

MEETING MINUTES

CLARA CITY CITY COUNCIL REGULAR MEETING

Tuesday
January 8, 2019
6:30 PM

CITY HALL COUNCIL CHAMBERS CLARA CITY, MINNESOTA

Members present: Jack Sparks (Retiring Mayor), Gary Nelson (Mayor -Elect), Nathan Speiser, Rhonda Pieper, Jeffrey Davids, and Victor Sparks

Members absent: None

Staff present: Judy Gosseling (Finance Director), Windy Block (City Administrator), Jeff Stager (Public Works Director), Kim Wood (Police Chief), Jim Flaherty (Interim Care Center Administrator), Jennifer Henker (Care Center Office Manager), Mike Bosch (Ambulance), Andrew Neville (Ambulance), and Ben Schoep (Ambulance)

Others present: Sam Peterson (CC Herald), Donna Sparks, Shirley Klaassen, Lisa Osthus (7:50 pm)

1. Call to Order—By *Retiring Mayor Jack Sparks at 6:30 p.m. A Quorum was declared as being present.*

Note: This meeting is being officially recorded. Any and all commentary must be communicated through the microphones at the Council and Staff tables or through the microphone attached at the speaker's podium.

Retiring Mayor Jack Sparks presented his farewell comments to the Council and attending Public. He acknowledged and thanked those persons with whom he had served on the City Council and the staff of the City, as well as stating his appreciation and thanks to the citizens of Clara City for electing him for such public service. He closed by wishing all a rewarding and productive future in their work of governing the City. Mayor Sparks then asked Administrator Block to administer the Oath of Office for each of the following:

1. (A) Oath of Office—*City Administrator Block administered the Oath of Office for each of the following:*
 - (1) Councilor–elect Nathan Speiser (4-year term ending December 31, 2022)
 - (2) Councilor-elect Victor Sparks (4-year term ending December 31, 2022)
 - (3) Mayor-elect Gary Nelson (2-year term ending December 31, 2020)

Upon the completion of the taking of the Oath of Office, the new Mayor and Councilors above officially took their seats at the Council Table. At that point, Mayor Gary Nelson thanked and acknowledged the past outstanding public service of Jack Sparks and asked that the Council consider adopting City Resolution No. 2019-005.

Action taken: M/S/P 5-0 (Pieper/Davids) to adopt City Resolution No. 2019-005 “RESOLUTION OF APPRECIATION TO JACK SPARKS FOR HIS OUTSTANDING PUBLIC SERVICE AS A CITY COUNCILOR AND MAYOR FOR THE CITY OF CLARA CITY.”

2. Additions/Deletions/Modifications to Agenda

Action taken: *M/S/P 5-0 (Speiser/Pieper) to approve the Meeting Agenda with the addition of Agenda Items No. 9 (D-6) Hiring of Annette Sietsema as the new Assisted Living Manager; and No. 9 (K) Approval for the appointment of Ethan Schwinghammer for service with the Clara City Police Department as a Part-time Peace officer.*

3. Approval of Minutes

3. (A) Regular City Council Meeting of December 11, 2018

Action taken: *M/S/P 5-0 (Speiser/Pieper) to approve the minutes as presented.*

3. (B) Special City Council Meeting of December 26, 2018

Action taken: *M/S/P 5-0 (Pieper/Davids) to approve the minutes as presented.*

4. Notices and Communications—*Informational only, no action is required.*

4. (A) Invitation to attend and have your voice heard at the MACCRAY Strategic Planning Session as set for Thursday, January 18, 2019, 5:30 p.m., at the Senior High School Cafeteria

4. (B) Highway 23 Coalition Update, dated January 1, 2019, from Aaron Backman, EDC Director.

4. (C) Invitation from the Coalition of Greater Minnesota Cities, dated January 2, 2019.

5. Approval of Consent Agenda.

5. (A) Approval of the “Application for Construction Permit(s)” for the following applicant(s) as recommended by the Planning Commission from its Regular Meeting on January 2, 2019:

1. Jeff & Marsha Johnson, 710 7th Ave. NW—Remodeling and construction of new additions to an existing house following the removal of certain existing parts—Work to be done by Kyle Ulferts Construction—Project cost of \$200,000—Permit fee of \$100.00. *Note: The approval of this permit is conditioned on the Applicant agreeing to adhere to all requirements and approvals as given previously by the City on June 12, 2018 for the Johnson’s two Variance Applications (see Regular Meeting Minutes for June 12, 2018, pp. 5-6).*

Action taken: *M/S/P 5-0 (Pieper/Davids) to approve the Consent Agenda as presented above.*

6. Reports from Officers, Commissions, and Committees—*No action is required.*

6. (A) Planning Commission – *Council Liaison Victor Sparks reported.*

1. Approved Minutes of the December 5, 2018 Regular Meeting.
2. Any notable activities from the Regular Meeting of January 2, 2019.

6. (B) Economic Development Authority (EDA) – *Council Liaisons Nelson & Pieper reported.*

1. Approved Minutes of the December 10, 2018 Regular Meeting.
2. Any notable activities from their Regular Meeting of January 7, 2019.

7. Reports from Staff and Administrative Officers—*No action is required (see general business).*

7. (A) Police Department—Kimberly M. Woods, Chief of Police

7. (B) Public Works Department—Jeff Stager, Director of Public Works

7. (C) Prairie Park Place—Mindie Nurmi, Housing Manager—*No report offered.*

7. (D) Clara City Care Center—Jim Flaherty, Interim Administrator--*Mayor Gary Nelson and Councilor Nate Speiser reported.*

7. (E) City Administrator—*No report offered.*

8. Public Hearing—*Opened by Mayor Nelson at 6:51 p.m.*

8. (A) Consideration of receiving public input and testimony regarding the proposed changes in certain rates which will be charged for water and wastewater (sewer) services and consumption. The proposed rates for the years 2019, 2020, 2021, 2022, and 2023 and the associated existing (current) rates include:

Water Base Rates (monthly):

	Existing	2019	2020	2021	2022	2023
Residential:	\$	\$	\$	\$	\$	\$
Base Fee	24.00	26.88	30.11	33.72	34.48	35.25
Non-serviceable	6.00	6.72	7.53	8.43	8.62	8.81
Commercial:						
Base Fee	24.00	26.88	30.11	33.72	34.48	35.25
Multi-Unit Fee	10.50	11.76	13.17	14.75	15.08	15.42
Hotel Base Fee	5.25	5.88	6.59	7.38	7.54	7.71

Water Consumption Rate (monthly):

	Existing	2019	2020	2021	2022	2023
All Types:	\$	\$	\$	\$	\$	\$
All Usage, per 1,000 gal.	4.98	5.58	6.25	7.00	7.15	7.31

Sewer Base Rate (monthly):

	Existing	2019	2020	2021	2022	2023
Residential:	\$	\$	\$	\$	\$	\$
Base Fee	16.50	18.48	20.70	23.18	24.92	26.79
Commercial:						
Base Fee	16.50	18.48	20.70	23.18	24.92	26.79
Multi-Unit Fee	7.25	8.12	9.09	10.19	10.95	11.77
Hotel Base Fee	3.68	4.12	4.62	5.17	5.56	5.97

Sewer Consumption Rate (monthly):

	Existing	2019	2020	2021	2022	2023
All Types:	\$	\$	\$	\$	\$	\$
All Usage, per 1,000 gal.	6.00	6.72	7.53	8.43	9.06	9.74

Any and all interested persons may appear at the Public Hearing and present their views orally or in writing. Administrator Block first provided background and context in support of the proposed rate increase.

Public testimony & input: Mayor Nelson requested testimony and input from the public. Only one such request was recognized, that being as follows:

1. Susan Jenson, 234 W. Center Ave., Clara City, MN, via an Email dated January 8, 2019, which suggested that the calculated increase would be much easier to remember and understand if the monthly water base and sewer base rate increases were to be calculated using a “flat fee” increment method which, in the end, would also provide the same amount of revenue for the City’s water and wastewater utilities.

Upon calling for any additional testimony and noting none, the Public Hearing was declared closed by Mayor Nelson at 7:00 p.m.

9. General Business

9. (A) Consideration of receiving a presentation from representatives of the Clara City Ambulance Service regarding to projects that they have been preparing for the consideration of the City Council, including:

1. Purchase of a new replacement ambulance.
2. Remodeling of the existing ambulance garage.

Action taken: Mike Bosch and Andrew Neville, representing the Ambulance Squad, presented estimated pricing for the purchase of a new Horton Ambulance (\$242,000) and the remodeling of the existing Ambulance garage (\$11-12K). Staff questioned the possible need for clarifying the details of both projects and that it may need to go through the Government Bidding process, which involves (1) first presenting the bid specs, (2) then notifying the bidders of these specs, and (3) finishing with the acceptance of sealed bids. Bosch and Neville were directed to work with the City Administrator in working thru this process and report back to Council at their earliest convenience. Mr. Bosch and Mr. Neville also reported to the Council on the City’s need for additional active Ambulance members.

9. (B) Consideration of adopting City Resolution No. 2019-001 “RESOLUTION APPROVING CERTAIN CHANGES IN THE WATER AND SEWERAGE RATES AND CHARGES FOR SERVICE AND CONSUMPTION PROVIDED UNDER THE WATER AND WASTEWATER UTILITY ENTERPRISES OF THE CITY OF CLARA CITY, MN” and ordering the legal publication thereof so as to be effective on February 21, 2019 (March 2019 Billing)

Action taken: M/S/P 5-0 (Speiser/Davids) to approve the adoption of City Resolution No. 2019-001 A RESOLUTION APPROVING CHANGES IN THE WATER AND SEWERAGE RATES AND CHARGES FOR SERVICES PROVIDED BY THE WATER AND WASTEWATER UTILITIES OF THE CITY OF CLARA CITY, MN. And to order the legal publication thereof so as to be effective on February 21, 2019 (for the March 2019 billing).

9. (C) Consideration of approving the “2019 Meeting Schedule” for the City Council

Action taken: M/S/P 5-0 (Davids/Sparks) to approve the “2019 City Council Meeting Schedule”

9. (D) Consideration of acknowledging and/or approving, as may be required, the operations information and issues, if any, which may be brought forward by the Staff and/or the Council’s Care Center Subcommittee--
Presented by Jennifer Henker (Office Manager).

1. Approval of new employee hire(s) and terminations for the period of December 1–31, 2018.

Action taken: M/S/P 5-0 (Pieper/Sparks) to approve the new hires and terminations, if any, at the Care Center for the month period ending December 31, 2018, such including the new hire of Deb Halliday (Activities). No terminations were reported.

2. Acknowledgement and review of the Care Center's Client Census Data Report as of December 31, 2018 which reveals 41 clients out of a possible 55.

Action taken: M/S/P 5-0 (Pieper/Speiser) to acknowledge and approve the Census Data Report for the month period ending December 31, 2018, such revealing 41 clients out of a possible 60.

3. Acknowledgement and approval of the current Financial Reporting Information and Documentation for the Care Center, such including:
 - a) "Financial Data" Report for the period ended November 30, 2018.
 - b) Bank Balances and Financial Statement Balances as of December 31, 2018.
 - c) Accounts Receivable Balances as of December 31, 2018.

Action taken: M/S/P 5-0 (Pieper/Davids) to approve the receipt of the financial data report as prepared and presented by the Care Center Staff, such including:

- a) "Unaudited Financial Data" Report for the period ended November 30, 2018, showing Current Income of \$314,920 + Expenses of \$<368,094>= net Income (Loss) of \$<53,174>. For Fiscal year, the Net Income is \$<63,950>; and
- b) Bank balances and financial Statement Balances as of December 31, 2018, such including: Checking #293=\$326,335.76; MM #321 = \$87,735.86; MMS Debt Service #432 = \$55,800.20; MMS Capital Improvement #462 = \$2,510.46; MMS Memorial Fund #650= \$52,772.79; MMS 2014 Debt Service Acct #642 = \$142,459.73 equaling a grand total of \$667,614.80.
- c) Accounts Receivable balances as of December 31, 2018, totaling \$425,255.47.

4. Approval of the Check Register for Clara City Care Center for the period of December 1-31, 2018.

Action taken: M/S/P 5-0 (Davids/Speiser) to approve the Check Register of the Clara City Care Center for the period of December 1- 31, 2018 in the total amount of \$371,347.91 for Check Numbers 49059-49144.

5. Approval of a policy regarding the use of a Credit Card/H.S.A. Acceptance for Outpatient Therapy Clients processing unit.

Action taken: M/S/P 5-0 (Pieper/Speiser) to approve implementing a Credit Card Payment Processing Service which will allow payments for Outpatient Therapy Services to be paid for by clients using either a debit or credit card. This program will be run thru Tri-Source, a merchant processing company, and continue without any contractual timelines.

6. Approve of the hiring Annette Sietsema as Assisted Living Manager effective 01-28-2019.

Action taken: M/S/P 5-0 (Pieper/Davids) to approve the hiring of Annette Sietsema as the Assisted Living Manager, effective January 28, 2019.

9. (E) Consideration of approving a recommendation from the Planning Commission that the City Council should **deny** the Request to "Change Zoning Designation" as submitted by Troy and Missy Thissen, 530 2nd St. NE, Clara City, MN. The denial came with an alternate solution that appeared to have the support and

cooperation of all parties to the deliberation, including the Applicant and the City. The alternate solution, as recommended by the Planning Commission, is that of having the Applicant resubmit their request for the adequate use of their property through the use of an Application for a Conditional Use Permit (CUP), without additional application cost to the Applicant. This would necessitate another publication of Public Notice and the Planning Commission holding another Public Hearing on the CUP. It is believed that this process may lead to a better long-term solution for both the Applicant and the City.

Action taken: *M/S/P 5-0 (Sparks/Speiser) to deny, as based upon the recommendation and findings of the Planning Commission, the Request to Change Zoning Designation as originally submitted by Troy and Missy Thissen, 530 2nd St. NE, Clara City, MN. Note: The Applicant was subsequently encouraged by the City to reapply, without any additional application cost to the Applicant, for a Conditional Use Permit (CUP) for their conditional use of the affected parcel in the future operation of a proposed home occupation, such a permitting process better serving the Applicant, the neighborhood, and the City.*

9. (F) Consideration of approving and designating certain professional service providers for 2019:

1. Official Depositories – Citizens Alliance Bank, Clara City; and the 4M Fund (LMC)
2. Official Newspaper – Clara City Herald
3. Consulting City Engineer – Rodeberg & Berryman, Inc.
4. City Auditor – Conway, Deuth & Schmiesing, PLLP
5. City Attorney (Civil) – Stermer & Sellner, Chtd.
6. City Attorney (Criminal) – Matt Haugen, JD

Action taken: *M/S/P 5-0 (Speiser/Pieper) to approve and designate the above professional service providers for 2019 as stated above.*

9. (G) Consideration of approving City Resolution No. 2019-002. Staff explained the need and purpose for the proposed adoption.

Action taken: *M/S/P 5-0 (Speiser/Pieper) to adopt the Resolution No 2019-002 “RESOLUTION APPROVING THE DELEGATION OF AUTHORITY FOR THE PAYING OF CLAIMS PRESENTED TO THE CITY OF CLARA CITY.”*

9. (H) Consideration of approving City Resolution No. 2019-003. Staff explained the need and purpose for the proposed action.

Action taken: *M/S/P 5-0 (Speiser/Davids) to adopt the Resolution No. 2019-003 “RESOLUTION APPROVING THE DELEGATION OF AUTHORITY FOR PAYING CLAIMS PRESENTED TO THE CITY OF CLARA CITY ON BEHALF OF THE CLARA CITY CARE CENTER.”*

9. (I) Consideration of receiving a recommendation from the EDA regarding their support for the City’s consideration of adopting City Resolution No. 2019-004. Staff explained the need and purpose for the proposed action.

Action taken: *M/S/P 5-0 (Pieper/Sparks) to adopt, as recommended by the EDA, the adoption of City Resolution No. 2019-004 “RESOLUTION ACKNOWLEDGING AND ACCEPTING THE DONATION FROM HANSON COMMUNICATIONS, INC OF THE PROFESSIONAL SERVICE OF GENE WENSTROM FOR SERVICES TO THE CITY/EDA AS AN ECONOMIC DEVELOPMENT CONSULTANT.”*

9. (J) Consideration of approving two (2) recommendations from staff regarding the City Council’s authorized signors of (1) certain checking, money market, and certificate of deposits for all City of Clara City bank accounts and (2) certain bank accounts for the Clara City Care Center. Staff presented a Memo, dated January 8, 2019, and explained the need and purpose of the proposed requests for action.

Action taken (Recommendation No. 1): *M/S/P 5-0 (Speiser/Sparks) to approve the list of authorized signors of the Clara City bank accounts as detailed under Recommendation #1 of the memo dated January 8, 2019.*

Action taken (Recommendation No. 2): M/S/P 5-0 (Pieper/Speiser) to approve the list of authorized signors of the Clara City Care Center bank accounts as detailed under Recommendation #2 of the memo dated January 8, 2019.

9. (K) Consideration of approving the appointment of Ethan Schwinghammer as a Part/Time Police Officer for service with the Clara City Police Department, such to commence with the completion of his basic training.

Action taken: M/S/P 5-0 (Speiser/Pieper) to approve the appointment of Ethan Schwinghammer for service with the Clara City Police Department as a P/T Peace Officer, such service to be effective upon the completion of his basic training.

10. Approval for the Payment of Claims and Appropriations

10. (A) Approval of the City's Verified Claims—*Due to the early date of the month for this meeting, these claims will not be ready for approval at this meeting.*

Action taken: None.

11. Appearance of Interested Citizens—*None.*

12. Announcements—*Mayor Nelson reminded the Councilors of the following:*

12. (A) Regular Meeting of the City Council on Tuesday, February 12, 2019, 6:30 pm, in the City Hall.

13. Adjournment—*Upon recognizing that there was no additional business to be considered, Mayor Nelson, without objection, declared this meeting of the City Council to be adjourned as of 8:12 p.m.*

BY: _____
Mayor Gary Nelson

ATTEST: _____
Winthro C. Block, City Administrator