

CITY OF CLARA CITY
CITY COUNCIL
SPECIAL MEETING

Thursday, January 6, 2011
City Hall

This Special Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Thursday, January 6, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Les Feia, Shirley Klaassen, and Barry Schwitters.

Members absent: Vacancy.

Staff present: Windy Block (City Administrator) and Judy Gosseling (Deputy Clerk).

Also present: John White (Clara City Herald), Robert Stager, Ann Jaenisch, Kurt Koenen, Bryan Pauling, Allison Pauling, Lisa Osthus, Nathan Speiser, David Groff, Todd Osthus, Roger Feldman, Ron Thomson, and Joe Thissen.

The first order of business involved the administering of the "Oath of Office" to newly elected officials. It was noted that Mike Thein had already been sworn in on Tuesday, January 4, 2011, due to family considerations. As such, City Administrator Windy Block administered the "Oath of Office" as a Councilperson to both Shirley Klaassen and Barry Schwitters.

Upon a request for the approval of the agenda, *it was moved by Klaassen and seconded by Feia that the agenda to be approved as presented. The motion was passed unanimously.*

There were no "Meeting Minutes" to be considered.

Under the "Appearance of Interested Citizens" section of the agenda, no one appeared.

There were also no items for consideration under the "Notices and Communications," the "Consent Agenda," the "Reports Sections," the "Public Hearings," or the "Unfinished Business" sections.

Under new business, Mayor Thein introduced Resolution No. 2011-001 that addressed the City Council's action of finding that a vacancy of one (1) City Councilor exists, such term to expire on 12/31/2012. Following fact finding and discussion, *it was moved by Feia and seconded by Klaassen to adopt Resolution No. 2011-01 "Declaring a Vacancy and Solicitation Process for the Filling of a City Council Member's Position." The motion carried unanimously.*

The Council next considered the City Administrator's "Memorandum Regarding the Interview Selection Process for City Council Vacancy," dated January 6, 2011. Following further discussion, questions, and clarification, *it was moved by Feia and seconded by Klaassen to approve the selection process to fill the vacancy of one City Councilor as outlined in the memorandum dated January 6, 2011. The motion carried unanimously.*

Mayor Thein then announced that the Council would begin the process of interviewing eight (8) candidates who had applied on a timely basis for the position. Each interview is scheduled to last up to 20 minutes and that the Council would be asking the same basic ten questions of each candidate. Staff reported that all eight candidates had been contacted and that each had accepted and agreed to be

interviewed as the time stipulated on the "interview schedule." However, in the interest of efficiently using the Council's time, Mayor Thein inquired, and the Council agreed unanimously, that keeping the interview process moving along was certainly an acceptable strategy, even if it may mean taking interviewees out of sequence, as long as the impacted candidate was approving of such and the interview lasted no longer than the original twenty minutes..

The Council then proceeded to interview the eight (8) applicants in an orderly manner as follows:

Robert J. Stager (6:45 – 6:59 pm)
 Kurt Koenen (7:00 – 7:19 pm)
 David Groff (7:20 – 7:40 pm)
 Bryan Pauling (7:41 – 7:53 pm)
 Todd Osthus (7:53 – 8:05 pm)
 Lisa Osthus (8:06 – 8:22 pm)
 Nathan Speiser (8:23 – 8:34 pm)

As a courtesy break for the Council, the Mayor declared a meeting recess from 8:35 – 8:44 pm.

Joseph Thissen (8:44 – 9:01 pm)

Following the completion of the eight interviews, each City Council member was provided a "Ranking of Candidates" form and requested to rank and score their top four candidates as follows:

First Choice = 4 points
 Second Choice = 3 points
 Third Choice = 2 points
 Fourth Choice = 1 point

Once the exercise was completed, the Mayor collected the scoring sheets and provided them to staff for tabulation. Staff compiled the scores and the following candidates were announced as being the four finalists selected for further deliberation by the Council: Robert Stager (8 points), David Groff (8 points), Nathan Speiser (5 points) and Joseph Thissen (10 points). Staff then provided a "Rank-Pairing" scoring instrument for each Council Member featuring the names of the top four candidates as determined in the previous exercise.

Mayor Thein then directed that the Council apply the "Pair-Ranking" scoring instrument to each of the finalists. Time was allotted for the completion of the exercise. As the Councilors and Mayor completed their pair-rankings worksheets, staff took their individual results and placed them into a composite matrix. Following the tabulation of all results, staff announced that the results of the "pair-ranking" exercise revealed the following point totals: 1st place - Joseph Thissen (43 points), 2nd place – David Groff (32 points), 3rd place – Nathan Speiser (23 points), and 4th place – Robert Stager (22 points).

Based upon the results of the interview and ranking process, *it was moved by Feia and seconded by Schwitters to appoint Joseph J. Thissen to fill the vacancy as a City Councilor, such term to end 12/31/2012. The motion passed unanimously.*

Inasmuch as Mr. Thissen was still present, Mayor Thein requested that he be afforded the "Oath of Office." As such, Administrator Block administered the "Oath of Office" as a City Councilor to Joseph Thissen.

The Mayor noted that the first regularly scheduled meeting of the City Council of Clara City in 2011 would be on Tuesday, January 11, 2011, beginning at 6:30 p.m.

Hearing no further business, *it was moved by Klaassen and seconded by Schwitters to adjourn the meeting. The motion was unanimously adopted.* Mayor Thein declared that the meeting was adjourned at 9:32 p.m.

SIGNED BY:



By: Mike Thein, Mayor

ATTEST:



By: Winthro C. Block, City Administrator

CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING

Tuesday, January 11, 2011
City Hall

This Regular Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Tuesday, January 11, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Les Feia, Shirley Klaassen, Barry Schwitters, and Joseph Thissen.

Members absent: none.

Staff present: Windy Block (City Administrator) and Judy Gosseling (Deputy Clerk).

Also present: John White (Clara City Herald), Dave Berryman, and Ann Jaenisch.

Upon a request for the approval of the agenda, *it was moved by Thissen and seconded by Klaassen that the agenda be approved with the addition of agenda item "5. (B) BMS Notification;" the addition of agenda item "8. (A) 2010 Annual Police Department Activity Report;" and the withdrawal of agenda item "12. (B) The Care Center Check Register." The motion was passed unanimously.*

Upon consideration of meeting minutes, Councilor Klaassen questioned the motion on page 5 of the December 14, 2010 meeting regarding the solicitation of a new employee for the Public Work's Department. Following discussion and clarification of that motion, **it was moved by Klaassen and seconded by Feia to approve the Minutes of the Regular City Council Meeting on December 14, 2010 as drafted. The motion passed unanimously. It was then moved by Klaassen and seconded by Schwitters to approve the both sets of Minutes of the Special City Council Meetings as held on December 27, 2010 and January 6, 2011. The motion carried unanimously.**

Under the "Appearance of Interested Citizens" section of the agenda, no one appeared.

As a professional courtesy and in recognition of potential costs, Mayor Thein requested that agenda item 11(F) be moved forward for immediate consideration. Sensing approval for such, the City Council began its consideration of receiving a preliminary engineering report from Dave Berryman, Rodeberg & Berryman, Inc. regarding "Proposed Sanitary Sewer Improvements for Clara City," such report dated January 4, 2011. In addition to providing copies of the report to each Councilor, Berryman also produced a large map that detailed the location and impact of the three (3) projects outlined within his project. The projects included the following phases: (1) West side trunk sewer replacement, including sanitary sewer replacement northeasterly to the intersection of First Street SE and Fourth Avenue SE, at an estimated total cost of \$1,577,999, (2) East side trunk sewer replacement, including sanitary sewer replacement from 2nd Street NE to Fifth Avenue NE, at an estimated total cost of \$1,655,000, and (3) Replacement of the sanitary sewer lift station and force main on south side of T.H. 23 near Hawk Creek, at an estimated total cost of \$228,000. Berryman previewed the report for the Council and explained that the application of the City's assessment policy would be necessary in order to reach the required minimum threshold of 20% in assessments in order for the City to use General Obligation bond funding for the project. The preliminary estimated assessed costs are: 1) \$22.00 per lineal foot for sanitary sewer replacement, 2) \$24.00 per liner foot for the waterman replacement, and 3) \$38.00 - \$40.00 per lineal foot for street and curb and gutter replacement. The

engineer's recommendation was that Council should continue implementation of the overall improvement project by concentrating on Project 1 with Project 3 as a bid alternate. Berryman further suggested that he be authorized to continue working on project related items such as easement right-of-way and permit requirements. As such, *it was moved by Feia and seconded by Klaassen to authorize Rodeberg & Berryman, Inc. to continue the engineering of the "Sanitary Sewer Improvement Project," and in particular, its work on the permitting and easement components of the project. The motion passed unanimously.*

Following additional discussion, *it was moved by Thissen and seconded by Feia to acknowledge receipt of the "Preliminary Engineering Report of the Proposed Sanitary Sewer Improvements, dated January 4, 2011," by Rodeberg & Berryman, Inc. and to direct staff to prepare a funding alternatives analysis for the project's implementation, such analysis to be placed on the agenda for the February 8, 2011 City Council Meeting. The motion passed unanimously.* Following this action, Mr. Berryman left the meeting.

Upon consideration of "Notices and Communications," the Mayor noted that the League of Minnesota Cities (LMC) was preparing to host its annual "2011 Leadership Conference for Newly Elected and Experienced Officials," and inquired if any of the Councilors were interested in attending. As of this time, none of the Councilors appear to be able to attend.

The other item of communication involved a copy of correspondence that had been received by City Hall from the Bureau of Mediation Services (BMS). It was a "Certification Unit Determination Order, dated January 5, 2011." The document, one of three such orders recently received by the City, alerted the City as to a pending mail-in ballot election for a determination of representation for the purpose of collective bargaining activities. No further action by the Council is needed at this time.

Under the "Consent Agenda," the Mayor chose to have each of the two issues considered for council action. As such, *it was moved by Schwitters and seconded by Klaassen to approve the calendar dates for the regular meetings of the City Council of Clara City in 2011. The motion carried unanimously.* Klaassen requested that the list of proposed meeting dates be displayed on the bulletin board in the U.S. Post Office.

The next item involved approval of various requests as received from the Cross Country Trail Blazers Snowmobile Club regarding their sponsorship of certain community-wide social events in support of the Prairie Fest celebration of Clara City in 2011. Following additional questions and clarification, *it was moved by Feia and seconded by Thissen to approve the following three requests as received from the Cross Country Trail Blazers Snowmobile Club with regard to certain community-wide social events in support of the Prairie Fest celebration to be held in Clara City on July 8-9, 2011, including:*

- 1) *Approval of a Street Dance to be held on Friday, July 8, 2011, beginning at 8:00 p.m. and extending to 1:00 am on Saturday, July 9, 2011, such event to include approval for the closure and the event's use of NW 1st Avenue from N. Main Street to 1st Street NW.*
- 2) *Approval of a 3.2% Beer and Wine Cooler Liquor License for Friday, July 8, 2011, serving until 1:00 am on Saturday, July 9, 2011, per the City ordinance.*
- 3) *Approval of an "Application for Exempt Permit" and waiver of the required 30-day waiting period for a raffle by the organization to be held at Keggers Bar & Grill, 34 W. Center Avenue, Clara City, on Friday, July 8, 2011.*

The motion carried unanimously.

The Council received and acknowledged under the "Reports Sections" the following information:

1. Minutes of the January 5, 2011, Planning Commission Regular Meeting.
2. Minutes of the December 13, 2010, EDA Regular Meeting.
3. The December 2010 Monthly Report and the 2010 Annual Report from the Clara City Police Department as drafted by Chief Ralph Bradley.
4. A verbal report by the Administrator regarding the Public Works Department and the 37 applicants that have been received in response to the advertisement for employment.
5. A verbal report by Ann Jaenisch noting the need for the renovation of the housing units and all common areas within the Prairie Park Place facility.
6. A written report from Administrator Mike Stordahl regarding financial status and construction improvement upgrades.

There were no items for consideration under either the "Public Hearing" or the "Unfinished Business" sections of the agenda.

Under "New Business," the first two items involved the acknowledgement of service of two former public servants. *It was moved by Feia and seconded by Schwitters to approve Resolution No. 2011-002 acknowledging the City's appreciation for the public service of Dwight Mulder in his four years of service as a City Councilor from January 1, 2007 through December 31, 2010. The motion carried unanimously.*

Next, *it was moved by Feia and seconded by Schwitters to approve Resolution No. 2011-003 acknowledging the City's appreciation for the public service of Joseph Thissen in his two years of service as Mayor from January 1, 2009 through December 31, 2010. The motion was adopted with three votes in favor, zero votes opposed, and Councilor Thissen abstaining due to the subject of the resolution.*

It was moved by Feia and seconded by Klaassen to approve the following designations for 2011:

*Official Depository—Citizens Alliance Bank of Clara City, MN
 Official Newspaper—Clara City Herald
 City Civil Engineer—Rodeberg & Berryman, Inc.
 City Auditor—Conway, Deuth, Schmiesing
 City Civil Attorney—Prindle, Maland, Sellner, Chtd.
 City Prosecutorial Attorney—David Gilbertson, JD*

The motion passed unanimously.

Following discussion and some swapping of assignments regarding the 2011 City Council Appointments, *it was moved by Schwitters and seconded by Feia to approve the following appointments for 2011:*

1. *Economic Development Authority (EDA)—Mike Thein and Joe Thissen*
2. *Planning Commission—Joe Thissen*
3. *Acting Mayor—Shirley Klaassen*
4. *Ambulance Service—Barry Schwitters*
5. *Care Center—Shirley Klaassen and Barry Schwitters*
6. *Community Education—Mike Thein*
7. *Fire Department—Mike Thein*
8. *Library—Shirley Klaassen*
9. *Parks—Shirley Klaassen*
10. *Police Department—Les Feia*

11. *Prairie Park Place—Barry Schwitters*
12. *Public Works Department—Les Feia*
13. *Safety Committee—Shirley Klaassen and Les Feia*

The motion carried unanimously.

Upon consideration and following discussion of the opportunity to nominate a mayor or council member to fill a vacancy as a municipal representative on the Upper Minnesota Valley Regional Development Commission, *it was moved by Feia and seconded by Klaassen to have staff complete the forms for the nomination of Mayor Mike Thein as a municipal representative on the Upper Minnesota Regional Development Commission (UMVRDC) and submit them on a timely basis. The motion passed unanimously.*

Deputy Clerk Judy Gosseling next presented the Verified Claims for the period ending Tuesday, January 11, 2011. In addition to viewing the full roster, each council member was afforded the opportunity to select a single claim for a more in depth examination. Following an in depth examination of claims # 191, 551, 129, 493, and 328, *it was moved by Thissen and seconded by Schwitters to approve the entire register from Check #12564—12642 as presented in the amount of \$161,069.34. The motion carried unanimously.*


The Mayor noted that the next regularly scheduled meeting of the City Council of Clara City would be on Tuesday, February 8, 2011, beginning at 6:30 p.m.

Councilor Klaassen asked a couple of questions regarding the 2011 summary budget document that staff had distributed earlier in the meeting. Councilor Thissen asked about the progress of the existing clinic building and its potential mold problem. Staff continues working on that problem.


Deputy Clerk Gosseling offered to go through the basics of the City's finances at a time and place acceptable to any of the City Councilors. She shall await their request(s).

Hearing no further business, *it was moved by Klaassen and seconded by Feia to adjourn the meeting. The motion was unanimously passed.* Mayor Thein declared the meeting adjourned at 7:54 p.m.

SIGNED BY:


By: Mike Thein, Mayor

ATTEST:


By: Winthro C. Block, City Administrator

CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING

Tuesday, February 8, 2011
City Hall

This Regular Meeting of the City Council of Clara City was called to order by Acting Mayor Shirley Klaassen on Tuesday, February 8, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Shirley Klaassen, Les Feia, Barry Schwitters, and Joseph Thissen.

Members absent: Mike Thein (excused).

Staff present: Windy Block (City Administrator) and Judy Gosseling (Deputy Clerk).

Also present: John White (Clara City Herald), Dave Berryman (Rodeberg & Berryman, Inc.), Ralph Bradley (Police Dept.), Lisa Osthus, and Todd Osthus.

Upon consideration for the approval of the agenda, *Acting Mayor Klaassen declared the agenda to be approved as drafted with the addition of Agenda Item No. 11 (H) "The Award of the Winning Bid for the Clara City Care Center Improvement Project—Phase II."*

Upon consideration of approving meeting minutes, *it was moved by Feia and seconded by Schwitters to approve the Minutes of the Regular City Council Meeting on January 11, 2011, as presented. The motion passed unanimously.*

Under the "Appearance of Interested Citizens" section of the agenda, John White, 322 SE 1st Street, addressed the Council on sanitary sewer problems that he had experienced at his home over the prior weekend. Staff reported that it had received a couple of emails from White detailing those issues and had forwarded the information to the Rodeberg & Berryman, Inc., the City's civil engineer, for their investigation and reaction.

Upon consideration of "Notices and Communications," the Acting Mayor noted the receipt of three notifications of tabulation results from the certification election and subsequent certification as exclusive representative for the following units: 1) All supervisory employees (4) employed by the City of Clara City, such persons to be represented by the Minnesota Association of Professional Employees, Shoreview, MN, 2) All essential police officers (2) employed by the City of Clara City, such persons to be represented by AFSCME Council 65, Nashwauk, MN, and 3) All City Hall and Public Works Maintenance Employees (3) employed by the City of Clara City, such persons to be represented by AFSCME Council 65, Nashwauk, MN. In addition, staff noted that two "Notices of Desire to Negotiate," both dated January 31, 2011, had been received from the two AFSCME units as noted in # 2 and 3 above. No further action by the Council is needed at this time.

Upon consideration of the "Consent Agenda," *it was moved by Thissen and seconded by Feia to approve the recommendation as received from the Planning Commission for the issuances of a "construction permit" for Prinsburg Farmers Co-op, dba Clara City Farmers Elevator, 110 SW 1st Avenue, Highway 23, Clara City for the construction of a 747,000 bushel grain storage bin, at an estimated cost of \$735,285 in commercial construction work by Northern Grain and Swift Manufacturing, for which the permit fee is \$861.79. The motion carried unanimously.*

The Council received and acknowledged under the "Reports Sections" the following information:

1. Minutes of the January 10, 2011, EDA Regular Meeting and the EDA Special Meetings of January 24th, January 26th, and February 1, 2011.
2. The January 2011 Monthly Report from the Clara City Police Department as drafted by Chief Ralph Bradley. Chief Bradley was present and highlighted the verbal notice of resignation that he had received from Police Officer Dave Olson who has accepted a position with the Norman County Sheriff's Department effective March 1, 2011. As such, Bradley notified the Council that he would immediately initiate the process of advertising for and selecting a replacement officer.
3. A written report from Care Center Administrator Mike Stordahl regarding the status of the Care Center's monthly finances and an update of its facility improvement project.

There were no items for consideration under either the "Public Hearing" or the "Unfinished Business" sections of the agenda.

Under "New Business," Acting Mayor Klaassen, as a gesture of professional courtesy and in recognition of keeping the city's engineering costs down, requested that agenda item # 11. (F) be brought forward at this time for consideration. Dave Berryman, Rodeberg & Berryman, Inc. was present and reviewed for the City Council a revised version of the "Proposed Sanitary Sewer Improvements for Clara City." He indicated that he had been made aware of the issues as had been presented earlier in the meeting by John White under the "appearance of Interested Citizens", and as such, he had made some revisions to his recommended design and the associated projected cost. Berryman offered that the suggested "2011 Public Utility and Street Improvement Project", as amended, would cost an estimated \$1,804,000, of which \$500,500 would be assessed to adjacent property owners, and \$1,303,500 would be the responsibility of the city as a whole. He also stated that he would forward a copy of the revised schedule of costs to the City staff on the next day. The engineer's recommendation was that Council should establish March 8, 2011, as the date for a Public Hearing on the proposed project, thus providing adequate time for the engineer and city staff to prepare the necessary information for the public hearing. Following further discussion, *it was moved by Feia and seconded by Schwitters to establish Tuesday, March 8, 2011, 6:30 p.m., as the date and time for the holding of a public hearing by the City Council to receive public input and testimony as part of the Council's consideration of adopting the "2011 Sanitary Sewer Improvement Project." The motion passed unanimously.*

Under the next item of new business, *it was moved by Feia and seconded by Schwitters to approve Resolution No. 2011-004 certifying that the Part-time Police Officer Position, as currently held by Police Officer Thomas Swyter, does meet all of the membership requirements of the Public Employees Police and Fire Plan, and thereby requests that Mr. Swyter be accepted into the said plan. The motion passed unanimously.*

Deputy Clerk Gosseling next distributed copies of the 2010 Financial Report and Financial Statement for the Clara City Ambulance Service that she had prepared. She reviewed the content of the report and observed that there had been an overall decrease of about \$12,000 in the agency's annual income, noting that this could well be because of timing issues with Expertise Billing out of Farmington, MN, the recently appointed service provider for billing and collection of ambulance bills. *Following further discussion, it was moved by Feia and seconded by Thissen to acknowledge receipt and approval of the "2010 Financial Report and Financial Statement for the Clara City Ambulance Service" as presented. The motion carried unanimously.*

Administrator Block provided a copy of the "2011 Pay Equity Report" as it had been submitted by staff on January 31, 2011, the deadline for its submittal. He opined that the City should receive a response evaluating its level of compliance from the State of Minnesota at some point later in the midyear. Following additional questions, *it was moved by Feia and seconded by Schwitters to accept the 2011 Pay Equity Report as prepared by staff and approve its submittal to the State of Minnesota. The motion passed unanimously.*

The next item of business involved a recommendation from the Planning Commission regarding a Conditional Use Permit (CUP) application by Caring Bridge ALC. Staff reported that the Planning Commission had conducted a public hearing on February 2, 2011, and had reviewed each of the requirements for the granting of such a CUP. Two major issues had been identified, one being the community's overall need for such a use and the other involving site specific requirements of off-street parking. Staff reported that two local industries, Kay's Processing, Inc. and Impact Innovations, had both submitted written testimony that additional rental apartment units would be helpful in their future business development and expansion. Staff also stated that the Planning Commission's recommendation also included certain conditions that addressed the off-street parking requirements. Following further discussion, *it was moved by Thissen and seconded by Feia to approve, as recommended by the Planning Commission based upon their conclusion of facts as gathered from the public hearing, the issuance of a "Conditional Use Permit" for Caring Bridge ALC, 324 Wicklow Place, Owatonna, MN for the conversion of certain property located at 423 N. Main Street into 12 rental apartment units, subject to the following conditions:*

1. *The designation and appropriate actual signage of the required off-street parking spaces, such number to equal 1.5 spaces per rental unit. This would equate to 1.5 spaces X 4 units = 6 spaces for the four previously approved rental apartment units and 1.5 spaces X 12 units = 18 spaces for the units under current consideration. In total, 24 spaces will need to be designated and appropriate signage provided for. In addition, all such spaces are to be clearly designated on a revised site plan and submitted to the City.*
2. *Acknowledgement by the developer that they will be responsible for any future issues as might develop concerning the need for dust control of any and all of their off-street parking lot surfaces.*
3. *The designation in both reality and on the site plan of a fire lane in the main parking lot area at the southern end of the property.*

The motion carried unanimously.

The next item of business involved the Planning Commission's recommendation regarding the development of a Comprehensive Plan for the City as required by City Ordinance No. 324. The Planning Commission has acknowledged that a part of its mission is to prepare and recommend the adoption of a comprehensive plan for the future development of the City. The plan should include proposed public buildings, street arrangements and improvements, efficient design of public roads for the moving of traffic, parking facilities, public utility services, parks and campgrounds, a general land-use plan, as well as other planning matters relating to the physical development of the City. Based upon the perceived opportunities of a proposal as received from the Upper Minnesota Valley Regional Development Commission (UMVRDC) and considered by the Planning Commission in making its recommendation, *it was moved by Feia and seconded by Thissen to approve that the City Administrator move forward in negotiations with the UMVRDC for the finalizing of an agreement for comprehensive planning services at an affordable cost. The motion carried unanimously.*

The next item involved the receipt of a report from the subcommittee that has been working on the solicitation and selection of a highly suitable and qualified candidate for the position of Public Works maintenance Employee. The subcommittee consists of Councilor Les Feia, Public Works Director Roger Knapper, and City Administrator Windy Block with assistance from Mayor Thein and Maintenance Employee Jerry Asche. After detailing the process that had been followed in evaluating the 37 applicants, staff reported that the candidate being put forth for consideration of appointment was Jeffrey Stager. Following discussion, *it was moved by Feia and seconded by Thissen to approve staff's recommendation for the hiring of Jeffrey Stager as full-time Maintenance Employee in the Public Works Department at the rate of \$15.50 per hour for months 1-3, and \$16.50 per hour, if the probation period is successful, and pending the finalization of any outstanding appropriate review by the City Administrator. The motion carried unanimously.*

The Council next considered the approval of the successful bidder for doing the interior renovation project at the Clara City Care Center. The Care Center administrator's report detailed the results of the top three bidders. Following a brief discussion, *it was moved by Thissen and seconded by Schwitters to recognize Heiling Construction in the amount of \$103,778 with a completion window of 120 days as the winning bidder and to authorize the execution of the agreement by and between the City and Heiling Construction for the actual associated work. The motion carried unanimously.*

Deputy Clerk Judy Gosseling informed the Council that, due to the early date of the month, the Verified Claims for the period ending February 8, 2011, have not yet been prepared and that such claims would be placed on the next regular agenda for the City Council's consideration of approval.

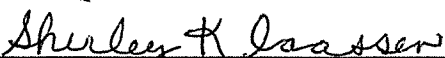
Staff provided copies of the check register from the Clara City Care Center for the period of January 1, 2011 through January 31, 2011. He informed the Council that the signing of the original checks had been transacted via the actions of Mayor Thein and Administrator Block. Following an opportunity for further review, *it was moved by Feia and seconded by Schwitters to acknowledge receipt of the register and approval for checks # 39519 - 39617 in the total amount of \$400,968.98. The motion carried unanimously.*

The Acting Mayor noted that the next scheduled regular meeting of the City Council of Clara City would be on Tuesday, March 8, 2011, beginning at 6:30 p.m.

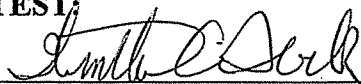
Councilor Schwitters inquired if there was a list of duties and relevant information that was available concerning each of the city council committee assignments. Staff replied that they were not aware of such documentation as being readily available, but agreed that such a resource may be a useful tool for all council members. Hence, staff indicated that they would the task of pulling such information together for future consideration.

Hearing no further business, *it was moved by Feia and seconded by Schwitters to adjourn the meeting. The motion was unanimously passed.* Acting Mayor Klaassen declared the meeting to be adjourned at 8:15 p.m.

SIGNED:


By: Shirley Klaassen, Acting Mayor

ATTEST:


By: Winthro C. Block, City Administrator

CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING

Tuesday, March 8, 2011
City Hall

This Regular Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Tuesday, March 8, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Shirley Klaassen, Les Feia, and Barry Schwitters.

Members absent: Joseph Thissen (excused).

Staff present: Windy Block (City Administrator) and Judy Gosseling (Deputy Clerk).

Also present: John White (Clara City Herald), Dave Berryman (Rodeberg & Berryman, Inc.), Lisa Osthus, Todd Osthus, George Poppen, Arne Underland, Rita Ziehl, Gary Seiler, Todd henker, Jen Henker, Victor Sparks, Mark Thissen, Bob Schulte, Roger Knapper, Susan Jenson, Gregg Jenson, Jim Hinrichs, Jim Speiser, Malana Duis, Steven Duis, and Roger Feldman.

Upon consideration for the approval of the agenda, *Mayor Thein declared the agenda to be approved with the addition of Agenda Items No. 5 (D) Board of Equalization Notice; No. 6. (B) Prairie Fest Fundraising Committee Dance Requests; No. 7. (B) (2) EDA Minutes of Special Meeting of February 1, 2011; No. 7. (B) (3) EDA Minutes of the Regular Meeting of March 7, 2011; No. 11 (F) Fire Department Funding Request; and No. 11 (G) An EEOC Complaint Settlement for the Clara City Care Center.*

Upon consideration of approving meeting minutes, *it was moved by Klaassen and seconded by Schwitters to approve the Minutes of the Regular City Council Meeting on February 8, 2011, as presented. The motion passed unanimously.*

Under the "Appearance of Interested Citizens" section of the agenda, Mayor Thein recognized Lisa Osthus, 322 3rd Street SW. She inquired as to why she was unable to get the minutes for the February 8, 2011 Meeting of the City Council. Staff stated that "best practices" dictates that City Council minutes should not be dispensed to the general public prior to their official approval by the Council itself. Mayor Thein opined that it would seem reasonable to distribute such minutes if staff were to clearly label such minutes as a "draft copy." As such and receiving no objection from the other Councilors, he directed staff to forward "draft minutes" upon request from this point in time forward. There were no other interested citizen's comments.

Upon consideration of "Notices and Communications," the agenda reflected: (1) the receipt of two "Notices of Desire to Negotiate," dated January 31, 2011, from the Exclusive Representative identified as AFSCME Council 65, AFL-CIO, (2) a copy of a letter from the City to Chippewa County, dated February 16, 2011, requesting partial reimbursement for local economic development efforts, (3) a letter from Mediacom, dated February 25, 2011, expressing the intent of Mediacom to renew its cable franchise with the city of Clara City, set to expire on December 23, 2013, and 4) notification from the Chippewa County Assessor, dated January 25, 2011, alerting the city of the upcoming "2011 Local Board of Appeal and Equalization" as set for Tuesday, April 12, 2011, from 6:00 – 6:30 p.m., in the City Hall of Clara City. No further action by the Council is needed at this time.

Upon consideration of the "Consent Agenda," it was moved by Klaassen and seconded by Feia to approve the consent agenda, such including the following items:

- A. *The recommendation as received from the Planning Commission for the issuance of a "construction permit" for each of the following:*
1. *Allen Satre, 18 3rd St. NE—Re-shingling of house and garage—Estimated cost of \$3,500—Fee of \$25.00—Work to be completed by self-improvement and Lee Hagemeyer Construction.*
 2. *Tony Donner, 518 NE Third St.—Re-shingling of house with wood shakes—Estimated cost of \$25,000—Fee of \$25.00—Work to be completed by Paul Heiling Construction.*
- B. *Application for community-wide social activities by the Prairie Fest Fundraising Committee in support of the 2011 Prairie Fest. The activities include the approval for (1) a street dance in and around the Lions/City Park beginning at 8:00 p.m. on Friday, June 3, 2011, and ending at 1:00 a.m. on Saturday, June 4, 2011, (2) the closure of Division Street between 2nd Avenue NW and Third Avenue NW from the Police Department Parking Lot to Division Street, (3) a 3.2% Beer and Wine Cooler Liquor License fro Friday, June 3, 2011 and Saturday, June 4, 2011, and (4) the acknowledgement by the City for the addition of these activities to the City's General Liability Insurance Policy with the understanding that the Prairie Fest Fund Raising Committee will be also providing its own liability insurance as primary coverage for the event.*

The motion carried unanimously.

Mayor Thein, in consideration of those who were in attendance for the public hearing, called the public hearing to order at 6:39 p.m. for the purpose of receiving public input and testimony regarding the proposed "2011 Public Utility and Street Improvement Project." Dave Berrynman, P.E., of Rodeberg and Berryman, Inc., introduced and overviewed the scope of the proposed project and the city's existing assessment policy. Once that had been accomplished, comments were solicited from citizens. Those testifying included Sue Jenson, 224 West Center Ave., who had questions regarding the assessment policy and the payment of assessments; Lisa Osthus, 322 3rd St. SW, who inquired as to how assessments were handled for businesses; Todd Osthus, 322 3rd St. SW, who asked about the resurfacing of streets, how both older and younger homeowners could afford the assessments, whether the City should have been doing a little bit all along in previous years, and how bids would be let. Berryman offered a possible rough outline for the project that included council approval at this meeting for the engineer's preparation of the final specs, such to be presented for council consideration at the April 12, 2011, City Council meeting, with bids to be received in early May 2011, to be followed by an awarding of the project by the City Council at a special City Council meeting in late May 2011, and then the project to actually commence in June 2011.

In response by the Chair for a call of questions or comments from the public, T. Osthus was recognized and he questioned the process of boulevard repair and the issue of boulevard trees. Todd Henker, 326 3rd St. SW, rose to state that the improvements were long overdue and encouraged the City Council to move forward with the project. Roger Knapper, Public Works Director, also stated that the proposed improvements were vital to keeping the systems utilities functioning adequately. Berryman added that the use of a temporary water system would be needed during the course of the project. Finally, Berryman noted that he had estimates of assessments along with him and would be available after the hearing for anyone desiring to know.

At 7:15 p.m., upon hearing no additional comments or questions, Mayor Thein declared that the public hearing portion of the meeting was now closed. He also declared that the meeting would be moving to a temporary recess to allow for follow-up questions of the engineer by citizens who had attended the public hearing and to enable an orderly quieting of the chamber. As such, the meeting was placed into a temporary recess mode at 7:16 p.m.

At approximately 7:46 p.m., Mayor Thein called the meeting back to order. The City Council immediately reconsidered the suggested practice of the dispensing of draft minutes of City Council meetings prior to their official approval. Following further discussion, *it was moved by Feia and seconded by Schwitters to establish as policy that only Minutes of City Council Meetings that have been approved by action of the City Council will be dispensed to the general public upon request. The motion carried unanimously.*

The Council received and acknowledged under the "Reports Sections" the following information:

1. Planning Commission Minutes of their February 2, 2011 and March 2, 2011 Regular Meetings, EDA Minutes of their February 7, 2011 and March 7, 2011 Regular Meeting and Special Meeting of February 1, 2011. No action was required.
2. The February 2011 Monthly Report from the Clara City Police Department, as drafted by Chief Ralph Bradley, was discussed. No action was required.
3. A verbal report was provided by Public Works Director Roger Knapper who was present and reviewed the many recent activities of his department. Upon a request from Knapper, *it was moved by Feia and seconded by Klaassen to authorize the City's purchase of a 4" Trash Pump at a cost of approximately \$3,500. The motion passed unanimously.* Knapper also presented information about his department's need to replace a lawn mower for the PWD's use this coming mowing season. The consensus of the Council was for Knapper to solicit quotes and bring his recommendation back to the next City Council meeting.
4. A written report, dated March 8, 2011, from Care Center Administrator Mike Stordahl regarding the status of the Care Center's monthly finances and an update of its facility improvement project. No action was required.

There were no items for consideration under the "Unfinished Business" section of the agenda.

Under "New Business," Mayor Thein, requested Council's consideration of what direction it wished to take next regarding the "2011 Public Utility and Street Improvement Project." Following further discussion, *it was moved by Feia and seconded by Klaassen to authorize the City Engineer to proceed with the final drafting of the specifications for the "2011 Public utility and Street Improvement Project" and to prepare a bid package for Council's consideration of approval at the April 12, 2011 Regular City Council Meeting. The motion passed unanimously.*

Upon consideration of the next item of business, *it was moved by Feia and seconded by Schwitters to approve the execution of a "Disaster Recovery Plan Agreement" by and between the City of Clara City and Citizens Alliance Bank. The motion passed unanimously.*

Under the next item of business, staff informed the Council of the desire of the Prairie Fest organization to have a City Councilor appointed to act as a liaison between the City Council and Prairie Fest. Upon solicitation of a volunteer by the Mayor, Councilor Barry Schwitters volunteered to serve in that capacity.

The next item of business involved the consideration of a process for the annual employment evaluation of the Administrator of the Care Center as well as the City Administrator's initial 6-month probationary review. It was suggested that a self-evaluation instrument by the employee be utilized which could then be reacted to by the Council as a whole. A sample evaluation form for the Care Center was provided. Mayor Thein offered that he would work with staff in fine-tuning the instrument prior to its use. The consensus of Council was to move forward with such a process as described above.

The Planning Commission's recommendation for executing a "Contract for Professional Services" by and between the City of Clara City and the Upper Minnesota Valley Regional Development Commission (UMVRDC) to facilitate the development of a comprehensive plan for the City was considered next. Following discussion, *it was moved by Klaassen and seconded by Feia to authorize the execution of said agreement as described above for the quoted amount of \$19,000 less any amount of Hedgehog Grant to be awarded, such amount anticipated to be approximately \$5,000. The motion passed unanimously.*

Staff next provided a staff report, dated March 8, 2011, in support of agenda item # 11. (F), that detailed Council's consideration of providing additional financial support to the Fire Department for its purchase of special "wildland turnout gear" in collaboration with the DNR, Fire Department, and townships which are serviced by the Clara City Fire Department. Following discussion, *it was moved by Klaassen and seconded by Feia to approve an expenditure of up to \$3,000 from the Fire Department's Reserve Fund for the purchase of "Wildland Gear," as a partial match to the Township's contribution of \$3,000, the Fire department's commitment of \$3,000, and the initial DNR grant award of \$3,000. The motion carried unanimously.*

Under agenda item #11(G), staff provided a memorandum from John P. Sellner, City Attorney, dated March 8, 2011, for review by each City Councilor. Staff informed the Council that the memorandum was subject to the "attorney-client privilege" and detailed the attorney's recommendation for the settlement of an EEOC Complaint by and between the Clara City Care Center and Melanie K. Lesteberg. Following an opportunity to review and deliberation, *it was moved by Feia and seconded by Schwitters to approve the settlement as recommended by the City Attorney in the memo dated March 8, 2011. The motion carried unanimously.*

Deputy Clerk Gosseling distributed information regarding a listing of charges being used for billing of service by the Clara City Ambulance. Such documentation showed the increases that have been instituted in the base rate and mileage rate effective January 1, 2011. No additional action was taken.

Gosseling next distributed the register for the current accounts payable for the City's general ledger. Each Councilor was allowed to select at random individual bills for review and detail. During the review, it was noted that the City Council would not be approving any bill in the future which was not adequately itemized and documented. Following this mini-audit exercise and discussion, *it was moved by Thein and seconded by Klaassen to approve the Accounts Payable as presented by Deputy-Clerk Gosseling in the amount of \$287,627.04 and as reflected in checks # 12643 - 12720. The motion carried unanimously.*

Staff provided copies of the check register from the Clara City Care Center for the period of February 1, 2011 through February 28, 2011. He informed the Council that the signing of the original checks had been transacted via the actions of Mayor Thein and Administrator Block. Following an opportunity for review of the register by each Councilor, *it was moved by Klaassen and seconded by Feia to acknowledge receipt of the register and approval for checks # 39621 - 39711 in the total amount of \$358,290.31. The motion carried unanimously.*

The Mayor noted that the next scheduled regular meeting of the City Council of Clara City would be on Tuesday, April 12, 2011, beginning at 6:30 p.m. with a meeting of the "Local Board of Appeal and Equalization" being held on that same evening immediately before the City Council meeting at 6:00 p.m.

Hearing no further business, *it was moved by Klaassen and seconded by Feia to adjourn the meeting. The motion was unanimously passed.* Mayor Thein declared the meeting to be adjourned at 8:36 p.m.

SIGNED:



By: Mike Thein, Mayor

ATTEST:



By: Winthro C. Block, City Administrator

**CITY OF CLARA CITY
BOARD OF APPEAL AND EQUALIZATION
SPECIAL MEETING**

**Tuesday, April 12, 2011
City Hall**

This Local Board of Appeal and Equalization Meeting for the City of Clara City was called to order by Mayor Mike Thein on Tuesday, April 12, 2011, at 6:00 pm in the Council Chambers in Clara City.

Members present: Mike Thein, Shirley Klaassen, Les Feia, Joe Thissen, and Barry Schwitters.

Members absent: none.

Staff present: Judy Gosseling (Deputy Clerk) and Windy Block (City Administrator).

Also present: Carol Schutz (County Assessor) and Miranda Gilbertson (Assessor for Clara City).

Mayor Thein announced that both Councilors Les Feia and Shirley Klaassen had received the LBAE training within the past four years, and that with their attendance, this meeting was thereby validated.

Upon consideration of the agenda, Mayor Thein declared the agenda to be approved as drafted.

Mayor Thein recognized Chippewa County Assessor Carol Schutz who in turn introduced Miranda Gilbertson as the assessor in charge and responsible for the assessing of the City of Clara City. Gilbertson provided details and context of her assessing work for Clara City. Highlights included:

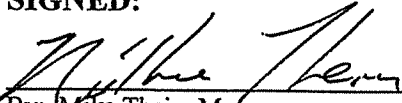
1. There were a total of 13 residential sales in Clara City in 2010.
2. The median ratio of those sales was 97.10%.
3. The median ratio, after the local effort, decreased .58% to 96.5%.
4. The viewing area for the 2011 assessment was in the northeast quadrant of town. By law, the assessor is charged with a revaluation of 20% of the community each year.
5. The overall estimated market value for residential parcels decreased .58%, or \$240,400.
6. An updated depreciation schedule for residential had been employed for 2011.
7. There was \$1,806,400 in new construction for 2011.
8. The total 2011 EMV for Clara City is \$59,015,600, w/o personal property, utilities, railroad, or state values.
9. LBAE training would be offered at the Chippewa County Courthouse on August 9, 2011.

Questions were asked of Schutz and Gilbertson by Councilors and staff with additional discussion.

Mayor Thein asked one final time if there was anyone from the public who might have questions or comments regarding their 2011 property tax assessment. No one rose to be recognized and staff indicated that no written communication had been received regarding the 2011 assessment.

Hearing no further business, Mayor Thein declared the meeting to be adjourned at 6:30 p.m.

SIGNED:


By: Mike Thein, Mayor

ATTEST:


By: Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING**

**Tuesday, April 12, 2011
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Tuesday, April 12, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Shirley Klaassen, Les Feia, Joe Thissen, and Barry Schwitters.

Members absent: none.

Staff present: Judy Gosseling (Deputy Clerk), Roger Knapper (Director of Public Works), Ralph Bradley (Chief of Police), Mike Stordahl (Care Center Administrator), and Windy Block (City Administrator).

Also present: John White (Clara City Herald), Dave Berryman (Rodeberg & Berryman, Inc.), and Lisa Osthus.

Upon consideration for the approval of the agenda, *Mayor Thein declared the agenda to be approved with the addition of Agenda Item No. 10. (L) Public Works Project in Collaboration with Chippewa County.*

Upon consideration of the approval of meeting minutes, *it was moved by Klaassen and seconded by Feia to approve the Minutes of the Regular City Council Meeting on March 8, 2011, with the correction of changing the name of Acting Mayor Shirley Klaassen to Mayor Mike Thein as the convener and closer of the meeting. The motion passed unanimously.*

Under the "Appearance of Interested Citizens" section of the agenda, there were no interested citizens who asked to be recognized.

Upon consideration of "Notices and Communications," the agenda reflected: (1) Notice of a "Resolution Declaring a State of Emergency," as adopted March 15, 2011, by the Chippewa Board of Commissioners, and (2) an invitation to the City Council to attend the League of Minnesota Cities "Annual Conference and Marketplace" as scheduled for June 15-17, 2011, in Rochester, MN.

Upon consideration of the "Consent Agenda," *it was moved by Klaassen and seconded by Thissen to approve the consent agenda, such including the following items:*

A. The recommendation as received from the Planning Commission for the issuance of a "construction permit" for each of the following:

1. Steven Condon, 515 NE 5th Street—Construction of an 18 Ft. X 18 Ft. X 4 FT open deck to the rear of the house—Work to be done by owner self-improvement—Project cost of \$2,000—Permit fee of \$50.00.
2. Mark Lalim, 639 S. Main Street—re-siding of the house, garage, and two sheds—Work to be done by Tim Asche Construction—Project cost of \$14,000—Permit fee of \$25.00.

3. Harold Postma, 531 NE 1st Street—Re-shingle house and garage—Work to be done by owner self-improvement—Project cost of \$4,500—Permit fee of \$25.00.
4. Janice Mittag, 230 NE 3rd Street—Re-shingle house and garage—Work to be done by Dan Niemeyer Construction—Project cost estimated at \$10,000—Permit fee of \$25.00.
5. Gordon Grussing, 322 2nd Street SW—Re-shingle house and garage—Work to be done by owner self-improvement—Project cost of \$7,500—Permit fee of \$25.00.
6. Harm DeGrote, 111 NW 4th Street—Re-shingle house and garage—Work to be done by Home & Yard Contractors (Joe Schlagel)—Project cost of \$5,600—Permit fee of \$25.00.
7. Keith Harms, 231 1st Street SW—Re-shingle house—Work to be done by owner self-improvement—Project cost of \$4,000—Permit fee of \$25.00.
8. Frances Priebe, 627 N. Division Street—Re-shingle house and garage—Work to be done by Dan Niemeyer Construction—Project cost of \$7,000—Permit fee of \$25.00.
9. Orville Meints, 114 NE 3rd Street—Re-shingle house and garage—Work to be done by Hauser Construction—Project cost of \$8,000—Permit fee of \$25.00.

B. Acknowledgement of no objection and approval by the City of an application by the Knights of Columbus St. Clara Council #5926, for excluded bingo events to be held on April 17, 2011 and November 20, 2011, at the St. Clara Catholic Church, 410 North Main Street, Clara City, MN.

C. Acknowledgement of no objection and approval of no required waiting period by the City regarding an application from the St. Clara Catholic Church for an excluded raffle gambling event to be held on May 1, 2011, at the St. Clara Catholic Church Hall, 410 North Main Street, Clara City, MN.

The motion passed unanimously.

The Council received and acknowledged under the “Reports Sections” the following information:

- A. Planning Commission Minutes of their April 6, 2011, Regular Meeting. Staff noted that the EDA Minutes of their March 7, 2011, were not yet available for review.
- B. The March 2011 Monthly Report from the Clara City Police Department, as drafted by Chief Ralph Bradley, was discussed. No action was required.
- D. A verbal report was provided by Public Works Director Roger Knapper who was present and reviewed several recent activities of his department.
- E. A written report, dated April 12, 2011, from Care Center Administrator Mike Stordahl regarding the status of the Care Center’s monthly finances and an update of its facility improvement project. No action was required.

There were no items for consideration under the “Public Hearing” section of the agenda.

Under “General Business,” the City’s Consulting Engineer, David Berryman, P.E., of Rodeberg & Berryman, presented a near-final version of the specifications for the “2011 Public Utility and Street Improvement” project. He outlined his suggestions for a project timetable running from bidding

through project completion. Following further discussion, *it was moved by Thissen and seconded by Feia to approve the engineer's recommendation for the advertisement of a bid letting for the "2011 Public Utility and Street Improvement Program," such to be scheduled for receipt and opening on May 5, 2011 at the City Hall in Clara City. The motion passed unanimously.*

Staff provided copies and background of Resolution No. 2011-009 as provided by Ehler's and Associates for establishing procedures relating to compliance with reimbursement bond regulations under the internal revenue code. Following further discussion, *it was moved by Schwitters and seconded by Klaassen to approve Resolution No. 2011-009 "Resolution Establishing Procedures relating to Compliance with reimbursement Bond Regulations under the Internal Revenue Code." The motion carried unanimously.*

Under the next item of "General Business" Mayor Thein, recognized Police Chief Ralph Bradley, who updated the Council on the status of the City's search for a part-time Police Officer and highlighted portions of his March 2011 report. Following questions and discussion, *it was moved by Feia and seconded by Schwitters to accept the March 2011 Report of Police Chief Ralph Bradley and approve the appointment of Jonathan Holm as the City's designated Part-time Police Officer. The motion carried unanimously.*

Also with regard to the hiring of Officer Holm, Chief Bradley recommended that Holm be allowed to join the "PERA Police and Fire Plan. Consequently, *it was moved by Feia and seconded by Schwitters to approve Resolution no. 2011-006 "Authorizing Participation in the PERA Police and Fire Plan by the City's Designated Part-Time Police Officer—Jonathan Holm." The motion carried unanimously.*

The next item of business involved a staff report from Roger Knapper, dated April 12, 2011, seeking the Council's approval for the purchase via a trade-in of a replacement lawn mower for the Public Works Department. *It was moved by Feia and seconded by Schwitters to approve the purchase of a Woods MZ2761 mower from Wearda Implement at a net cost of \$5,290.31 upon the trade-in of the existing 2003 Woods M2760 unit; and further, that the funds for payment are to come first from 2011 budgeted Park Capital Outlay with any additional funds, as may be necessary, to come from the Park Lawn Mower Sinking Reserve Fund. The motion passed unanimously.*

Under the next item of business, Public Works Director Knapper shared with the Council information about the benefits and costs of the City's belonging to the Minnesota Water Agency Response Network (MnWARN). It was noted that the membership fee is zero and that cost may be involved only if and when the City answered a call for assistance. Following discussion, *it was moved by Feia and seconded by Klaassen to approve Resolution No. 2011-007 "Authorizing a Governmental Unit to be a Party to Minnesota Water Agency response network (MnWARN)." The motion carried unanimously.*

Staff next presented a request to the City Council regarding the expediting of grants and required documentation between the City and the Division of Homeland Security and Emergency Management (HSEM) at the Department of Public Safety. Following discussion, *it was moved by Klaassen and seconded by Feia to authorize the execution of Resolution No. 2011-008 "Authorizing the Mayor or City Administrator to Sign Grants and Required Documentation with the HSEM." The motion carried unanimously.*

The next item of business involved the consideration of a recommendation from Mike Stordahl, Administrator of the Care Center, recommending his approval for the payment of costs under the "2011 Rehabilitation Project." Following questions and answers, *it was moved by Feia and seconded*

by Thissen to approve a payment of \$3,921.67 to Heiling Construction for expenses as a part of the 2011 Rehabilitation Project. The motion carried unanimously.

Administrator Stordahl also had a couple of additional requests for action by the City Council in support of the ongoing investigative efforts to possibly expand the facility and offered services for the Care Center. As such, *it was moved by Schwitters and seconded by Feia to authorize the execution of an agreement by and between the Clara City Care Center and Bonnema Surveys, inc. for surveying services in an amount quoted at \$2,479.25. The motion carried unanimously.*

The second request from Stordahl involved the consideration of acquiring the services of an architect for the same ongoing facility expansion planning as above. Following Stordahl's explanation for the request, *it was moved by Feia and seconded by Klaassen to approve the execution of an agreement by and between the City of Clara City and Engan Associates, P.A. for architectural services associated with planning for the proposed new addition of rehabilitation services at the Care Center. The motion passed unanimously.*

The next item of business was the Planning Commission's recommendation for the issuance of a Conditional Use Permit (CUP) for Steve DeGrote. Following discussion of the staff report on the matter, *it was moved by Klaassen and seconded by Thissen to approve the issuance of a CUP for Steve DeGrote, dba Full Throttle Supper Club, 142 First Avenue NW, Clara City, permitting the conversion of approximately 2,100 SF of the existing building into a rental apartment, such to complement the remaining 3,600 SF of building space that will be continued to be used for restaurant/bar use. Further, that the City found the property to be zoned as B-1 in which a rental apartment is an allowed use with a CUP.*

In consideration of a recommendation as received from the Economic Development Authority (EDA), it was noted that the EDA was filling a void in the re-lending of funds received from the repayment of prior grant/loan Small Cities program. It was also noted that this request, if approved, would allow the continued work on the conversion of the former "Junior High School" building into rental housing. Following a thorough discussion of the matter, *it was moved by Thissen and seconded by Feia to adopt Resolution No.2011-010 "Approving a \$14,398.32 Commercial Building Small Cities Development Rehabilitation Combination Mortgage and Security Agreement and Loan Repayment Agreement with Caring Bridge Assisted Living Centers, 10088 - 199th St. West, Lakeville, MN 55044," such funds to be used in the continued rehabilitation of property located at 423 N. Main Street, Clara City, MN, and the advance of such loan funds subject to the applicant's fulfillment of all other loan procedures and requirements of the City and/or the prior lending source of the funds. The motion carried unanimously.*

Under the added agenda item #10(L), staff distributed a staff report, dated April 12, 2011, that outlined the staff's request for approval of the City to continue the exploration of a collaborative effort by and between the City of Clara City and Chippewa County for the development of a new garage facility that would jointly house the Clara City Public works department and the Chippewa County Highway Department. Following a complete review of the staff report, *it was moved by Feia and seconded by Schwitters to communicate to Chippewa County that the City of Clara City was indeed very much interested in pursuing the study of a joint facility as outlined in the report. Further, that Mayor Thein and Councilor Feia would be the City Council's liaisons to the process. The motion carried unanimously.*

Deputy-Clerk Gosseling next distributed the register for the current accounts payable for the City's general ledger. Each Councilor was allowed to select at random individual bills for review and detail. Following this mini-audit exercise and further discussion, *it was moved by Feia and seconded by*

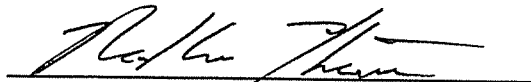
Thissen to approve the Accounts Payable as presented by Deputy-Clerk Gosseling in the amount of \$287,501.79 and as reflected in checks #12721 - 12880. The motion carried unanimously.

Staff then provided copies of the check register from the Clara City Care Center for the period March 1, 2011 through March 31, 2011. He informed the Council that the signing of the original checks had been transacted via the actions of Mayor Thein and Administrator Block. Following an opportunity for review of the register by each Councilor, *it was moved by Klaassen and seconded by Thissen to acknowledge receipt of the register and approval for checks # 39712 - 39803 in the total amount of \$331,418.59. The motion carried unanimously.*

The Mayor noted that the next scheduled regular meeting of the City Council of Clara City would be on Tuesday, May 10, 2011, beginning at 6:30 p.m.

Hearing no further business, *Mayor Thein declared the meeting to be adjourned at 8:18 p.m.*

SIGNED:



By: Mike Thein, Mayor

ATTEST:



By: Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING**

**Tuesday, May 10, 2011
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Tuesday, May 10, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Shirley Klaassen, Les Feia, Joe Thissen, and Barry Schwitters.

Members absent: none.

Staff present: Judy Gosseling (Deputy Clerk), Roger Knapper (Director of Public Works), Mike Stordahl (Care Center Administrator), Ann Jaenisch (Prairie Park Place) and Windy Block (City Administrator).

Also present: John White (Clara City Herald), Dave Berryman (Rodeberg & Berryman, Inc.), Carolyn Drude (Ehlers & Associates), Lisa Osthus, Roger Feldman, and Lowell Schwitters.

Upon consideration for the approval of the agenda, *it was moved by Thissen and seconded by Klaassen to approve the agenda with the addition of agenda items No. 3. (B): "Meeting Minutes from the Special Meeting of April 12, 2011"; No. 5. (D) "Notice of Recycling Opportunity in Chippewa County"; No. 6. (C) "Gambling Exempt Permit for St. Clara Catholic Church"; and No. 10. (E) "Construction Permit for Kay's Naturals."* *The motion carried unanimously.*

Upon consideration of the approval of meeting minutes, *it was moved by Klaassen and seconded by Feia to approve the Minutes of the Regular City Council Meeting on April 12, 2011, and the Minutes of the Special Board of Appeals and Equalization Meeting on April 12, 2011.* *The motion carried unanimously.*

Under the "Appearance of Interested Citizens" section of the agenda, Mayor Thein recognized Lisa Osthus, 322 3rd St. SW. Osthus asked questions and offered comments regarding the water and sewer utilities as well as questions about sidewalks. The consensus was that these issues would also be discussed during the City Engineer's presentation of the bid results for the "2011 Public Utility and Street Improvement Project." No action was taken.

Upon consideration of "Notices and Communications," the agenda reflected: (1) an invitation to the City Council to attend the League of Minnesota Cities "Annual Conference and Marketplace" as scheduled for June 15-17, 2011, in Rochester, MN, to which Councilor Klaassen and Mayor Thein volunteered to attend on behalf of the City, (2) an email update, dated May 6, 2011, authored by State Representative Lyle Koenen, (3) an invitation to attend the "Southwest Initiative Foundation's 25th Anniversary" celebration at Jackpot Junction in Morton on May 20, 2011, and (4) a notice of a recycling opportunity as set for June 14, 2011, and sponsored by Chippewa County. No specific action was needed or taken on any of these items.

Upon consideration of the "Consent Agenda," *it was moved by Feia and seconded by Klaassen to approve the consent agenda, such that included the following items:*

6. (A) The recommendation of the Planning Commission from their Regular Meeting on May 4,

2011, for the approval of the following “Applications for Construction Permit”:

1. Joy Thissen, 1106 NW 4th Street—Re-shingle house and garage—Work to be completed by Kyle Ulferts Construction—Project cost of \$10,000—Permit fee of \$25.00.
 2. Dawn Gibson, 318 NE 3rd Street—Re-shingle house and two sheds, and replace existing bay window with same size bay window—Work to be done by Square Deal Construction of Raymond—Project cost of \$5,000—Permit fee of \$25.00.
 3. Colleen Fischer, 318 NE 3rd Avenue—Remove steps and replace with a new composite deck/steps structure and repair driveway surface—Work to be done by Gerald Berglund—Project cost of \$1,000—Permit fee of \$50.00.
 4. Everett & Vicki Schultz, 1122 NW 4th Street—Re-shingle house and garage—Work to be done by Gary Bedel Construction—Project cost of \$8,000—Permit fee of \$25.00.
 5. Gary Nelson, 1214 NW 4th Street—re-shingle house and garage—Work to be done by owner self-improvement and Jeff Koenen Construction—Project cost of \$8,000—Permit fee of \$25.00.
 6. Gerald Asche, 706 NW 7th Avenue—Re-shingle and re-side garage along with new soffit and fascia—Work to be done by Gary Bedel Construction—Project cost of \$16,000—Permit fee of \$50.00.
 7. Edward & Harvey Durham, 210 SW First Street—Re-shingle the garage with 4” white vinyl siding—Work to be done by owner self-improvement—Project cost of \$700—Permit fee of \$25.00.
 8. John & Rachel DuHoux, 638 NE First Street—Construct a new deck addition of 12’ X 13’—Work to be done by owner self-improvement—Project cost of \$500—Permit fee of \$50.00.
6. (B) Approval of a “Petition for the Removal of Sidewalk” as received from Troy & Missy Thissen, 530 NE 2nd Street, Clara City.
6. (C) Approval of an “Application for Exempt Permit” for the Church of St. Clara, 414 N. Main St., Clara City, for the conduct of bingo and raffle gambling activity to be held on September 11, 2011, at the same location.

The motion passed unanimously.

The Council received and acknowledged under the “Reports Sections” the following information:

- A. Planning Commission Minutes of their April 6, 2011, Regular Meeting. Staff noted that the Planning Commission Minutes for May 4, 2011, were not yet available for review.
- B. The Minutes for the Regular Meeting of the EDA on April 11, 2011 and the Special Meeting on April 25, 2011.
- C. The April 2011 Monthly Report from the Clara City Police Department, as drafted by Chief Ralph Bradley, was discussed. No action was required.
- D. A written report, dated May 10, 2011, from Care Center Administrator Mike Stordahl regarding the status of the Care Center’s monthly finances and an update on the surveying of land for the proposed new addition. No action was required.
- E. Two handouts from the City Administrator detailing: (1) the preliminary efforts for the recovery of costs via FEMA for the City’s 2011 flood-fighting efforts, and (2) a drawing of possible flood prevention strategies for the future.

There were no items for consideration under the “Public Hearing” section of the agenda.

Under "General Business," the City's Consulting Engineer, David Berryman, P.E., of Rodeberg & Berryman, presented a memorandum, dated May 9, 2011, detailing the results of the public bidding for the "2011 Utility and Street Improvements" project. Berryman outlined his suggestions for acknowledging the amount to be assessed and holding a final hearing on the assessments. Following further discussion, *it was moved by Feia and seconded by Thissen to approve Resolution No. 2011-013 "Declaring the Cost to be Assessed as \$378,586.79, and Ordering Preparation of the Proposed Assessment" for the 2011 Public Utility and Street Improvement Program. The motion passed unanimously.* Following further discussion of the recommendations of the Engineer, *it was moved by Feia and seconded by Schwitters to approve Resolution No. 2011-014 "Establishing June 14, 2011, as the Hearing Date on the Proposed Assessment for the 2011 Public Utility and Street Improvement Program." The motion carried unanimously.*

Financial Advisor Carolyn Drude, Ehlers & Associates, provided copies to each Councilor of the "Pre-Sale Report for \$1,855,000 General Obligation Improvement Bonds, Series 2011A," dated May 10, 2011, and led a review of the various steps and procedures that are to be followed in selling public improvement bonds. She also walked the Council through a scenario for the possible sale of a refunding bond issue for the "\$650,000 G.O. Improvement Bonds, Series 05." Following further discussion, *it was moved by Feia and seconded by Schwitters to adopt Resolution No. 2011-011 "Providing Approval for the Sale of \$1,855,000 General Obligation Improvement Bonds, Series 2011A." The motion carried unanimously.*

It was further the consensus of the City Council that Ehlers & Associates should also prepare for consideration by the Council the possible sale of a \$655,000 refunding bond issue, if the environment during the course of the sale of the main issue of \$1,855,000 would so indicate. The main reason of this consensus involved the potential for a net cash flow savings to the City of an estimated amount of \$33,000. Subsequently, Ms. Drude assured the Council that Ehlers would be sure to make an assessment of the appropriateness of such a sale at the time of the other bond sale and react accordingly.

Following further questions and discussion about a procedure that would further enhance the quality of the main bond sale for the City, *it was moved by Feia and seconded by Schwitters to adopt Resolution No. 2011-012 "Authorizing the City to Enter into a Credit Enhancement Program Agreement with the Minnesota Public Facilities Authority." The motion carried unanimously.*

The next item of general business involved the consideration of recommendations from the EDA and the Planning Commission regarding the City's purchase of two parcels of undeveloped farm land for purposes of immediate and future economic development. To assist in the presentation of these parcels, staff introduced realtor Lowell Schwitters who outlined the steps he had taken on behalf of the City to purchase each parcel. The first one involved the purchase of approximately 5.6 acres of undeveloped farm land bordering East Highway 23 and immediately adjacent to the "Wholly Grounds Coffee Shop." It is currently owned by Mike Stamer and has an asking price of \$13,000 per acre. Both the EDA and the Planning Commission had issued conditional approvals of this purchase by the City, citing the opportunity for future developmental projects. Dave Berryman, Consulting Engineer, offered his opinion that the issue of determining a suitable access was indeed achievable. L. Schwitters outlined his concerns of recently discovered inconsistencies in the abstract for the proposed purchase. He requested that the City Council's decision be tabled until he has had an opportunity to meet with Stamer and sort all of the facts out. As such, Mayor Thein proposed that the City Council consider recessing this meeting at the end of business until this coming Friday, May 13, 2011, at 12:00 noon, at which time they would reconvene for further consideration of the Stamer purchase. The Council appeared to be in full agreement.

The Council then considered a report from L. Schwitters on the proposed purchase of up to ten (1) acres of undeveloped farm land immediately to the east of Township Road 110 SE Avenue and immediately south of MN Highway 7 East, and as currently owned by Duane and Lavonne Koenen. The asking price is \$19,200 per acre less a drainage incentive of up to \$10,000. Both the EDA and the Planning Commission have offered their respective endorsement of the purchase, particularly given the strategic location of the property for economic development purposes. Both entities had found the property to be developable and serviceable by existing city utilities as well as serving a valid public purpose. Following further discussion, *it was moved by Thissen and seconded by Feia to approve the City's purchase of a 350-foot wide strip of land running approximately 1,150 feet from the ROW line of Highway 7 south to the City's existing land that is home to the communications tower, such property totaling about 8 acres and owned by Duane and Lavonne Koenen, at the requested price of \$19,200 per acre less an applicable drainage incentive up to a maximum of \$10,000. The motion carried unanimously.*

The next item of business involved consideration of the City's entering into an agreement by and between the Clara City Care Center and Brad Hagedorn for the providing of drug prescription services. All Councilors participated in a rather vigorous examination and discussion of this potential arrangement which was under consideration as a part of an effort to secure a new drug store in the downtown area of Clara City. Issues discussed included: positive community impact, questioned "staying power," the potential of a negative Care Center impact, concern for completing adequate due-diligence, supportive input and desires of local citizens, long-term financial viability, assurances of adequate business planning, and concerns about "doing the right thing." All in all, the goal of a new drug store appeared to be a desired goal of all. Seeking consensus, Mayor Thein suggested that the issue be referred to a subcommittee of the EDA for its review and the possible offering of their assistance to Brad Hagedorn, with an initial report requested by the City Council at its continued meeting on Friday, May 13, 2011. The Councilors appeared to be in agreement with the Mayor's suggested action. Staff was directed to make the appropriate contact with the EDA's President.

The added item of new business under agenda item # 10 (E) involved the consideration of a Zoning Permit application from Kay's Processing, 100 First Avenue SE, approving the paving with cement of a parking lot area at the east end of the property, with a project cost of \$50,000, and a permit fee of \$151.50. Staff noted that the application had not yet been reviewed by the Planning Commission, but suggested that timing of the improvement was critical. Finding no negative issues with the application, staff urged its approval to facilitate the timely installation of the improvement. Following discussion, *it was moved by Thissen and seconded by Feia to approve the Zoning Permit Application of Kay's Processing as reflected in their application dated May 9, 2011. The motion carried unanimously.*

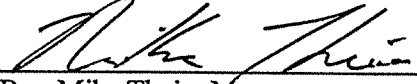
Deputy-Clerk Gosseling next distributed the register for the current accounts payable for the City's general ledger. Each Councilor was allowed to select at random individual bills for review and detail. Following this mini-audit exercise and further discussion, *it was moved by Feia and seconded by Klaassen to approve the Accounts Payable as presented by staff in the amount of \$243,044.60 and as reflected in checks #12881 - 12961. The motion carried unanimously.*

Staff then provided copies of the check register from the Clara City Care Center for the period April 1, 2011 through April 30, 2011. The Mayor informed the Council that the signing of the original checks had been transacted via the actions of Mayor Thein and Administrator Block. Following an opportunity for review of the register by each Councilor, *it was moved by Klaassen and seconded by Feia to acknowledge receipt of the register and approval for the disbursement of checks # 39804 - 39905 in the total amount of \$348,418.06. The motion carried unanimously.*


The Mayor noted that the next scheduled regular meeting of the City Council of Clara City would be on Tuesday, June 14, 2011, beginning at 6:30 p.m.

Hearing no further business, *Mayor Thein declared the meeting to be in recess at 9:00 p.m., such meeting to be called back to order on Friday, May 13, 2011, at 12:00 Noon, in the City Hall Council Chambers, to complete the Council's consideration of agenda items #10. (C) – 1 "The purchase of land from Mike Stamer," and agenda item #10. (D) "The Drug Procurement Business at the Clara City Care Center."*

SIGNED:


By: Mike Thein, Mayor

ATTEST:


By: Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
RECESSED REGULAR MEETING
(As Continued)**

Friday, May 13, 2011

City Hall

The Recessed Regular May 10, 2011 Meeting of the City Council of Clara City was called back to order by Mayor Mike Thein on Friday, May 13, 2011, at 12:03 p.m. in the Council Chambers of City Hall in Clara City, MN.

Members present: Mike Thein, Shirley Klaassen, Les Feia, and Joe Thissen.

Members absent: Barry Schwitters.

Staff present: Judy Gosseling (Deputy Clerk), Mike Stordahl (Care Center Administrator), and Windy Block (City Administrator).

Also present: John White (Clara City Herald), Lowell Schwitters, Chip Goeman, Chad Forkrud, and Tom Donner.

Under the agenda item #10 (C) - 1, Realtor Lowell Schwitters reported that, as of this time, he has unfortunately been unable to fully sort out all of the issues associated with the proposed purchase by the City of 5.6 acres of undeveloped farm land on East Highway 23 and immediately adjacent to the "Wholly Grounds Coffee Shop" from Mike Stamer. The possibility of the City needing some additional land in this same area in order to relocate its sewage lift station under a separate construction contract was also mentioned. As of this time, Schwitters opined that the area of land for purchase has actually shrunk from 5.6 acres to approximately 3.8 acres. Following further questions and discussion, *it was deemed by the Chair that the consensus of the City Councilors present was to direct staff to continue working with Realtor Lowell Schwitters in pursuit of a resolution of all of the issues associated with this parcel of land with the understanding that the City is still very much interested in acquiring a suitable parcel in this particular area of the City for future economic development efforts.*

The next item of consideration involved agenda item #10 (D), regarding the possible contracting for drug purchasing at the Care Center with Brad Hagedorn in order to facilitate his opening of a new drug store in downtown Clara City. Mayor Thein called upon Chad Forkrud, president of the EDA, to provide some insight from the EDA's perspective. He cited the importance and prudent due diligence practice of the City's request from Hagedorn of a bona fide business plan and associated supporting documents. The EDA Vice President Chip Goeman added his support to Forkrud's comments.

Thissen stated that the gathering of information before actually making any decisions was absolutely essential. Feia agreed, stressing the need for the City to fully complete its due diligence before making any final decisions. Tom Donner opined, while it may be necessary and appropriate for the City to provide Hagedorn with assurances up front, that Hagedorn should still be expected to provide the answers to the Council's questions.

Thein offered that he had contacted area nursing homes, all of whom had indicated that it was really not such a big deal, nor very expensive, to switch drug providers. He also noted that Gene Wenstrom

had already been directed to do his own independent investigation of Hagedorn and had returned a fairly positive report, albeit a report which admittedly was without direct verification.

Councilor Klaassen reviewed the hiring of Care Center Administrator Mike Stordahl and championed the reasonableness of the City Council's listening to the professionals who have been hired by the City to perform professionally.

Mayor Thein summarized his thoughts that everyone in the room appeared to be supportive of the same goal—a new drug store somewhere in the community. The only outstanding challenge that seemed to remain is Hagedorn's ability to provide the necessary information in order to fully validate his request for a contractual relationship for drug prescription services between his proposed Clara City drug store business and the Clara City Care Center.

Following further questions and discussion, *it was moved by Thein and seconded by Feia to request that Chad Forkrud and Chip Goeman, as the lead officers of the EDA, work with Brad Hagedorn in a manner that will generate the necessary information for meeting the test of due diligence in this matter. Forkrud and Goeman indicated their willingness to do such work. The motion carried unanimously.*

Hearing no further business, *Mayor Thein declared the meeting to be adjourned at 1:11 p.m.*

SIGNED:



By: Mike Thein, Mayor

ATTEST:



By: Winthro C. Block, City Administrator

CITY OF CLARA CITY
CITY COUNCIL
REGULAR MEETING

Tuesday, June 14, 2011
City Hall

This Regular Meeting of the City Council of Clara City was called to order by Mayor Mike Thein on Tuesday, June 14, 2011, at 6:30 pm in the Council Chambers of City Hall in Clara City, MN.

Councilors present: Mike Thein, Shirley Klaassen, Les Feia, Joe Thissen, and Barry Schwitters.

Councilors absent: none.

Staff present: Judy Gosseling (Deputy Clerk), Roger Knapper (Director of Public Works), Mike Stordahl (Care Center), Ralph Bradley (Police Chief), Ann Jaenisch (Prairie Park Place), and Windy Block (City Administrator).

Others present: John White (Clara City Herald), Dave Berryman (Rodeberg & Berryman, Inc.), Shelly Eldridge (Ehlers & Associates), Rita Ziehl, David Kimpling, George Poppen, Arne Underland, Jay Schroeder, Lonnetta Schroeder, Jared & Jeanna O'Neil, Todd & Lisa Osthus, Mark Thissen, Sue Jenson, Isaac Gosseling, Nancy Gosseling, Donavon Frauendienst, Paul Nygren, Gregg Jenson, Troy Sweep, Darrin Ogdahl, and Sunny DeGrote.

Upon consideration for the approval of the agenda, *it was moved by Klaassen and seconded by Thissen to approve the agenda with the addition of agenda item No. 3. (B): "Meeting Minutes from the Recessed Meeting of May 13, 2011"; and agenda item No. 10. (L): "Flood Prevention Strategies". The motion carried unanimously.*

Upon consideration of the approval of meeting minutes, *it was moved by Thissen and seconded by Feia to approve the Minutes of the Regular City Council Meeting of May 10, 2011, and the Minutes of the Recessed Meeting of May 13, 2011. The motion carried unanimously.*

Under the "Appearance of Interested Citizens" section of the agenda, Mayor Thein recognized Lisa Osthus, 322 3rd St. SW, who inquired as to how one goes about getting placed on a City Council agenda. Mayor Thein referred her to the City Administrator for assistance on the matter.

Upon consideration of "Notices and Communications," the agenda included: (1) Letter, dated June 9, 2011, from the Office of the Minnesota Management & Budget, notifying Clara City of the State's approval of the City's 2011 Pay Equity Report, and (2) Letter, dated May 26, 2011, from the Minnesota Public Facilities Authority notifying the City of their approval for the City's participation in the Credit Enhancement Program for its G.O. Improvement Bonds, Series 2011A. No specific action was needed or taken on any of these items.

Upon consideration of the "Consent Agenda," *it was moved by Klaassen and seconded by Feia to approve the consent agenda, and as such, included the following items:*

6. (A) *The recommendation of the Planning Commission from their Regular Meeting on June 1, 2011, granting approval of the following "Applications for Construction Permit":*

1. *Nathan Johnson, 200 Fifth St. NW—Re-shingle house and garage—Work to be completed by Dan Niemeyer Construction—Project cost of \$8,000—Permit fee of \$25.00.*
 2. *Thomas Thein, 639 2nd St. NE—Construct steps and a concrete patio—Work to be completed by Ross Kraemer (steps) and Duane Toutges (concrete)—Project cost of \$4,000—Permit fee of \$50.00.*
 3. *Barry & Kathryn Schwitters, 323 N. Main St.—Re-shingle house and garage—Work to be completed by owner self-improvement—Project cost of \$2,400—permit fee of \$25.00.*
 4. *Barry & Kathryn Schwitters, 323 N. Main St.—Construct a new deck—Work to be completed by owner self-improvement—Project cost of \$2,000—Permit fee of \$25.00.*
 5. *Laura Gunter, 1126 NW 4th St.—Re-shingle house and garage—Work to be done by Dan Cronen Construction—Project cost of \$5,000—Permit fee of \$25.00.*
 6. *Roger Sweep, 1115 N. Division St.—Re-shingle garage—Work to be done by Troy Sweep Construction—Project cost of \$1,600—Permit fee of \$25.00.*
 7. *Joe Scanlon, 1130 NW 4th St.—Re-roof house and attached garage—Work to be done by Troy Sweep Construction—Project cost of \$6,000—Permit fee of \$25.00.*
 8. *Steve Kruger, 326 NE 3rd Avenue—Re-shingle shed—Work to be done by owner self-improvement—Project cost of \$600—Permit fee of \$25.00.*
 9. *Vivian Reiners, 322 NE 5th Avenue—Res-shingle house and garage—Work to be done by Paul Heiling Construction—Project cost of \$3,500—Permit fee of \$25.00.*
 10. *Prairie Park Place, 1100 Warrings Avenue—Re-shingle roof—Work to be done by Dan Cronen Construction—Project cost of \$86,400 (commercial)—Permit fee of \$207.00.*
 11. *Jan Snavely, 123 4th Ave. SW—Installation of approximately 75-80 feet of privacy fence along the side-yard—Work to be done by owner self-improvement—Project cost of \$800—Permit fee of \$25.00.*
 12. *Allen & Sharon Satre, 18 Third St. NE—Construction of an detached garage and associated driveway—Work to be done by a yet to be selected contractor—Project cost not yet fully known—Permit fee of \$125.00—Contingent to the following conditions: (1) owner adherence to a maximum garage height of 16 feet with a 9-foot sidewall, (2) construction of a maximum overall building dimension of 30 feet X 26 feet, (3) the incorporation by the owner of appropriate horizontal siding (to achieve a non-pole barn appearance, (4) owner's acknowledgement of the requirements for a new driveway and curb cut application, (5) owner's adherence to the required 5-foot side-yard setback from the vertical line of the roof's overhang, (6) owner's adherence to the Minnesota state Building Code, and (7) owner's submittal of any and all missing items on the original application form.*
6. (B) *Approval of a request from Gregg and Sue Jenson, dated June 2, 2011, for the removal of the residential structure located at 230 Center Avenue West.*
6. (C) *Acknowledgement and approval of the staff that has been selected to conduct the daily operations of the Clara City Municipal Swimming Pool for the summer of 2011, under the management of Jodie Holland as assisted by Katie Meyer and Marilyn Kray and including Paige Ammermann, Amy Donner, Meghan Folkerts, Taylor Grussing, Allison Gunter, Jarrod Holmgren, Marissa Leese, Rachel Matti, Jenna Tebben, and Avery Winter.*

The motion passed unanimously.

The Council received and acknowledged under the "Reports Sections" the following information:

- A. Approved Planning Commission Minutes of their May 4, 2011, Regular Meeting and the unapproved Planning Commission Minutes of June 1, 2011, Regular Meeting.
- B. The approved Minutes for the Regular Meeting of the EDA on May 9, 2011.
- C. The May 2011 Monthly Report from the Clara City Police Department, as drafted by Chief Ralph Bradley, was discussed. No action was required.
- D. Verbal report from the City Administrator detailing the beginning of efforts for the recovery of costs via FEMA for the City's 2011 flood-fighting efforts.

Under the "Public Hearing" section of the agenda, Mayor Thein called a Public Hearing to order at 6:40 p.m. for the purpose of receiving public testimony and input regarding the final assessment roll as prepared by Rodeberg and Berryman, Inc., the City's consulting engineer, and mailed to those affected property owners by the City's staff regarding the "2011 Utility and Street Improvement Project." The Mayor first called upon Dave Berryman, P.E., to outline the basics of the project and to review the procedures that were used in developing the assessment roll. Berryman distributed to all who were interested a 4-page handout, entitled "Final Assessments," that provided an overview of the project and the assessment factors. Following that presentation, the Mayor inquired of staff as to who, if any, had made requests to the City regarding the assessment roll. For the record, staff shared that the following persons had submitted written or verbal concerns concerning the assessment roll notice as received from the City in the U.S. Mail: Betty Strommer Re: PIN # 30-215-0120 and PIN # 30-215-0150, Michelle Gaddy Re: 30-020-0150, Joe Thissen Re: PIN # 30-240-0130, Terry Epema Re: PIN #30-240-0120, State of Minnesota Re: PIN # 30-210-0140, and Donavon Frauendienst Re: 30-140-0222. Staff indicated that they had discussed with each of the preceding property owners and felt that reasonable solutions were available.

The Mayor then recognized other persons who were present and wanted to address the City Council. Persons who spoke included Lisa Osthus and Todd Osthus, both of which had questions regarding the project and the application of the Clara City Assessment Policy. The Mayor concluded the hearing with a review of the benefits of the project to the property owners as well as the benefits that are inherent in the low bid cost from the contractor as well as the projected financing package. Hearing no additional comments, **Mayor declared the public hearing to be closed at 7:03 p.m.**

In inquiring of the City Council as to their wishes regarding the "2011 Utility and Street Improvement Project," and receiving additional discussion, *it was moved by Thissen and seconded by Feia to approve Resolution 2011-015 (A) "Adopting the Final Assessment Roll for the 2011 Utility and Street Improvement Project." The motion carried unanimously.* Next, after receiving a summary of and a recommendation from Dave Berryman, P.E. as to the results of the bidding for the "2011 Clara City Utility and Improvement Project," *it was moved by Feia and seconded by Thissen to approve Resolution 2011-015 (B) "Accepting from Duinck, Inc., Prinsburg, MN, a Base Bid in the Amount of \$1,293,556.00 and a Lift Station Bid in the Amount of \$101,852.00, for Work To Be Completed Under the "2011 Clara City Utility and Street Improvement Project." The motion passed unanimously.*

The Mayor next recognized Shelly Eldridge, Financial Advisor, Ehlers & Associates. She provided a Sale Report, dated June 14, 2011, regarding the sale of \$1,850,000 General Obligation Improvement

Bonds, Series 2011A. The results revealed that the low bid had been submitted by United Bankers' Bank, Bloomington, MN at a true interest cost of 2.9612% and a closing date of July 12, 2011. Following her presentation and upon her answering of questions from the Councilors, *it was moved by Schwitters and seconded by Klaassen to approve Resolution No. 2011-017 "Resolution Providing for the Issuance and Sale of \$1,850,000 General Obligation Improvement Bonds, Series 2011A, and Pledging for the Security Thereof Special Assessments and Levying a Tax for the Payment Thereof." The motion carried unanimously.*

The next agenda item involved a refinancing of bonds due to favorable market conditions. Ms. Eldridge presented a Sale report, dated June 14, 2011, that detailed the results of a solicitation for a \$550,000 General Obligation Improvement Refunding Bonds, Series 2011B. The results revealed a low bid from United Bankers' bank, Bloomington, MN at a true interest rate cost of 2.4112%, and a closing date of July 12, 2011. Following her presentation and upon her answering of questions from the Councilors, *it was moved by Schwitters and seconded by Thissen to approve Resolution No. 2011-018 "Resolution Providing for the Issuance and Sale of \$650,000 General Obligation Improvement Refunding Bonds, Series 2011B, and Pledging for the Security Thereof Special Assessments and Levying a Tax for the Payment Thereof." The motion carried unanimously.*

Darrin Ogdahl, representative of Conway, Deuth & Schmiesing, PLLP, the City's contracted accounting firm, arrived to make the presentation of the results of the audited financial statements for the year ended December 31, 2010. Ogdahl provided a handout that summarized the main points of his presentation reviewing the results of the "Audited Financial Statements and Supplementary Information for the Year Ended December 31, 2010" and for the "Management Letter for the Year Ended December 31, 2010." Following the presentation and a period of questions and answers, *it was moved by Klaassen and seconded by Schwitters to acknowledge and accept the audit documents for the "City of Clara City, Minnesota, Year Ended December 31, 2010," as compiled by the firm of Conway, Deuth & Schmiesing, PLLP. The motion carried unanimously.*

The next item of general business involved the consideration of recommendations from the EDA and the Planning Commission regarding the City's purchase of a parcel of undeveloped farm land for purposes of future economic development. This parcel initially involved the purchase of approximately 5.6 acres of undeveloped farm land bordering East Highway 23 and immediately adjacent to the "Wholly Grounds Coffee Shop." It is currently owned by Mike Stamer and has an asking price of \$13,000 per acre. Both the EDA and the Planning Commission had issued conditional approvals of this purchase by the City, citing the opportunity for future developmental projects. Staff offered that sufficient progress on the terms of the sale had not yet been made and recommended that the issue be tabled for now. It was also noted that this piece of property could have a bearing on the lift station replacement project as previously approved at this meeting. The Councilors concurred with the suggesting of tabling until the next meeting for further information.

The next item of business involved the consideration of approving the highest responsible bid as received in response for advertisements for an abandoned vehicle under the auspices of the Clara City Police Department. Ralph Bradley, Police Chief, had reviewed the results of the bid opening and as such, was recommending that the no award of a winning bid be made. *It was then moved by Feia and seconded by Thissen to, as the specifications provided for, to reject any and all bids and to direct that the automobile be stored until such time as a better bidding environment was evident. The motion carried unanimously.*

The Council then considered the approval for the execution of an agreement with the Minnesota Rural Water Association (MRWA) for their services in conducting a rate study for both the water and sanitary sewer utilities of Clara City. Following discussion, *it was moved by Feia and seconded by*

Klaassen to approve the execution of an agreement for rate study services by and between the City of Clara City and MRWA for a lump sum fee of \$2,500.00. The motion carried unanimously.

In response to concerns of some citizens regarding the rate of charge for a "Kennel License," staff presented a Staff Report on the topic, dated June 14, 2011, that reviewed the legal status of the current situation. Also appearing as a citizen of interest in the topic was Paul Nygren, who expressed his frustration with the level of a \$100 fee. Following a discussion of the pros and cons of making any changes, *it was moved by Thissen and seconded by Klaassen to approve the adjustment of the "Kennel License" fee from \$100 to \$60. The motion carried unanimously.*

The Council next considered the possibility of creating and implementing a policy that would allow the use of outdoor serving areas by those qualified businesses which are appropriately licensed to sell intoxicating liquor and/or beer. Staff presented a Staff report on the subject, dated June 14, 2011, and promoted council discussion. Also present and offering qualified opinion was Donavon Frauendienst, owner/proprietor of Keggers Bar and Grill. Following the discussion, it was the consensus of the Councilors that staff should precede with the drafting and procedures as necessary to amend the liquor ordinance(s) of the City such that they would provide for controlled liquor/beer serving areas outdoors.

Staff introduced Isaac Gosseling who presented his concept of an Eagle Scout Project. It involved the identification and professional marking of all fire hydrants within the City of Clara City. As part of the project, Mr. Gosseling indicated that he would be more than willing to voluntarily raise at least 50% of the overall cost. Following discussion and receipt of a positive endorsement from the staff, *it was moved by Schwitters and seconded by Klaassen to approve the Eagle Scout project of Isaac Gosseling involving the official marking and locating of all city fire hydrants. The motion carried unanimously.*

In response to a \$200 donation offered by Jim Thoma for purposes of celebration by the Fire Department, *it was moved by Feia and seconded by Klaassen to approve Resolution No. 2011-016 "Accepting a Cash Donation of \$200 from Jim Thoma" for designation of celebration by the Fire Department. The motion carried unanimously.*

Mike Stordahl, Administrator of the Care Center, presented his Information report, dated June 14, 2011. Stordahl reviewed his report in preparation for general business actions by the Council. The first item involved approval of a construction payment. *It was moved by Thissen and seconded by Klaassen to approve a payment of \$9,072.83 to Paul Heiling Construction as a partial payment for work completed under the contract for the 2011 Rehabilitation Project. The motion carried unanimously.*

Stordahl next reviewed the process that had been followed in seeking quotes for the re-roofing of approximately 6,000 SF of existing roof over the middle section and the former kitchen area. Three bids had been received. *It was moved by Klaassen and seconded by Feia to approve the low bid of Roof One in the amount of \$32,100 as the lowest responsible bid. The motion carried unanimously.*

Discussion then ensued regarding the emergency replacement of the air conditioning and air exchange systems for the basement, as both had become inoperable. Following receipt of background information regarding the two responding firms, *it was moved by Thissen and seconded by Schwitters to approve the awarding of the basement's air conditioning and air handling systems replacement work to Bakker Mechanical Heating and Cooling in the amount of \$4,650.00. The motion carried unanimously.*

Stordahl then presented the Council with the facts of his recommendation about doing a final feasibility study on the proposed building addition of a rehabilitation unit and a "Medicare Wing." Inasmuch as both the initial cost and the agency's ability to repay any loans are critical, *it was moved by Feia and seconded by Schwitters to authorize the Care Center to enter into a contract with Larson Allen LLP to conduct a feasibility study on the proposed "Medicare Wing" for a fee not to exceed \$3,000. The motion carried unanimously.*

The added item of new business under agenda item # 10 (L) involved the consideration of a Staff Report, dated June 14, 2011, regarding flood-prevention strategies. The report suggested two major initiatives at this time. Following discussion, *it was moved by Feia and seconded by Thissen to approve the City's purchase of approximately 1.03 acres of undeveloped farm land from Edwin, Jim, David, and Paul Wolf at a price of \$13,000 per acre with other considerations, including(1) the construction of an adequate farm approach at the northeast corner of the parcel #30-912-1202 at the City's cost, (2) maintenance of a ten-foot setback of no tree planting along the western side of the newly purchased parcel, (3) a legal survey of the parcel and pin placement at the cost of the City, and (4) City responsibility for any crop damage that might occur due to the City's levee construction activities. The motion carried unanimously.* As concerning a second initiative, *it was moved by Feia and seconded by Schwitters to authorize staff to pursue outside financial resources for flood mitigation projects through the Chippewa Board of Commissioners. The motion carried unanimously.*

Deputy-Clerk Gosseling next distributed the register for the current accounts payable for the City's general ledger. Each Councilor was allowed to select at random individual bills for review and detail. Following this mini-audit exercise and further discussion, *it was moved by Thissen and seconded by Klaassen to approve the Accounts Payable as presented by staff in the amount of \$335,690.39 and as reflected in checks #12962 - 13042. The motion carried unanimously.*

Staff then provided copies of the check register from the Clara City Care Center for the period May 1, 2011 through May 31, 2011. The Mayor informed the Council that the signing of the original checks had been transacted via the actions of Mayor Thein and Administrator Block. Following an opportunity for review of the register by each Councilor, *it was moved by Feia and seconded by Thissen to acknowledge receipt of the register and approval for the disbursement of checks # 39906 - 40004 in the total amount of \$338,724.52. The motion carried unanimously.*

Recognizing that Sunny DeGrote had entered the Council Chamber and knowing of her volunteer work as the Chairperson of the upcoming Prairie Fest Celebration, Mayor Thein asked the Council if they would consider amending the agenda for a presentation of request from Ms. DeGrote. As such, *it was moved by Schwitters and seconded by Feia to allow the addition of a presentation on behalf of Prairie Fest by Sunny DeGrote under the general business items. The motion carried unanimously.*

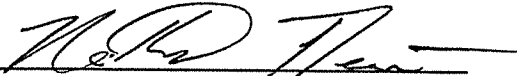
Mayor Thein invited Ms. DeGrote to present her plans to the City Council. She presented a rough drawing of the Citizen Alliance Bank's parking lot and adjacent areas. She described a rib fest activity that is scheduled to be held in conjunction with a showing of old cars and motorcycles plus a karaoke/beer venue. Following discussion, *it was moved by Feia and seconded by Schwitters to approve the request of the Prairie Fest group for a community celebration event on Saturday, July 9th, from 5:00 p.m. to 1:00 am on July 10th, in the area and with the activities as outlined by Sunny DeGrote on behalf of Prairie Fest, with the requirements that all appropriate insurance coverage will be in place and law enforcement will review and approve the Prairie Fest plans. Further, that this motion includes the City's approval for a 3.2% Malt Liquor On-sale Permit for use by the Prairie Fest organization on Saturday, July 9, 2011. The motion carried unanimously.*

Mayor Thein announced an opportunity for interested leaders and citizens to learn about the possible availability of natural gas to the residences and businesses of Clara City in the very near future. The information session is scheduled for 12:00 Noon on Friday, July 8, 2011, at the Community Center in Clara City. All Councilors were highly encouraged to attend.

The Mayor noted that the next scheduled regular meeting of the City Council of Clara City would be on Tuesday, July 12, 2011, beginning at 6:30 p.m.

Hearing no further business, *Mayor Thein declared the meeting to be adjourned at 9:15 p.m.*

SIGNED:


By: Mike Thein, Mayor

ATTEST:


By: Winthro C. Block, City Administrator