne Moore

Resolution 2012-21 Accepting Donation from the Medford Fire Relief Association to the Medford Municipal Liquor Store for a Popcorn Machine

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

Thank you to all who donated.

Planning and Zoning Board. Pat Merritt presented the Zoning Board minutes from the April meeting. The board made a motion recommending to City Council to allow city staff to research the possibility of a dangerous/dilapidated building ordinance. The ordinance would need to involve the building inspector.

Council consensus is to allow city staff to research a dangerous/dilapidated building ordinance.

Appointment of Robert Barbeau to the open seat on the zoning board.

Motion by Thomas, seconded by DeMars to appoint Robert Barbeau to the zoning board. Carried.

EDA – no meeting was held.

Park Board – no meeting was held.

City Engineer – Seth Peterson drafted a memo for the council packets.

City Attorney – Mark Rahrack addressed the Council on the joint resolution for the annexation of Frank Woodfill Wildlife Refuge. The resolution was signed by the township and has been sent to the State.

Rahrack is working with Roger Borwege's attorney concerning North Park.

City Clerk – Amber Kniefel presented Resolution 2012-19 certifying unpaid water bills to Steele County.

Motion by Grayson, seconded by Sexton to approve Resolution 2012-19 certifying unpaid water bills to Steele County as presented. Carried.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

Medford Baseball Field Twins Grant – The grant is requiring the City to continue maintaining the field after renovation. The City will also need to display a plaque at the site that will be given to the City once the project is completed.

Motion by Sexton, seconded by Grayson to approve the grant request and allow McCallum to move forward with submitting the grant request. Carried.

McCallum presented a financial report that shows the status of expenditures and revenues for the first quarter. Kniefel presented a savings summary report that will be in the packet on a quarterly basis.

Councilmember Sexton would like McCallum to research putting some of the general fund savings money into CD's.

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

Kucera is recommending to the council to approve the sign retro reflectivity policy that has been presented.

Motion by Grayson, seconded by Sexton to approve the sign retro reflectivity policy as presented. Carried.

Kucera presented a draft with ideas concerning Chapter 8 of the City Code. Chapter 8 regulates the maintenance of streets and sidewalks. Kucera would like the council to review the chapter and suggests that the council have a workshop to openly talk about street and sidewalk regulations.

City Lawn Mowing – Councilmember Merritt and councilmember Grayson asked about the current costs for the city. The packet included estimates from Scott Wolfe and Groundmaster's.

Council directed Kucera to work with McCallum to research the actual cost for the city to continue all lawn mowing and maintenance of the city's open space and parks. This is to be presented around budget time.

Old Business.

Pool Rates – Councilmember Merritt asked about the pool rates at the last council meeting. Councilmember Grayson presented the pool rates from the Owatonna, Faribault, and Waseca water parks. McCallum informed the council that there was not time this pool season to make any adjustments to the pool rates. Swimming lesson and pool hour information needed to be submitted to the school for the community ed bulletin prior to the council meeting.

Council would like the Park Board to review the pool rates and make recommendations around budget time.

New Business.

Additional city council concerns – Councilmember DeMars asked about the status of Design Homes. The City has not received a final plat from the surveyor. Rahrick added that they are working on the title opinion on the property.

Next regular council meeting will be Wednesday, May 30, 2012 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 8:37 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
 Board of Appeal and Equalization
 April 25, 2012
 7:00 p.m.
 City Hall

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

Others attending were Heather McCallum, Amber Kniefel, Greg Nelson, and Bill Effertz, Michael Collins, Dan and Mona Kaiser, and Jim Slifka.

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

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

Michael Collins, parcel #16-101-0213, is in attendance with concerns with his property valuation. Mr. Collins is the owner of First State Bank of Red Wing. Mr. Collins is concerned with the increase in market value by approximately 14% from 2010. The valuation went from \$167,000.00 to \$190,000.00. Mr. Collins stated that there have not been many improvements made to the building since he purchased it. There are some major repairs coming in the future.

Mr. Effertz, Steele County Assessor, explained the reasoning behind the valuation. Effertz explained the overall increase, number of commercial sales, and condition of the building all factored into the decision. Mr. Effertz is recommending to the council to leave the valuation at \$190,000.00.

Motion by Grayson, seconded by DeMars to defer this parcel back to the county board for final determination. Carried.

Dan and Mona Kaiser, parcel #16-101-4100, are questioning the valuation of their office building on Main Street. Mr. Kaiser explained that the market value of the building has been increasing every year, but this year the increase was approximately 25%. The valuation went from \$196,000.00 in 2010 to \$245,000.00 in 2011. Mr. Kaiser is asking for the valuation to be lowered.

Mr. Effertz explained the various factors that went into determining the market value for this property. The assessor was open to visiting the building and gathering additional information to possibly reduce the value based on that information.

Mr. Kaiser is asking for a reduction made by the council instead of deferring to the County Board for determination.

City Administrator, Heather McCallum, suggested a starting point of a 10% increase instead of a 25% increase. This would lower the market value down to \$215,600.00.

Motion by Grayson, seconded by Sexton to reduce the valuation by \$19,600.00 to a valuation of \$215,600.00. Carried.

Jim Slifka, parcel #16-104-0103, is asking the assessor and the council if the market value is reflective of the new floodplain designations from 2011. The assessor responded that the floodplain designations were not considered as the maps were approved after the dates for determining market value.

Motion by DeMars, seconded by Grayson for the assessor to reevaluate Mr. Slifka's property with consideration of the floodplain designations. Carried.

All other properties that were designated as being in the floodplain will be evaluated that way for next year's board of appeal.

Motion by DeMars, seconded by Grayson to adjourn the board of appeal and equalization at 8:40 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
May 30, 2012
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, Jeanette Sanford, Rick Hager, and John Anhorn.

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

Changes to the agenda: Add food permit request under new business and add Jaguar update under city administrator.

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

Motion by Sexton, seconded by Merritt to approve the April 23, 2012 regular meeting minutes and the April 25, 2012 special meeting minutes as presented. Carried.

City and Liquor Store Bills-

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

Check Register -

Motion by Grayson, seconded by Merritt to approve the April 2012 check register numbers E1657-E1668, 11781-11810, and 40018-40102 as presented. Carried

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

Steele County Law Enforcement – None.

Medford Furniture Outlet Sewer Reimbursement Request – Brandon Eberhard, the Controller for the Furniture Mart, submitted a written request for reimbursement for a portion of their 2011 sewer charges. Mr. Eberhard spoke with Kniefel and McCallum on numerous occasions concerning a grievance of the process the City of Medford uses to calculate sewer charges. McCallum explained that the calculations follow city code. Mr. Eberhard felt it was unfair to charge the Furniture Outlet the average usage for January, February, and March when there was evidence of a large water usage during those months in 2011. The average usage then dropped in 2012. Mr. Eberhard could not give a reason for the large water usage at the beginning of 2011. A question about whether the ordinance should remain as written was raised.

Council discussed the process in the code to average the first three winter months of the year to determine sewer averages for the rest of the year. City Engineer, Seth Peterson, explained that many cities use this format since the majority of properties use the least amount of water in the winter months. If a property owner can present reasonable evidence that a water leak has occurred during those months, the city does work with the owner to adjust the average sewer usage amount.

Motion by Grayson, seconded by DeMars to deny the request for reimbursement based on the proper application of the city code and to leave the ordinance as written; McCallum will contact Mr. Eberhard. Carried.

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

Consent agenda items include:

Resolution 2012-22 Accepting Donation from Our Homes South, Inc. in the amount of \$100.00 for the Park Endowment Fund.

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

Thank you to Our Homes South for the donation.

Planning and Zoning Board. Pat Merritt presented the Zoning Board minutes from the May meeting. The Zoning Board heard a request from Craig Schlaak concerning the fence code. Mr. Schlaak would like the board to consider changing the two foot setback requirement to allow fences to be on the property line. The board made a recommendation to City Council not to change the fence ordinance.

Administrator McCallum explained the conversations city staff has had with Mr. Schlaak. According to the city code, Mr. Schlaak is eligible to receive at least two fines. One fine for not acquiring a fence permit and the other fine for placing a fence that is not in compliance with city code.

Council consensus is to leave the fence ordinance the way it is written. Council agrees that the code gives Administrator McCallum discretion regarding fines and abatement schedules. Rahrck stated that since Mr. Schlaak appealed to the Zoning Board, the council could make a motion to assure the intent is clear.

Motion by Sexton, seconded by DeMars to assess Mr. Schlaak fines for both offences; not acquiring a fence permit and the for building the fence not in compliance with city code. Carried.

EDA – Councilmember Grayson presented the EDA minutes from the May meeting. The EDA is advertising a “Spotlight on Medford Businesses” in the CAST. Any interested business can contact the City Hall and the EDA will sponsor an advertisement of their business in the CAST.

Park Board – Theresa Sierakowski presented the Park Board minutes from the May meeting. No action required.

Park Survey – Jeff Halverson presented the results of the park survey. The survey received 28 responses. Council discussed advertising the survey more to get more responses. Halverson is willing to reopen the survey link. Park Board will discuss at the next meeting possible ways to advertise more.

Fire Department – Rick Hager and John Anhorn presented a request for the purchase of the 800 MGHz radios. The fire department was awarded a FEMA grant in the amount of \$85,905.00 to assist with the purchase of the radios. The City needs to contribute 5% of the total project cost.

Motion by Sexton, seconded by Grayson to approve the fire department up to \$92,000 for the purchase of the 800 MGHz radios, this does not include the cost of installation or labor, just the cost of the radios. Carried.

ATV Skid Unit Purchase – Fire department would like to purchase a 50 gallon unit for a cost of \$6,125.00. The DNR awarded the fire department a matching grant of \$5,000.00 for the purchase of grass fire equipment.

Motion by Grayson, seconded by Sexton to approve the purchase of an ATV skid unit for \$6,125.00. Carried.

Motion by DeMars, seconded by Grayson to accept resolution 12-25 awarding the Medford Fire Department a DNR grant in the amount of \$5,000.00 to purchase grass fire equipment. Carried.

City Engineer – Seth Peterson presented a memo and a pay request from Wapasha Construction in the amount of \$26,748.01.

Motion by Grayson, seconded by DeMars to approve pay request #16 from Wapasha Construction in the amount of \$26,748.01. Carried.

Peterson, Kucera, and McCallum met with Anita Benson, the Steele County engineer, and the assistant Steele County engineer concerning the Central Avenue street work and bridge work for 2013. MNDOT is going to be working on the round a bout in 2013 as well. Peterson presented that this would be a great opportunity for city infrastructure improvements.

McCallum would like to have a council workshop in June to discuss the Central Avenue street improvements, the sidewalk ordinance, and the storm water ordinance. McCallum suggests to start the meeting at 6:00 p.m.

A special meeting workshop will be scheduled for Monday, June 18, 2012 at 6:00 p.m. in the Fire Hall.

Water Supply Plan – Peterson presented a letter drafted to the Department of Natural Resources. The DNR would like the city to promote water conservation in a more definitive way. The city will add additional water conservation information to the city web site and to the water bills.

City Clerk – Amber Kniefel presented Resolution 2012-23 designating the polling place for the 2012 primary and general elections and resolution 2012-24 designating election judges for the 2012 primary and general elections.

Motion by Grayson, seconded by DeMars to approve resolution 2012-23 designating the polling place for the 2012 primary and general elections. Carried.

Motion by Grayson, seconded by Merritt to approve Resolution 2012-24 designating election judges for the 2012 primary and general elections with the addition of Kris Stinocher as a substitute. Carried.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

Grayson asked McCallum to contact the League of MN Cities to make sure her vehicle is listed on the insurance policy. McCallum will now be using her own vehicle for errands and code enforcement.

Abatement of 307 3rd St SE occurred on 5/18/12. The total amount will be certified to property taxes if not paid.

McCallum is working on liquor liability options.

McCallum spoke with Rick Hanson of Jaguar Communications, funding for the project in Medford is being secured. Once the board of directors for Jaguar meet and funding has been approved, the franchise agreement will be signed and the project will move forward.

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

The City would like to give Clayton Just a special thank you for his generosity with the city flowers.

City Leak Study – The leak study found five leaks that could possibly be causing the difference between metered counts of water versus pumped water. City may need to tighten up the ordinance to require residents to fix broken water lines.

Old Business.

North Park Use Agreement – Rahrlick presented information regarding North Park and the ownership of the park. Rahrlick informed the council that the County owns North Park and Mr. Borwege would like City support in an effort to ask the County to convey the land over to him. Mr. Borwege would then propose to give the City a portion for access to the wastewater treatment plant.

The North Park Use Agreement is an agreement between the city and the county for the city to use the land.

Motion by Grayson, seconded by DeMars to approve the North Park Use agreement. Carried.

New Business.

Food Permit Request – Tasty Fixins

Tasty Fixins would like to serve food at the Muni Street Dance on June 23, 2012.

Motion by Grayson, seconded by DeMars to approve Tasty Fixins food permit for June 23, 2012 at the Muni. Carried.

Additional city council concerns – Councilmember Sexton would like Central Park cleaned up and the bushes trimmed.

McCallum and Kucera have talked about this and it will be done this week.

Councilmember Grayson would like to add the parade to the agenda for the June 18, 2012 special council meeting workshop.

Next regular council meeting will be Monday June 25, 2012 at 7:00 p.m.

Motion by Grayson, seconded by DeMars to adjourn at 9:13 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special City Council Meeting
 June 18, 2012
 Medford Fire Hall
 6:00 PM

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

Council members absent: None.

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

Others attending: Kathy Barbieri.

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

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

Food Permit Request from Kathy Barbieri, of Ubetchadogs. Ms. Barbieri would like to set up at Central Park and sell food for the Medford Parade.

Motion by Grayson, seconded by Sexton to approve the food permit request for Kathy Barbieri, Ubetchadogs, on June 23, 2012 at Central Park for the Medford Parade. Carried.

Transient Merchant Permit – Currently, our ordinance requires a 14 day waiting period for a transient merchant permit application. Administrator McCallum is asking the council to waive the 14 day waiting period and approve the transient merchant permit for Kathy Barbieri, Ubetchadogs.

Motion by Grayson, seconded by Sexton to waive the 14 day waiting period and approve the transient merchant license for Kathy Barbieri, Ubetchadogs. Carried.

Parade Discussion – Council will be in the parade and handing out beaded necklaces and park survey cards.

Central Avenue and Bridge Repairs – Seth Peterson and Rich Revering – MNDOT will be working on the round a bout in 2013. Steele County is coordinating with the 2013 round a bout repairs to work on Central Avenue and the Central Avenue Bridge. Mr. Revering explained that this would be a good time for the city to make much needed infrastructure improvements. The City Engineers put together a packet of information explaining the different improvement options and estimated costs.

Council discussed water, sewer, storm improvements, sidewalk installation, street lighting, bump outs, etc.

Mayor Thomas would like the city engineers and city staff to compile all the information given from tonight's meeting along with projected pictures of Central Avenue and present at another meeting.

Discussion on City Code Chapter 8 Street and Sidewalks Ordinance – Kucera presented proposed changes for Chapter 8.

Council agreed with all the changes. Kucera will present the draft with the amendments at the next council meeting for approval.

Motion by Sexton, seconded by Grayson to adjourn at 7:34 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 June 25, 2012
 7:00 p.m.
 City Hall

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

Members absent: Merritt.

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

Others attending were Pat Merritt, Theresa Sierakowski, Sheriff Lon Thiele, Jeff Karow, and Kathy Barbieri.

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

Changes to the agenda: Add parade after Kathy Barbieri's food permit request.

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

Minutes – change the meeting time from the June 18, 2012 special meeting to 6:00 p.m.

Motion by Sexton, seconded by Grayson to approve the May 30, 2012 regular meeting minutes and the June 18, 2012 special meeting minutes as amended. Carried.

City and Liquor Store Bills-

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

Check Register -

Motion by Grayson, seconded by Sexton to approve the May 2012 check register numbers E1669-E1694, 11811-11841, and 40103-40214 as presented. Carried.

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

Steele County Law Enforcement – Sheriff Lon Thiele was in attendance. Councilmember Grayson asked if law enforcement could add patrol to the 4th St SE area due to fireworks.

Kathy Barbieri Food Permit Request – Ms. Barbieri would like to set up a food stand at the park/pool or Central Park for a few weeks of the summer. Ms. Barbieri is willing to pay for the electricity used at the stand.

Sheriff Thiele cautioned the Council about the kids' safety if the stand was set up at Central Park. The children would potentially be crossing highway 45 without a cross walk in that area.

Jeff Karow is offering use of his land at Medford Auto Sales for Ms. Barbieri to set up her food stand as an alternative.

Council agreed with the plan to allow Ms. Barbieri to set up at Medford Auto Sales. Ms. Barbieri has already been approved for the Transient Merchant License. The approval of a food permit is not needed since the stand will be operated on private property.

Parade – Councilmember DeMars gave an update on how the Medford Parade went. Civic Club main concern is keeping the cost of the parade down so that they can continue donating to the Medford Scholarship Fund. The Car Show brought in 20 vehicles.

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

Consent agenda items include:

Resolution 2012-26 Accepting Donation from Pat & Kay Merritt in the amount of \$10.00 for the Park Endowment Fund in memory of Betty Ziebarth.

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

Planning and Zoning Board. Pat Merritt presented the Zoning Board minutes from the June meeting. The Zoning Board made a recommendation to the City Council to increase the public hearing fee to \$250.00.

Mark Rahrlick explained that a fee amount needs to be reflective of actual cost. Administrator McCallum felt that \$250.00 was a fair amount when considering staff wages, board wages, postage, publication fees, etc.

Mayor Thomas would like to see the fee remain \$125.00, but if a request comes in to expedite the public hearing to a night other than a regular Zoning Board night then the fee would double to \$250.00.

Motion by DeMars, seconded by Sexton to leave the public hearing fee at \$125.00 unless the public hearing is held on a different night other than the regular Zoning Board meeting, then the fee would go to \$250.00.

Rahrlick stated that this proposed fee increase needs to go to the Zoning Board for a public hearing.

Motion withdrawn by DeMars, seconded by Sexton. Council will take final action after the public hearing.

EDA – None.

Park Board – Theresa Sierakowski presented the Park Board minutes from the June meeting.

Donation Resolution – Jeanette Sanford donated \$210.00 for park equipment.

Motion by Grayson, seconded by DeMars to approve resolution 12-30 accepting a \$210.00 donation from Jeanette, Mike, and Josephine Sanford to purchase park equipment. Carried.

Skateboarding on the Tennis Courts – Park Board made a recommendation to the City Council to allow skateboarding on half the tennis courts. No ramps or other accessories would be allowed. The Board would like to see how it goes for a trial period.

Kniefel explained that the kids have been moving the picnic tables out of the pavilions and skateboarding on the concrete. The idea came up to find a safe place the kids could go. Kucera can use the net from the softball field to separate the tennis courts north and south. A sign with the rules would also be installed.

Motion by Grayson, seconded by DeMars to allow skateboarding for a trial period on the west tennis court separated by a net going north and south and to install a sign with the rules. Carried.

National Night Out Event – Park Board discussed having an event in the park to promote city pride and neighbor togetherness. Without assistance from the MARC board, the Park Board decided to not move forward with the park event.

Mayor Thomas reminded Sierakowski that the Park Board needs to run recommendations through the Council before moving forward with plans.

The Park Board walk through will be held at the regular Park Board meeting in August. Kucera will be in attendance for the walk through.

Fire Department – None.

City Engineer – Seth Peterson presented a memo and change order #2 in the amount of \$16,275.19.

Motion by Grayson, seconded by Sexton to approve change order #2 in the amount of \$16,275.19. Carried.

A meeting has been set-up with Steele County to go over Central Avenue ideas.

City Clerk – Amber Kniefel presented Resolution 2012-27 certifying unpaid bills to Steele County.

Motion by DeMars, seconded by Grayson to approve resolution 2012-27 certifying unpaid bills to Steele County. Carried.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

Ordinance 2012-1 Amending City Code Section 7.01 Pertaining to Peddlers, Solicitors, and Transient Merchants

McCallum presented amendments to Section 7.01 that change the waiting period for a transient merchant license to three days and remove the maximum number of days a license is allowed.

Motion by DeMars, seconded by Sexton to approve Ordinance 2012-1 amending City Code Section 7.01 pertaining to peddlers, solicitors, and transient merchants. Carried.

Motion by Sexton, seconded by DeMars to approve resolution 2012-28 approving the ordinance change to be published by title and summary. Carried.

Donation Policy – Administrator McCallum presented a donation policy to regulate the procedure when donations are given to the city.

Motion by Grayson, seconded by Sexton to adopt the donation policy as presented. Carried.

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

City Code Chapter 8 Amendments – The council discussed the proposed amendments at the special meeting that was held on June 18, 2012.

Motion by DeMars, seconded by Grayson to approve Ordinance 2012-2 amending City Code Chapter 8 as amended. Carried.

Motion by DeMars, seconded by Grayson to approve Resolution 2012-29 approving to publish the Chapter 8 amendments by title and summary. Carried.

Sidewalk and Trail Inspection and Maintenance Policy

Motion by Sexton, seconded by Grayson to approve the Sidewalk and Trail Inspection and Maintenance Policy as presented. Carried.

Sidewalk and Trail Inspection Criteria Policy

Motion by Grayson, seconded by DeMars to approve the Sidewalk and Trail Inspection Criteria Policy as presented. Carried.

Old Business.

Councilmember Grayson asked Administrator McCallum how the liquor liability quotes were coming. McCallum answered that the information would be presented at the next council meeting.

Councilmember Grayson asked if Administrator McCallum added her vehicle to the city's liability policy. McCallum answered that her vehicle was added.

New Business.

Board of Appeal and Equalization Training – The dates for the training are approaching and we need to have two council members trained.

Additional city council concerns – Councilmember Sexton asked about the pool inspection report. Kucera explained that everything has been taken care of.

Councilmember DeMars would like to give a huge thank you to all the city staff who helped with the parade and street dance.

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

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

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
July 23, 2012
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, Jeff Karow, Martha Arnold, Chad Meixner, Nathan Meixner, Dennis Ottosen, Mark Arjes, Mark Hendricks, and Jon Wagaman.

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

Changes to the agenda: Add pool signs under New Business B, add City of Medford signs under New Business C, add training period for City Administrator under City Administrator D.

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

Minutes

Motion by Sexton, seconded by DeMars to approve the June 23, 2012 regular meeting minutes as presented. Carried.

City and Liquor Store Bills – Sexton would like the bill listing to be more specific.

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

Check Register – Sexton asked about a Hagen Excavation bill for fixing a broken water main. Kucera answered that the bill was for the water main next to CJ Foods.

Motion by Sexton, seconded by Merritt to approve the June 2012 check register numbers E1695-E1719, 11842-11889, and 40215-40300 as presented. Carried.

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

Steele County Law Enforcement – None.

Christ the King Church – Martha Arnold presented a bingo request for a religious education fundraiser.

Motion by Grayson, seconded by Sexton to approve the Christ the King Church bingo request. Carried.

Twins Grant Update

Mark Arjes and Mark Hendricks presented the Youth 1st Community Model to the Council. Youth 1st would like to coordinate with the city on a community resolution and a Youth First Chapter.

The City Council is very interested in establishing a relationship with Youth 1st.

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

Consent agenda items include:

Resolution 2012-31 Accepting Donation from Ron & April Kubinski, Jay & Cheryl Merritt, Amber Hartgers, T.J. & Brianna Merritt, Amanda Hartgers, Stephine Merritt, Curt & Jill Olson, Cole Olson, and Autumn Olson in the amount of \$100.00 for the Park Endowment Fund.

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

Planning and Zoning Board. No meeting.

EDA – No meeting.

Park Board – Theresa Sierakowski presented the discussions from the June meeting.

Eagle Scout Volunteer Work Request – Jon Wagaman is requesting approval for his Eagle Scout Project at Frank Woodfill Wildlife Refuge. Mr. Wagaman would like to replace the plant and tree markers that were lost in the flood, trim the bushes, paint the dock, clean-up the pathways, replant a memorial tree that was in memory of a past Eagle Scouts father, and work on the main Frank Woodfill sign.

Park Board recommendation to the City Council is to approve this request.

Motion by DeMars, seconded by Grayson to approve Mr. Wagaman's Eagle Scout Project at Frank Woodfill Wildlife Refuge. Carried.

Sierakowski informed the Council that the August Park Board meeting was changed to July 31, 2012. There was also discussion of possibly decreasing the frequency of the Park Board meetings due to open seats and limited discussion topics.

The City Council agreed that if there are no matters to discuss, then the meeting can be cancelled.

Fire Department – None.

City Engineer – Seth Peterson presented a memo.

Peterson and Kucera met with the owner of the Lazy-U trailer court on the possibility of connecting to the city wastewater treatment facility. Peterson will be looking at feasibility options, possible grants, projected revenues, and treatment plant capacity, etc.

Mayor Thomas wanted to make sure that an entire feasibility study will not be done right now. Peterson answered that the question will come back to Council before moving forward with any additional plans.

DeMars asked if the Lazy-U would be interested in connecting with city water. Peterson answered that the Lazy-U just updated their water system a few years ago and they would not be interested at this time.

McCallum, Kucera, and Peterson met with the County again to discuss the Central Avenue project. The project will be moved back to 2014 in order to have more time working with property owners, the DNR, the Council, etc.

The round-a- bout project is still slated for 2013. McCallum met with MnDOT to see if there was a possibility of moving the project back to 2014 to line up with the County project, but has not received an answer as of yet.

City Attorney – Mark Rahrck – Rahrck has a meeting scheduled with Roger Borwege's attorney and Tom Shea to discuss North Park and the Wastewater Treatment Facility.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

A meeting has been set up with Steele County and Waste Management to discuss the recycling area at City Hall.

McCallum met with representatives of Steele Waseca about the franchise agreement and their proof of acceptance of the franchise.

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

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

Worker's Compensation Insurance Renewal – Discussion on changing the deductible.

Motion by Grayson, seconded by DeMars to change the worker's compensation insurance renewal deductible to zero. Carried.

Liquor Liability Coverage – McCallum presented a quote from both Wells Fargo and Americana Insurance Agency. Neither agency had a representative in attendance.

Council had questions that needed to be answered by the agents. McCallum will request the agents to be in attendance at the August meeting.

Motion by DeMars, seconded by Sexton to continue liquor liability coverage with Americana Insurance Agency until at least mid year. Carried.

Training Period for City Administrator – Mayor Thomas informed the council that McCallum’s six month training period will be over on August 27, 2012. The Mayor would like to push back the training period another three months and evaluate around November 27, 2012. Council action is needed to change a training period. All employees are at will employees.

Motion by Sexton, seconded by Merritt to extend the administrator’s training period three months to November 27, 2012. Carried.

City Clerk – Amber Kniefel presented Resolution 2012-32 certifying unpaid bills to Steele County.

Motion by Grayson, seconded by DeMars to approve resolution 2012-32 certifying unpaid bills to Steele County. Carried.

Kniefel presented a City Savings Summary. Council asked about possibility getting higher interest rates at other banks. McCallum’s research has shown low interest rates at all the banks around the area.

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

Non-metered Water Leak Repair Policy – Kucera explained that this policy will assist the city in being able to require a property owner to repair a leak that is located in the water line between the curb stop and the house. The water is not metered, but a leak is still the responsibility of the property owner to repair.

Motion by Grayson, seconded by DeMars to approve the Non-metered Water Leak Repair Policy. Carried.

Old Business – None.

New Business.

Precision Contracting – Mold results from an inspection done at City Hall. Mold was found in the council chamber ceiling and the back furnace room. Grayson would like Kucera to obtain two more bids before moving forward with the mold removal.

Motion by Grayson, seconded by DeMars to allow Kucera to obtain two additional bids and to allow McCallum to approve the lowest bid and move forward with the mold remediation disposal with the cost being at or below \$2,980.00. Carried.

Signs at the Pool – Councilmember Merritt voiced concerns with closing the pool due to accidents with bodily fluids in the water. Closing the pool is required when things like that happen to allow for proper disinfection of the entire pool. Merritt would like the parents to be more proactive and aware of what is happening with their kids.

Welcome to Medford Signs – Councilmember DeMars would like our Welcome to Medford Signs at the edges of town so people will see them as they enter Medford. Kucera will look into either moving the signs or purchasing new ones.

Additional city council concerns – None.

Next regular council meeting will be Monday, August 27, 2012 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 9:02 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Regular Council Meeting
 August 27, 2012
 7:00 p.m.
 City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, Dennis Ottosen, Mark Arjes, Ron Schultz, Jason Winter, Paul Beiser, Tony Baldwin, Dave Rubey, and Lois Nelson.

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

Agenda

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

Minutes

Motion by Sexton, seconded by Merritt to approve the July 23, 2012 regular meeting minutes as presented. Carried.

City and Liquor Store Bills – Sexton brought an incorrect bill amount to the attention of the clerk. The amount was corrected. Sexton also asked for clarification on the bills from Flom Septic for the porta potties for the parade and street dance.

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

Check Register

Motion by DeMars, seconded by Grayson to approve the July 2012 check register numbers E1720-E1738, 11890-11939, and 40301-40397 as presented. Carried.

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

Steele County Law Enforcement – None.

Liquor Liability Insurance Renewal – Dave Rubey, Americana Insurance Agency and Tony Baldwin, Wells Fargo Insurance Services USA

Dave Rubey presented to the City Council his recommendation for the City to remain with Founder's Insurance for our Liquor Liability. The company is stable and the City has been with them for many years. The chance of Founder's cancelling our coverage over a claim is very unlikely.

Tony Baldwin presented information about Indemnity Insurance. The quote is approximately \$3,000 less per year than Founder's Insurance. Mr. Baldwin explained that these rates are lower for cities that are members of the Minnesota Municipal Beverage Association. The chance of being cancelled due to a claim is very unlikely and the City would not need an inspection prior to binding to a contract.

Dave Rubey explained that liquor liability companies are either admitted or non-admitted. Founder's Insurance is an admitted company which means they comply to a different set of rules set by state statute.

Tony Baldwin stated that Indemnity Insurance is also an admitted carrier.

Mayor Thomas would like to table this discussion so the council can have more time to review the information presented. This will be discussed at the September city council meeting.

Youth 1st – Mark Arjes – Community Resolution 2012-38 Developing a City of Medford Chapter

Mark Arjes explained the resolution and the partnership between Youth 1st and the City of Medford.

Motion by Sexton, seconded by Grayson to approve community resolution 2012-38 developing a City of Medford Chapter of Youth 1st. Carried.

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

Consent agenda items include:

Resolution 2012-34 Accepting Donation from Medford Fire Relief Association for the portable restrooms used during the Medford Parade.

Resolution 2012-35 Accepting Donation from Steele County to be used towards the purchase of a pool lift chair.

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

Planning and Zoning Board. Zoning Board held a public hearing relating to the scheduling of a public hearing and the fee for holding a public hearing. Zoning Board recommended to the City Council to approve both the ordinance amending the scheduling of a public hearing and the resolution amending city fees related to holding a public hearing.

Motion by Grayson, seconded by Merritt to approve Ordinance 2012-03 amending section 2.22 of the Medford City Code relating to the scheduling of public hearings as presented. Carried.

Motion by Grayson, seconded by DeMars to approve resolution 2012-36 amending the city fee schedule relating to holding a public hearing as presented. Carried.

Zoning Board made a recommendation to council to approve and call for a public hearing for the presented fence ordinance amendments.

Council would like to add the word permanent to one of the amendments and to allow the Zoning Board to hold a public hearing.

EDA – No meeting.

Park Board – Theresa Sierakowski presented the minutes from the August meeting and the park/pool walk through.

Park/Pool Walk Through – Park Board recommendation to the City Council is to remove the horseshoe pits and make the area into a sand box with diggers. This area would be safe for kids both being located closer to the playground and having a fence along the riverside.

Council consensus is to allow the Public Works Department to remove the horseshoe pits and make the area into a sandbox.

Discussion of skateboarding on the tennis courts. Councilmember Sexton would like to know how much it costs to replace the tennis courts surface before allowing skateboarding on the courts. Councilmember Merritt suggests asking the school if they plan on utilizing the tennis courts.

Council consensus is to continue not allowing skateboarding on the tennis courts.

Park Board recommends to the City Council to direct Kucera to draft a park maintenance schedule at the beginning of the season and to handle the main projects earlier in the season.

If the budget allows, the basketball courts will get the added concrete after reviewing plans and bids for the large pavilion work.

Pool Rates – Park Board is recommending an increase to the pool fees for the 2013. There had not been an increase for many years.

Listed are the recommended changes, if a fee is not listed, no change is recommended.

- Family membership – in town \$100.00 – out of town \$115.00
- Single membership – in town \$45.00 – out of town \$50.00
- Weekly membership – in town \$20.00 – out of town \$20.00
- Pool Rental - \$50.00 for one hour - \$100.00 for up to three hours
- Daycare Pass – Daycare must have a pass and each child must have their own pass

Councilmember Merritt feels the increase for a family pass is too much all at one time. Council discussion is to make the in town family membership \$95.00 and the out of town family membership \$115.00.

Pool Rental – Council would like to see an increase for every hour the pool is rented. Council consensus for pool rental is \$50.00 for one hour, \$80.00 for two hours, and \$100 for three hours.

Daycare Pass – Park Board recommendation is to require the daycare to have a membership and each child is required to have their own membership. In the past, the daycare would pay for a family membership and each child that did not have a family pass could be added to the daycare pass for \$10.00 per child. The child could only swim under this membership when they are in attendance with the daycare. Council consensus is to eliminate the daycare pass option.

Motion by DeMars, seconded by Grayson to approve the single and weekly membership rates as presented, family in town membership rate at \$95.00 and out of town \$115.00, pool rental rates will be \$50.00 for one hour, \$80.00 for two hours and \$100.00 for three hours, and to eliminate the daycare pass. Carried.

Fire Department – None.

City Engineer – Seth Peterson presented a memo and final pay requests from Wapasha and Heselton.

Final pay request from Heselton Construction in the amount of \$13,358.03.

Motion by DeMars, seconded by Grayson to approve pay request #4 from Heselton Construction in the amount of \$13,358.03. Carried.

Final pay request from Wapasha Construction in the amount of \$1,000.00.

Motion by Grayson, seconded by Merritt to approve pay request #17 in the amount of \$1,000.00. Carried.

Central Avenue Rehabilitation Project – Peterson's recommendation is to continue with the process and begin gathering feedback from all parties involved. Organize open forums for the public to attend and give feedback.

Mayor Thomas would like city staff and Peterson to organize a meeting after November 15th to include all the newly elected officials in the street rehabilitation project as well.

MnDOT held a meeting open to the public asking for feedback on the round-a-bout project. The City of Medford is asking MnDOT to postpone the round-a-bout project until 2014 to coincide with the Central Ave project with the County. The City should be hearing back within the next couple of weeks.

City Attorney – Mark Rahrlick – Rahrlick presented initial information involving the wastewater treatment plant and North Park. Roger Borwege's attorney will be drafting a proposal for the council to review.

City Clerk – None.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

2012 Regional Meeting – Administrator McCallum is recommending that Kniefel, Kucera, and herself attend the 2012 LMC Regional Meeting in Faribault. Councilmember DeMars asked if the City Hall would be closed. The meeting starts in the afternoon, so the City Hall will be closed.

Mayor Thomas would like one of the public works staff to cover the office for the afternoon.

McCallum inquired of the council priorities to be included in the five year financial plan. Council members will contact McCallum with their ideas of priorities. The final five year financial plan will be presented in the next couple of months.

Resolution 2012-39 approving the certification of unpaid bills to Steele County.

Motion by Sexton, seconded by DeMars to approve resolution 2012-39 as presented. Carried.

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

Old Business – Already discussed.

New Business.

2013 Annual Budget Memo addressing the preliminary levy – the overall levy burden will be shifted from the debt service funds to the general fund to help with lowering the city's deficit.

McCallum is recommending a 10% overall levy increase which is in conjunction with the five year financial plan.

Motion by Grayson, seconded by Sexton to approve resolution 2012-37 setting the 2013 preliminary budget levy. Carried.

McCallum recommends holding a meeting prior to the regular September meeting to review the budget and discuss the final levy.

The council called a meeting for Monday, September 24, 2012 at 6:00 p.m. to discuss the budget and final levy.

Recycling Center Renovation – Steele County and Waste Management would like to upgrade the recycling center at the City Hall parking lot. Waste Management would like to place large roll offs out instead of the small rolling containers. The large roll offs will not be able to sit on the tar. They would like to install either concrete or gravel for the roll offs to sit on. Kucera and McCallum will work with Steele County and Waste Management to encourage concrete.

Handbook Amendment – McCallum presented a recommendation to amend the handbook to remove the section that salary paid employees can earn comp time by working over 47 hours in a work week.

Mayor Thomas believes if you are salary paid, you don't get overtime. Councilmember Grayson would like to research this more before the council makes a decision.

Truth in taxation hearing – McCallum recommends holding the TNT hearing in December. Due to Christmas Eve, the regular council meeting needs to move up a week. Recommendation is to hold the hearing on Monday, December 17, 2012 at the beginning of the regular council meeting.

Motion by DeMars, seconded by Grayson to set the truth and taxation hearing for Monday, December 17, 2012 at 7:00 p.m. Carried.

Additional city council concerns – Mayor Thomas asked Rahrick to explain the sales tax statute again.

Discussion on council e-mails and using a private e-mail accounts. Council would like more information.

Next regular council meeting will be Monday, September 24, 2012 at 7:00 p.m.

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

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
October 1, 2012
Medford City Hall

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

Members absent: None.

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

Others attending were Ashley Stewart, Lois Nelson, and Jason Winter.

Mayor Thomas called the meeting to order at 6:07 p.m.

The purpose of this special council meeting is for the Medford City Council to discuss the 2013 preliminary budget and tax levy.

Mayor Thomas opened the meeting with explaining how important it is for the council to follow the five year financial plan. The Mayor requested the City Administrator to go through the budget line by line and discuss each budget item for the general fund expenditures and revenues.

The final five year financial plan will be presented by the City Auditor in October or November.

The major expenditure items discussed were the general fund city engineering, staff wages, and capital outlay.

The council needs to schedule another special meeting to continue budget discussions.

Council set the next budget meeting for Monday, October 15, 2012 in the Medford Fire Hall at 6:00 p.m.

Motion by Grayson, seconded by Merritt to adjourn the meeting at 6:55 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting – September meeting moved to October 1, 2012

7:00 p.m.

City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, Dennis Ottosen, Ann Anderson, Jason Winter, Lois Nelson, Ashley Stewart, Ron Ensley, and Lynn Hager.

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

Agenda

Administrator McCallum added Lynn Hager Variance Request under X. A. 2.

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

Minutes

Motion by Grayson, seconded by Sexton to approve the August 27, 2012 regular meeting minutes as presented. Carried.

City and Liquor Store Bills – Council member Grayson asked about the training expenses for city staff and the S & T bills.

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

Check Register

Motion by DeMars, seconded by Merritt to approve the August 2012 check register numbers E1739-E1752, 11940-11988, and 40398-40497 as presented. Carried.

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

Steele County Law Enforcement – None.

Ann Anderson, The Times – Ms. Anderson addressed the City Council on the newspaper and offered the opportunity for the City to advertise and have stories about Medford. The Times is a weekly newspaper.

Ron Ensley, Owatonna People's Press – Mr. Ensley spoke with the City Council about their appreciation that the People's Press is the City's official newspaper. The People's Press is starting a promotion to all Medford residents to receive a newspaper every Tuesday at no charge. Mr. Ensley stated that if it is feasible for the City, the City could advertise in the Tuesday paper because everyone will have it at their homes.

Planning and Zoning Board. Zoning Board held a public hearing for the amendments to the fence ordinance. Zoning Board made a recommendation to the City Council to approve Ordinance 2012-04 as presented.

Motion by Grayson, seconded by Sexton to approve Ordinance 2012-04 amending sections 4.25 and 4.26 of the Medford City Code relating to the fence regulations as presented. Carried.

Zoning Board held a second public hearing for a variance request from Lynn Hager, property located at 220 1st St SE for a deck. Zoning Board made a recommendation to the City Council to approve the 5 foot variance to the south property line and the 6 foot variance to the east property line. No public spoke against the variance request at the public hearing.

Motion by Sexton, seconded by Grayson to approve the variance request of 5 feet from the south property line and 6 feet from the east property line for the construction of a deck. Carried.

EDA – No meeting.

Park Board – Theresa Sierakowski presented the minutes from the September meeting.

The concrete around the basketball hoops has been extended. The sandbox has been moved. The Park Board would like a garbage can in the area of the basketball hoops.

The Park Board discussed the infant swing that was added to the park. The understanding of the Park Board was that the swing was going to be a handicap swing. The Park Board understands that because of the cost of a handicap swing and not having this in the budget, a handicap swing will not be installed this year. Park Board would like to remove the third infant swing and replace it temporarily with a flat child swing. They would like to save the new infant swing to replace the other infant swings if one was to be damaged. Sierakowski is asking the Council to add a handicap swing into the 2013 budget.

Sexton and McCallum stated that the City could ask for a County grant to help pay for a handicap swing along with other needed items for the park such as a drinking fountain or grills.

Mayor Thomas would like the Park Board to hold a meeting in November and meet with Mark Arjes and Mark Hendricks of Youth 1st. The November 6 scheduled Park Board meeting will need to be moved due to elections.

Sierakowski asked the Council for a spring park improvement schedule for next year.

Fire Department – None.

City Engineer – None.

City Attorney – Mark Rahrck – Rahrck met with Mark Walbran, Roger Borwege’s attorney. Walbran is in the process of drafting the proposed agreement with the City.

Medford Furniture Outlet – Mr. Hinks is trying to refinance and the bank found a City easement that runs through the building. The City will need to vacate the easement in order for Mr. Hinks to continue with the refinance.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

Jaguar Communications has received funding approval and is ready to begin work installing fiber optic in Medford.

Work Comp Case – The League of MN Cities attorney is willing to attend the October 22 council meeting if the council would like an update on the work comp case. The Council would like the attorney to attend the meeting. A special closed session will be scheduled for Monday, October 22, 2012 at 6:30 p.m.

City Hall Recycling Area – The County does not have the funds for a new concrete pad to hold the large roll offs as proposed. The City is not in favor of gravel for that area. A meeting has been set up for this Thursday to discuss new options. City staff cleans the area often and the Council would like to charge back the time to the County if this continues.

Training for Staff – Mayor Thomas stated at the last council meeting that a public works employee needs to cover the City Hall office in the afternoon on Thursday when Kucera, Kniefel, and McCallum are away for training.

Kucera does not feel that having a public works employee sit in City Hall will be of any benefit to the residents.

Council consensus is to close the office and allow residents to leave a message as needed.

Volunteer Waiver Form

Motion by Grayson, seconded by DeMars to approve the volunteer waiver form as presented. Carried.

Donation Policy Amendment – The amendment addresses that refunds will not be given once the donation is accepted by resolution at a council meeting.

Motion Grayson, seconded by Merritt to approve the donation policy amendment as presented. Carried.

City Clerk

Year End Pool Analysis – Kniefel presented financial information from the 2012 pool season. Administrator McCallum and Kniefel have ideas to help with inventory control and possibly increase revenues that will be researched for the next pool season.

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

1976 Chevy Truck – Public Works Director Kucera is recommending to the City Council to put this truck up for sealed bids.

Council wanted to be clear that putting this truck up for sealed bids does not guarantee the purchase of a new truck.

Kucera understands and also reiterates that the City should not keep replacing parts for a 36 year old vehicle.

Motion by Grayson, seconded by Sexton to allow Kucera to advertise the 1976 Chevy for sealed bids. Nay: Merritt Aye: Thomas, Sexton, Grayson, DeMars.

Old Business

Liquor Liability Insurance – Grayson was researching the guarantee funds and did not have a chance to finalize all the information. Grayson would like the Council to continue with Americana Insurance for the rest of the year and to open this up for RFP's in the beginning of next year.

Council agreed to remain with Americana Insurance and put out for proposals in 2013.

Comp Time for Salary Paid Exempt Employees – The City is not required to pay comp time or overtime to salary paid exempt employees. McCallum is recommending to remove the 47 hour comp time stipulation for salary exempt employees from the handbook.

Motion by DeMars, seconded by Sexton to delete the stipulation that salary paid exempt employees earn comp time for hours worked over 47 hours in a work week. Carried.

New Business.

None.

Additional city council concerns – City Hall received notice of a variance request from Pat Smith for his property located just east of city limits. Councilmember Sexton explained the variance request to the Council.

Next regular council meeting will be Monday, October 22, 2012 at 7:00 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 8:07 p.m. Carried

Minutes approved at _____meeting.

Submitted by _____City Clerk.

Special Council Meeting
October 15, 2012
Medford City Hall

Members present: Thomas, DeMars, 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 and Keith Maas.

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

The purpose of this special council meeting is for the Medford City Council to discuss the 2013 preliminary budget and tax levy.

Administrator McCallum began the meeting with going through the revenue budget line by line.

City Council would like to look into possibly raising the dog licensing fee.

Discussion of the affect of employee wage increases in regards to the expenditure budget.

Motion by DeMars, seconded by Grayson to adjourn the meeting at 7:05 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Special Council Meeting
October 22, 2012
6:30 p.m.
Medford City Hall

Members present: Thomas, DeMars, Grayson, and Sexton.

Members absent: Merritt.

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

Others attending were Elyssa Webber, League of MN Cities Insurance Trust Worker's Compensation Attorney.

Mayor Thomas called the meeting to order at 6:31 p.m.

The purpose of this special council meeting is to update Medford City Council on current litigation on a worker's compensation case.

Motion by DeMars, seconded by Sexton to close the meeting under MN Statute 13D.05 attorney/client privilege. Carried.

The meeting was opened at 7:07 p.m.

Motion by DeMars, seconded by Grayson to adjourn the special meeting at 7:07 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
October 22, 2012
7:00 p.m.
City Hall

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

Members absent: None.

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

Others attending were Joe Erler, Keith Maas, Paul Beiser, Lon Thiele, Jeremy Waters, Mary Overlee Olson, Ric Hanson, Jeff Karow, Dennis Ottosen, Jason Winter, Lois Nelson, and Ashley Stewart.

Mayor Thomas called the meeting to order at 7:10 p.m.

Agenda

Administrator McCallum added Resolution 2012-41 Approving Publication of the Jaguar Franchise Agreement by Title and Summary under IX.

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

Minutes – Councilmember Sexton asked for clarification from the previous meeting on the information the City received on a variance request at a property located outside city limits.

Motion by Grayson, seconded by DeMars to approve the October 1, 2012 special meeting minutes, the October 1, 2012 regular meeting minutes and the October 15, 2012 special meeting minutes with an amendment to the October 1st regular meeting minutes. Carried.

City and Liquor Store Bills

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

Check Register

Motion by Grayson, seconded by DeMars to approve the September 2012 check register numbers E1753-E1768, 11989-12023, and 40498-40573 as presented. Carried.

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

Steele County Law Enforcement – Lon Thiele presented the 2013 Law Enforcement Contract.

The contract was updated to include an automatic renew of the contract for successive one-year terms. Either party may terminate the contract with a written 90 day notice. The amount of compensation paid to the County shall increase by 3.5% annually.

Motion by Sexton, seconded by DeMars to approve the law enforcement contract as presented. Carried.

Councilmember Sexton shared concerns with hunting within city limits. Sheriff Thiele assured the Council that the patrolling officers would keep a look out for hunting within city limits. In addition, any concerned citizen can call the Sheriff's office with any issues.

Ric Hanson, Jaguar Communications – The franchise agreement has been finalized and all the changes recommended by the City Council have been agreed upon by Jaguar Communications. In order for Jaguar to proceed with their project of installing fiber optic within city limits, ordinance 2012-05 needs to be approved by the Council.

Motion by Grayson, seconded by DeMars to approve ordinance 2012-05 the Jaguar Communications Franchise Agreement. Carried.

The ordinance needs to be published before going into effect.

Motion by Grayson, seconded Sexton to approve resolution 2012-41 allowing publication of the Jaguar Communications Franchise Ordinance by title and summary as presented. Carried.

Once the ordinance has been published, Jaguar will sign the agreement and send a signed copy back to the City.

Steele County Environmental Services and Waste Management – City Hall recycling area.

Mary Overlee Olson and Jeremy Waters presented a drawing of the area and size of the proposed recycling area upgrade. The area will be made to have space for 3 large roll-off containers within a 13' x 60' space. The bins cannot be placed too far back on the grass due to the overhead power lines. Part of the roll-offs will be placed on the tar. Waste Management is proposing to set the containers on wood boards to stop the heavy containers from sinking into the tar.

Council consensus is to approve the plan presented by Mary Overlee Olson and Waste Management.

Tom Olinger, Abdo, Eick and Meyers, presented the final five year financial plan. This is a working plan and will be updated yearly. The plan implements procedures to alleviate the city's general fund deficit by 2015. City staff used the five year financial plan as a guide when preparing the 2013 budget and levy information.

Councilmember Merritt arrived at the meeting at 7:55p.m.

Mayor Thomas opened the discussion up to the audience.

Keith Maas asked about the amount in the five year plan of \$550,000 for street projects. McCallum explained that the \$550,000 is an estimate on the Central Ave street and infrastructure project.

Lois Nelson asked if street seal coating was included. The council answered that seal coating projects are part of the regular budget every year.

Planning and Zoning Board. Zoning Board held a public hearing for the review of the interim use permit granted to BBMM, LLP for the Elevation North Church on Main Street.

Paul Beiser presented the recommendation from the Zoning Board to approve the interim use permit with the added special condition that the church parishioners will not be allowed to park on the private property in the back of the Post Office.

City Attorney asked for a language amendment to the first special condition to read that the permit is issued for a period of one year and is subject to renewal at the end of the year.

Motion by Grayson, seconded by DeMars to approve the interim use permit to BBMM, LLP for Elevation North Church with the verbiage amendment suggested by the city attorney and the added second special condition as recommended by the Zoning Board. Carried.

EDA – No meeting.

Park Board – No meeting.

Fire Department – None.

City Engineer – Seth Peterson informed the Council that General Construction is continuing to work with the State on the wage compliance issues.

City Attorney – Mark Rahrck informed the Council that he has not received the draft agreement on North Park. Rahrck did speak with the DNR on the canoe landing. The DNR has suggested that the City attain the land on the North shoreline of Straight River Park.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

A meeting with the School and Youth 1st is scheduled for Wednesday and will be held up a the school.

The Park Board meeting is scheduled for November 13, 2012 with Youth 1st.

Progress has been made on the renovations to the ball field. Sod has been laid.

Questions have come up concerning dog licenses in the City. A short notice about licensing your dog will be on the next water bills.

McCallum is recommending to the City Council to approve the certification of property clean-up charges to the 2013 property taxes.

Motion by Grayson, seconded by Sexton to approve resolution 2012-40 certifying unpaid bills to the Steele County. Carried.

City Clerk – None.

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

Kucera is recommending to the City Council to approve the presented Stage 2 Disinfection By-Product Rule Monitoring Plan.

Motion by Grayson, seconded by DeMars to approve the Stage 2 Disinfection By-Product Rule Monitoring Plan as presented. Carried.

The sludge suction line swivel elbow has a hole in it. The hole was found during pumping for biosolid application. The initial estimate to fix the line is \$6,000 to \$11,000.

Keith Maas asked if it was possible to change the pipe to a straight pipe and take the elbow out. Kucera said that could be a possibility.

Councilmember Merritt asked if city staff would be doing the work to fix the hole. Kucera stated that city staff cannot go into the sludge tank due to OSHA's confined space rules. McCallum explained that since the City did not have a confined space program, city staff should not enter areas that are defined as confined space. McCallum and Kucera have been in contact with the League to get the City joined in a Regional Safety group.

City Council would like more information on the possible solutions on the hole in the pipe and also confined space.

Kucera informed the Council that he is working with FEMA on a possible grant to help with the costs to the effluent line in need of rehabilitation at the Wastewater Treatment Plant.

Old Business – None.

New Business.

Scheduling a special council meeting to discuss the utility rate study that Kucera and McCallum have been working on and also the final budget and levy.

Council consensus is to discuss the utility rate study, the budget, and the levy at the council meeting in November. The November council meeting will be moved from November 26 to November 19, 2012 starting at 6:00 p.m.

Correspondence on Sales Tax for Business Owners – A resident has asked McCallum to have a discussion with the businesses on the West side of the interstate about the sales tax. After much discussion on the regulations involving expending public funds informing about the sales tax, it was decided that the Mayor should contact the businesses and have a conversation on the sales tax possibility. There is much concern that Medford residents are not informed on the sales tax and the council is going to get more involved.

Additional city council concerns – None.

Next regular council meeting will be Monday, November 19, 2012 at 6:00 p.m.

Motion by DeMars, seconded by Merritt to adjourn at 8:50 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
 November 14, 2012
 Medford City Hall
 7:00 p.m.

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

Members absent: None.

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

Others attending were Lois Nelson.

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

The purpose of the meeting is to canvass the returns and declare the results of the November 6, 2012 general election for the local option sales tax question, the positions of Mayor, Council Member (two seats – four year terms) and Council Member (one seat – two year term).

City Clerk, Amber Kniefel, read the resolution certifying the 2012 election results. The General Election had 634 persons voting, including 27 absentee votes.

Mayor – Four Year Term votes cast: Lois Nelson – 353 votes
 Paul Beiser – 271 votes
 Write-in – 0

Council Members – Four Year Term votes cast: Marie Sexton – 367 votes
 Jessica Grayson – 374 votes
 Jason J Winter – 260 votes
 Write-in – 10

Council Member – Two Year Term votes cast: Keith Maas – 405 votes
 Theresa Sierakowski – 189 votes
 Write-in – 2 votes

Motion by Sexton, seconded by DeMars to approve Resolution 2012-42 and declare Lois Nelson as Mayor-elect, Marie Sexton, Keith Maas, and Jessica Grayson as council members-elect. Carried.

Motion by Grayson, seconded by Merritt to adjourn at 7:05 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
 November 19, 2012
 6:00 p.m.
 City Hall

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

Members absent: None.

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

Others attending were Pat Merritt, Theresa Sierakowski, Keith Maas, Lois Nelson, and Ron Karow.

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

Agenda.

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

Minutes.

Motion by Sexton, seconded by Merritt to approve the October 22, 2012 regular meeting minutes and the November 14, 2012 special meeting minutes as presented. Carried.

City and Liquor Store Bills-Councilmember Merritt asked about the Custom Embroidery safety jackets. Kucera answered that the safety jackets are a budgeted item.

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

Check Register -

Motion by DeMars, seconded by Grayson to approve the October 2012 check register numbers E1769-E1785,12024-12052, and 40574-40667 as presented. Carried.

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

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

Consent agenda items include:

Resolution 2012-43 Accepting Donation from the Medford Fire Relief Association in the amount of \$13,000.00 for the Medford Pool and Medford Municipal Complex.

Resolution 2012-44 Accepting Donation from Greg and Karen Sanborn for the Medford Park Endowment Fund in memory of Janna Sanborn.

Resolution 2012-45 Accepting Donation from Donald Dagne for the Medford Park Endowment Fund in memory of Sharon Medford.

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

Planning and Zoning Board. No Meeting.

EDA – No minutes to present. Councilmember Grayson reported on the EDA meeting held on November 14, 2012. The council members on the EDA board may be changing with the change in council for 2013.

The EDA board is looking at amending the enabling resolution that structures the Economic Development Authority.

Park Board – Tabled until later in the meeting.

Fire Department – Fire Chief, Rick Hager, presented the township fire contracts and is recommending to the council for approval as presented. The contracts are updated every 3 years.

Motion by Grayson, seconded by Merritt to approve the Medford and Deerfield township fire contracts as presented. Carried.

Councilmember Grayson would like to discuss the administrator's memo item about charging for emergency response calls.

Rick Hager explained that the majority of fire departments do not charge for first responder calls. The Medford Fire Department works with Gold Cross. Gold Cross handles all the billing for the first responder calls.

After a lengthy discussion on specific examples for charging for fire department services, the council decided to table to the discussion until the next council meeting. City staff is directed to draft an example ordinance addressing when the City would charge for certain calls. Additional information and the draft ordinance will be presented at the December council meeting.

City Engineer – Seth Peterson addressed the General Construction wage compliance issues. The City should not pay out the entire retainage until the wage compliance issues are resolved with the MN Public Facilities Authority.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month. McCallum will be out of the office on December 4, 2012 for the worker's comp litigation case.

The City needs to draft a sales and use tax ordinance and submit to the Department of Revenue to move forward with the collection of the half percent sales and use tax. The Department of Revenue requires 90 days before the City can begin collecting.

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

Lois Nelson asked Kucera about the water loss that was presented in public works memo. Kucera answered that some water loss is typical. The Public Works Department focuses on keeping water loss under 10%.

The sealed bids for the 1976 Chevy resulted in Wayne Maas as the high bidder with the bid amount being \$2,185.00. Kucera recommends to the City Council to approve the sale of the 1976 Chevy to Wayne Maas in the amount of \$2,185.00.

Motion by DeMars, seconded by Grayson to approve the sale of the 1976 Chevy dump truck to Wayne Mass in the amount of \$2,185.00. Carried.

Old Business – 2013 Budget and Levy

Administrator McCallum presented a memo explaining a few amendments made to the budget since the last council meeting.

Mayor Thomas pointed out that in the packet were several levy scenarios, but really urged the Council to follow the five year financial plan.

The budget that has been presented projects a \$95,909.00 surplus to be allocated towards the general fund deficit.

The changes reviewed that caused the increase to the general fund deficit include:

- Staff wages will increase by 2% across the board, depending on employee evaluations, instead of a handbook increase.
- Youth 1st was added to the budget in the amount of \$2,500.00
- Community Education was added to the budget in the amount of \$1,000.00
- The capital outlay for the siding of the fire hall will be lowered. City staff will be involved with as much as possible to help lower the external labor costs
- Capital outlay for the streets department will be \$26,000.00. Councilmember Grayson would like to allow Kucera to use the capital outlay as follows: \$15,000.00 for a dump truck, \$3,000.00 for the radios, and \$8,000.00 for a lawn mower. Councilmember Merritt does not agree. Council consensus is to allow the \$26,000.00 to remain in the budget and to use the funds as presented.

Council consensus is to move forward with the presented budget and leave the levy increase for 2013 at 10% allocating a projected \$95,909.00 surplus to the general fund deficit.

New Business.

Water and Sewer Rate Study – Kucera presented a chart that shows the operation and maintenance costs of production of water and sewer per thousand gallons. The cost to produce 1,000 gallons of water is \$3.43. The cost to treat 1,000 gallons of septage is \$6.03. Staff is recommending an amendment to the way the City bills for water and sewer. Instead of an increasing block per thousand gallons, staff is looking at charging the actual cost to produce per thousand. There would no longer be a 3,000 gallon minimum. The presented change to the billing system is projected to cash flow the enterprise funds. Currently, the enterprise funds are running at a deficit every year which is depleting the water and sewer reserve funds.

Kniefel presented a spreadsheet that shows the 2012 rates as compared to the proposed 2013 rates and how the water bills would look.

In order to cash flow the funds, a usage rate would be charged to each account for both water and sewer of five dollars apiece. Then \$3.43 per thousand for water and \$6.03 per thousand for sewer would be charged.

The flat rates will need to remain the same until the sales and use tax revenue starts.

The City would be looking at a 2013 minimum bill for 1,000 at \$62.49 and the bills would go up per thousand from there.

Councilmember Grayson asked about the late fee of 1%. Grayson does not feel this percentage is high enough to encourage timely payments of utility bills. Kniefel will research options with our software company and present a draft resolution at the December council meeting.

Ron Karow asked the council about a possible discount for paying ahead on the water bill for the months that he is not in town. Kniefel gave the option of disconnecting the water and only paying the disconnection and reconnection fees. Mr. Karow did not feel that was a viable option for him because he comes home a few times in between.

Council did not feel that giving discounts for situations such as this was an option.

Mr. Karow also asked about the flat rates and when they would be lowered. Also, how the sales tax revenue would be allocated. The Council responded that the flat rates would be evaluated as soon as possible following revenue received by the sales and use tax. The goal would be to lower the flat rates on the bill.

Mr. Karow also wanted to ask the Council to look at lowering expenditures before raising the water bills. He also does not feel the City needs a new dump truck.

Park Board – Theresa Sierakowski presented the Park Board minutes.

The Park Board discussed the warming house and ice rink for this winter season. The Board discussed moving the warming house and the ice rink back down to Straight River Park.

Councilmember DeMars would like the warming house moved to the Park. That way, if the weather does not cooperate with an ice rink, the kids can still use the warming house for sledding.

Kucera recommends making the ice rink in the Park. Either location will cost approximately \$600.00 to get the area ready.

Council all agreed that they would like to have an ice rink. Councilmember Sexton would like the ice rink to stay at the new city property. Councilmembers Merritt, DeMars and Grayson would like the rink in the Park.

The Park Board will discuss the ice rink and warming house at their next meeting on December 4, 2012 and come to the December council meeting with a proposed plan.

Park Board also reminded the City that they think the City should have a Facebook page.

Additional city council concerns – Evaluation of the City Administrator.

Mayor Thomas would like to have a meeting at 6:30 p.m. on December 17, 2012 to evaluate the City Administrator. The city attorney will guide the council on the proper procedure for the evaluation.

Next regular council meeting will be Monday, December 17, 2012 at 7:00 p.m. with the special meeting to evaluate the city administrator at 6:30 p.m.

Motion by DeMars, seconded by Grayson to adjourn at 8:22 p.m. Carried

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Special Council Meeting
December 17, 2012
Medford City Hall
6:30 p.m.

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

Members absent: None.

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

Others attending were Lois Nelson.

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

The purpose of the meeting is to conduct Heather McCallum's training period evaluation.

The basis for closing the meeting is to conduct a training period evaluation pursuant to Minn Stat Sec 13D.05 Subd. 3.

Mayor Thomas asked Heather McCallum, Lois Nelson, and Amber Kniefel to exit the meeting the room for the initial discussion. Heather McCallum and Lois Nelson will be asked to join the meeting when the Council finishes.

Motion by Sexton, seconded by DeMars to close the meeting at 6:30 p.m.

Motion by Grayson, seconded by DeMars to open the meeting at 6:49 p.m. Carried.

Motion by Grayson, seconded by DeMars to close the special meeting at 6:50 p.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.

Regular Council Meeting
December 17, 2012
7:00 p.m.
City Hall

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

Members absent: None.

City staff and consultants in attendance were Heather McCallum, Amber Kniefel, Rich Kucera, Seth Peterson, Mark Rahrick, Rick Hager, Vern Wheeler, and Butch Schultz.

Others attending were Pat Merritt, Theresa Sierakowski, Keith Maas, Lois Nelson, Ashley Stewart, Dan and Mona Kaiser, Edna Ringhofer, and Dennis Ottosen.

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

Agenda.

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

Minutes – Councilmember Grayson requested that the tape from the last meeting be referred to regarding the councils' answers as to wanting an ice rink for the 2012-2013 season.

Councilmember Sexton asked for the word, surplus, to be added to the minutes regarding the amount the City budgeted to be allocated to the General Fund deficit.

Motion by Sexton, seconded by DeMars to approve the November 19, 2012 regular meeting minutes as amended. Carried.

City and Liquor Store Bills-Councilmember Grayson asked if the repairs to the Muni furnace could be covered by insurance. McCallum will research this.

Councilmember Merritt wanted the staff to know that electric companies offer rebates for certain situations, such as purchasing new equipment instead of replacing parts to old equipment. McCallum explained that the Muni furnace went out over a weekend and there was completely no heat. Fixing the furnace in a timely manner was very important instead of leaving the Muni closed.

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

Check Register -

Motion by Grayson, seconded by Sexton to approve the November 2012 check register numbers E1786-E1800, 12053-12083, and 40668-40751 as presented. Carried.

Edna Ringhofer – Raffle Request – The raffle request is for the fundraiser for “Dancing with the Steele County Stars” to be held at the Medford Public School.

Motion by Grayson, seconded by DeMars to approve the raffle request for the “Dancing with the Steele County Stars” fundraiser. Carried.

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

Truth-in-Taxation Hearing – Dan and Mona Kaiser addressed the City Council. Dan Kaiser thanked all the council members, both incoming and outgoing, for their service to the City of Medford. The Kaiser's wanted to speak with the council as a follow-up from the Board of Appeal meeting held earlier in the year. Dan and Mona Kaiser spoke at the Board of Appeal regarding their commercial market valuation given by the County. The market value increased 25% from the year before. The Kaiser's requested a decrease in market valuation. The council decided to lower their commercial market valuation from approximately 25% to 10%.

The proposed 2013 budget increases the Kaiser's commercial property taxes by 22%. The overall increase including the County, School, and City is 13%.

Mr. Kaiser wanted the council to be aware of the increases to commercial property taxes and to be very careful when planning the budget.

Councilmember Sexton understands that the burden is on the commercial properties.

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

Consent agenda items include:

Resolution 2012-46 Accepting Donation from Pat and Kay Merritt in the amount of \$20.00 for the Medford Park Endowment Fund.

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

Planning and Zoning Board. The Board held a public hearing on the request from the Medford Furniture Outlet to vacate an easement that ran through the building due to the Medford Furniture Outlet building over the property line.

Motion by Grayson, seconded by DeMars to approve resolution 2012-49 vacating the easement for the Medford Furniture Outlet. Carried.

EDA – No meeting in December. The minutes included in the packet are from the November meeting.

Park Board – Theresa Sierakowski presented the minutes from the December meeting. The Park Board is recommending to the City Council not to have an ice rink this season due to timing and planning.

The City Council agrees that the ice rink will wait until a full future plan is created.

Fire Department – Fire Chief, Rick Hager, presented a bid from ANCOM Communications for a bi-directional amplifier needed for the new radios. The radio coverage is poor in the fire hall due to the tin building.

Motion by Sexton, seconded by DeMars to approve the fire department to purchase the bi-directional amplifier from ANCOM Communications as per the quote for \$9,262.11 as presented. Carried.

City Engineer – Seth Peterson presented a final pay request from General Construction services for the retainage. Peterson is not recommending payment until the wage compliance issues are resolved with the MN Public Facilities Authority.

City Attorney – Mark Rahrck – General Construction Services has served the City with a complaint due to non-payment of the final retainage.

Rahrck is working with the wage compliance consultant and will submit a statement back to the General Construction Services attorney.

Rahrck has sent a draft franchise agreement to Steele Waseca for comment.

City Administrator Memo – McCallum presented a memo summarizing various items that have been worked on in the last month.

Mayor Thomas asked about the accident that happened at the Muni. McCallum answered that a police report has been filed. The insurance agent will get all the information to submit to the League.

City Clerk – Amber Kniefel – presented a resolution certifying unpaid bills to Steele County payable on 2013 property taxes.

Motion by Grayson, seconded by Sexton to approve resolution 2012-47 certifying unpaid bills to Steele County. Carried.

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

Mayor Thomas asked about the award Medford was presented. The Minnesota Department of Health Oral Health Program and Drinking Water Protection Section presented Medford with the 2011 Water Fluoridation Quality Award from the Centers for Disease Control and Prevention.

The Mayor congratulated the Public Works Staff for their hard work and effort.

Councilmember Sexton asked if the Central Avenue project would qualify for the project priority list.

Peterson answered that it may be possible on the water side.

New Business.

Dan Kaiser asked a question on the budget relating to the “overall” final numbers for expenditures versus revenues. Kniefel answered that there is a budgeted surplus for the general fund.

Motion by Grayson, seconded by Sexton to approve the final 2013 budget as presented. Carried.

Motion by Grayson, seconded by DeMars to approve resolution 2012-48 approving the adoption of the 2013 final tax levy to be certified with the County. Carried.

BBMM, LLP Interim Use Permit – City Hall was notified about a week after approval that the Elevation North Church would no longer be occupying the building. Rahrck advised the Council that the interim use permit could be revoked. Kniefel left messages with the owner and heard no response.

Motion by DeMars, seconded by Merritt to revoke the interim use permit granted to BBMM, LLP for the use of the building to Elevation North Church. Carried.

Regional Safety Group – McCallum met with representatives from Owatonna and Faribault about developing a regional safety group. Medford and Owatonna are ready to move forward with the agreement, with Faribault handling a few details, but are positive about joining the group. Medford’s share of the League fees will be \$1,000.00 per year which would include approximately 11 safety trainings per year.

Keith Maas asked where the trainings would be held. Mike Johnson, Steele County Emergency Management, created a schedule that would offer trainings rotating at each of the three cities.

Councilmember Merritt asked which city staff person would be the main safety administrator.

Administrator McCallum answered that both her and Public Works Director, Kucera would be in charge of the program. Kucera would be the main person in charge of scheduling the staff for appropriate trainings and McCallum would be the main contact between the cities in the regional safety group.

Motion by Grayson, seconded by Sexton to approve the agreement establishing a regional safety group as presented. Carried.

Sales and Use Tax Ordinance – An ordinance is required for the City of Medford to begin collecting revenue from the local option sales and use tax.

Motion by Grayson, seconded by DeMars to approve ordinance 2012-06 establishing a local option sales and use tax for the City of Medford. Carried.

Evaluation Summary – Council held a review for Heather McCallum. McCallum has completed the City’s training period.

Additional city council concerns – Councilmember Sexton presented outgoing Mayor Thomas and Councilmember DeMars with a certificate of appreciation for their commitment and dedication to the Medford City Council.

Next council meeting will be the organizational meeting held on January 7, 2012 at 7:00 p.m.

Next regular council meeting will be held on January 28, 2012 at 7:00 p.m.

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

Minutes approved at _____ meeting.

Submitted by _____ City Clerk.

Submitted by _____ City Clerk.

Special Council Meeting
December 26, 2012
Medford City Hall
11:15 a.m.

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

Members absent: None.

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

Others attending were Lois Nelson.

Mayor Thomas called the meeting to order at 11:21 a.m.

The purpose of the meeting is for the City Council to rescind a previous motion to approve an ordinance authorizing a local option sales and use tax in the City of Medford and approve an amended version of the local option sales and use tax ordinance.

Administrator McCallum explained that after the last council meeting, the Department of Revenue submitted additional amendments to the ordinance. The amendments need to be approved before the ordinance can be published. McCallum is also recommending to the Council to approve resolution 2012-50 allowing the ordinance to be published by title summary because of the length of the ordinance.

Motion by Grayson, seconded by DeMars to rescind the motion approving ordinance 2012-06 from the December 19, 2012 regular council meeting authorizing a local option sales and use tax. Carried.

Motion by Grayson, seconded by DeMars to approve the amended Ordinance 2012-06 authorizing a local option sales and use tax in the City of Medford as presented. Carried.

Motion by Sexton, seconded by Grayson to approve Resolution 2012-50 authorizing the publication of the sales and use tax ordinance by title and summary. Carried.

Motion by DeMars, seconded by Merritt to adjourn the special meeting at 11:25 a.m. Carried.

Minutes approved at _____ meeting.

Submitted by _____ clerk.