

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

**Tuesday, January 13, 2015
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Jack Sparks on Tuesday, January 13, 2015, at 6:30 p.m. in the Council Chambers of City Hall in Clara City, MN.

Councilors present: Jack Sparks, Joe Thissen, Les Feia, Gary Nelson, and Nathan Speiser.

Councilors absent: None.

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

Others present: Josie Oliver (Clara City Herald), and Lisa Osthus.

After calling the meeting to order, Mayor Sparks requested the City Administrator to administer the Oath of Office for the three newly elected officials, such including Mayor-elect Jack Sparks (term ending 12/31/2016), Councilor-elect Gary Nelson (term ending 12/31/2018), and Councilor-elect Nathan Speiser (term ending 12/31/2018). The three newly-elected officials were thereby sworn into Office by Administrator Block.

Upon soliciting any desired changes to the agenda from the Councilors and staff, *it was moved by Feia and seconded by Nelson to approve the agenda with the addition of Agenda Items No. 5 (B) Ratification of a Bingo Permit Application for St. Clara Church; No. 9 (D-6) Approval of Change Order No. 3 under the 2014 Care Center Remodeling Project; No. 9 (D-7) Approval for the ratification of Kelly Jo Hagemeyer as the permanent Director of Nursing at the Care Center; No. 9 (I) Letter of Engagement with Ehlers, Inc. for their professional Disclosure Services; No. 9 (J) Discussion of the Swimming Pool failures and pending fix-up; and No. 9 (K) Agreement with ATC Iris for an extension of site lease for a communications tower. The motion carried unanimously.*

At Agenda Item No. 3 "Approval of Minutes," *it was moved by Feia and seconded by Thissen to approve both the Minutes from the Regular City Council Meeting of December 9, 2014, and the Minutes of the Special City Council Meeting of December 23, 2014, as presented. This motion carried unanimously.*

Under Agenda Item No. 4 "Notices and Communications," there were two (2) items to be considered. Agenda Item No. 4 (A) involved a letter from Century Link, dated December 12, 2014, notifying the City that Century Link was in the process of requesting the issuance of a Certificate of Authority from the Minnesota Public Utilities Commission. Agenda Item No. 4 (B) involved a Notice of the 2015 Leadership Conference for both Newly Elected Officials and Experienced Officials as sponsored by the League of Minnesota Cities (LMC). Staff requested that if any members were interested in either of these training opportunities to contact City Hall at their convenience and that suitable arrangements would be made.

Upon consideration of Agenda Item No. 5 "Consent Agenda," *it was moved by Feia and seconded by Speiser to approve the following item(s) under the Consent Agenda as presented:*

5. (A) Acknowledgment and acceptance of the "2014 Yearly Activity Report for the Clara City Police Department," as authored by Police Chief Ralph Bradley

5. (B) Ratification for the execution by the City Administrator of an "Application to Conduct Excluded Bingo" as submitted by Knights of Columbus, 6080 120th Ave. SE, Clara City, for the conducting of Bingo on March 29, 2015, and November 22, 2105 at St. Clara Catholic Church, 410 N. Main Street, Clara City, MN.

The motion carried unanimously.

At Agenda Item No. 6 (A), the Council next acknowledged and reviewed with the assistance of Council-Representative Speiser the approved Planning Commission Minutes of the December 3, 2014 Regular Meeting and any notable current activities from the January 7, 2015 Regular Planning Commission Meeting.

At Agenda Item No. 6 (B), with the input of the EDA's perspective as provided by Council Representatives Thissen and Nelson, the Council acknowledged and reviewed the EDA Minutes of the December 8, 2014 Regular Meeting, the December 22, 2014 Special Meeting, and any notable current activities from the EDA's January 12, 2015 Regular Meeting.

Under the "Reports Sections" at Agenda Item No. 7, the Council acknowledged the following information:

- (A) The "December 2014 Monthly Report" from the Clara City Police Department, as authored by Police Chief Ralph Bradley.
- (B) Public Works Department – No report.
- (C) Prairie Park Place – No report.
- (D) Clara City Care Center – See items at Agenda Item No. 9 (D).
- (E) City Administrator Block provided updates on the following:
 - 1. Contractor's Progress Report and Payment Request No. 12, for payment on January 13, 2015, and the projected completion timeframe regarding the EDA's Assisted Living Project.

Under "Public Hearings" at Agenda Item No. 8, there was one Public Hearing to be heard.

The Public Hearing was called to order by Mayor Sparks at 6:44 P.M. It involved the consideration of receiving public testimony and input regarding the post award public hearing to obtain testimony and comment on the implementation of the project funded by the Minnesota Department of Employment and Economic Development (DEED) on behalf of Kay's Processing, LLC of Clara City, MN. Staff highlighted a Notice of Public Hearing and the Letter, dated December 5, 2014, from DEED, which outlined the closeout process. Mayor Sparks then inquired if there was anyone who desired to address the Council on this issue. Upon noting that no one wanted to so testify, ***Sparks declared the Public Hearing to be closed as of 6:45 P.M.***

Moving on to General Business at Agenda Item No. 9 (A), ***it was moved by Feia and seconded by Thissen to approve the following official designations for use in conducting City business in 2015, including:***

- 1. Official Depository – Citizens Alliance Bank, Clara City***
- 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) – Dave Gilbertson, JD***

This motion carried unanimously.

At Agenda Item No. 9 (B), consideration was next given to approving the Mayor's recommended list of appointees from the Council to the various boards and functions for service in 2015. Following a review of this suggested list, ***it was moved by Speiser and seconded by Feia to approve the Mayor's recommended list of Councilor appointees for service in 2015 as follows:***

- Acting Mayor (1): Gary Nelson***
- Ambulance Service (1): Les Feia***
- Care Center (2): Joe Thissen and Gary Nelson***

Community Education (1): Les Feia
Economic Development Authority (EDA) (2): Gary Nelson and Joe Thissen
Fire Department (1): Jack Sparks
Labor Relations and Employee Benefits (2): Les Feia and Jack Sparks
Library (1): Les Feia
Natural Gas Utility (2): Jack Sparks and Joe Thissen
Parks (1): Nathan Speiser
Planning Commission (1): Nathan Speiser
Police Department (1): Les Feia
Prairie Fest Celebration (1): Nathan Speiser
Prairie Park Place (2): Gary Nelson and Joe Thissen
Public Works Department (1): Jack Sparks
Safety Committee (2): Nathan Speiser and Jack Sparks
Swimming Pool (1): Nathan Speiser

The motion passed unanimously.

At Agenda Item No. 9 (C), consideration was next given to approving the “2015 Meeting Schedule” for the City Council. Following a review of the recommended schedule, *it was moved by Thissen and seconded by Nelson to approve the 2015 City Council Meeting Schedule as follows:*

Tuesday, January 13, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, February 10, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, March 10, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, April 14, 2015, 6:00 p.m. — City Hall (Local Board of Appeal and Equalization)
Tuesday, April 14, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, May 12, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, June 9, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, July 14, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, August 11, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, September 8, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, October 13, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, November 10, 2015, 6:30 p.m. — City Hall (Regular Meeting)
Tuesday, December 8, 2015, 6:30 p.m. — City Hall (Regular Meeting - Includes the Truth-in-Taxation Hearing for approving the 2015 Local Property Tax Levy, Collectible 2016 and City Budget for 2016)
Tuesday, December 22, 2015, 5:00 p.m. — City Hall (Special Meeting – to be held only if necessary)

The motion passed unanimously.

At Agenda Item No. 9 (D), the Council next considered issues and/or information as brought forward by Administrator Mike Stordahl and/or the Council’s Care Center Subcommittee.

Upon considering Agenda Item No. 9 (D-1), Stordahl reported on the new hires and terminations that occurred during the period of December 1 – December 31, 2014. *It was moved by Thissen and seconded by Nelson to approve the new hires of Adriana Garcia (Dietary), Jaime Vlaminck (Dietary), and Kelly Olson (Housekeeping), and further, to acknowledge that there were no recent terminations to report. This motion passed unanimously.*

Under Agenda Items No. 9 (D-2) Stordahl next provided an update on the client census data, which revealed 57 clients as of December 31, 2014. Following a review of the available census data, *it was moved by Speiser and seconded by Thissen to acknowledge and accept the census data report for December 31, 2014, for the Care Center as presented. The motion passed unanimously.*

At agenda Item No. 9 (D-3), Stordahl next updated the Council regarding the Care Center’s Financial Data Report as of November 30, 2014, which showed a year-to-date actual net income (loss) of \$(50,521) versus a budgeted amount of \$2,913. The status of the current and aged Accounts Receivable ledger showed a total outstanding of \$327,810.06 of current and \$314,641.08 of aged as of December 31, 2014. Also reviewed was

the status of the Bank Statement Account Balances as of December 31, 2014, which totaled \$2,035,894.34 and includes: Checking Account (#30293) = \$259,331.96; MM Savings Account (#68321) = \$2,540.46; MM Construction Debt Service Account (#67432) = \$51,893.67; Capital Improvement Savings Account (#64462) = \$138,728.96; Memorial Fund Account (#6650) = \$69,623.74; 2014 Construction MMM Bond Fund = \$1,509,483.93; and the 2014 Debt Service = \$4,291.62. Following questions and discussion, *it was moved by Thissen and seconded by Nelson to acknowledge the receipt of the following reports as presented: 1) Financial Report for the Period Ending November 30, 2014; 2) Bank Statement Fund Balance Data for the date of December 31, 2014; and 3) Accounts Receivable Report as of December 31, 2014. The motion passed unanimously.*

At Agenda Item No. 9 (D-4), the Council reviewed the check register for the month of December 2014. It was noted that Deputy Clerk Gosseling and City Administrator Block are the appointed officials at this time who are responsible for the signing of all such checks. Following an opportunity for any questions about the register, *it was moved by Nelson and seconded by Thissen to approve the Check Register of the Clara City Care Center for the period of December 1 – December 31, 2014, in the total amount of \$627,228.42 for checks # 44189 - 44294. The motion passed unanimously.*

Under Agenda Item No. 9 (D-5), consideration was given for the approval of Payment Request No. 4 for January 13, 2015 regarding the 2014 Care Center Addition & Renovation Project. This request involved a billing from Alliance Building Corporation in the gross amount of \$266,671.50, which following the withholding of current retainage of (\$26,667.15), would result in a net payment of \$240,004.35. Following questions and discussion, *it was moved by Thissen and seconded by Speiser to approve Payment Request No. 4, January 13, 2015, for a net payment of \$240,004.35 to Alliance Building Corporation for work done under the 2014 Care Center Addition & Renovation Project. The motion passed unanimously.*

At Agenda Item No. 9 (D-6), consideration was next given to approval of a change order for the 2014 Care Center Remodeling Project as prepared and recommended by Andy Engan, Engan Associates, PA. Following an explanation of the request by staff and discussion, *it was moved by Speiser and seconded by Thissen to approve Change Order No. 3, dated January 9, 2015, as prepared by Engan Associates, P.A. for the 2014 Care Center Remodeling Project in the total amount of \$29,867.41. The motion passed unanimously.*

At Agenda Item No. 9 (D-7), consideration was next given to ratifying the appointment of Kelli Hagemeyer as the permanent Director of Nursing. Staff provided a memorandum from the Care Center Subcommittee, dated February 11, 2014, and reviewed each of the recommendations made at that time, noting that all requirements have been appropriately met. Following discussion, *it was moved by Nelson and seconded by Speiser to recognize and validate the hiring of Kelli Hagemeyer as Director of Nursing for the Care Center at a salary of \$61,131.20 as based upon the recommendation of the Care Center Subcommittee that all requirements of her probation have been adequately met. The motion passed unanimously.*

At Agenda Item No. 9 (E), consideration was given to approving the sale of the City-owned 2008 Ford Crown Victoria Police Car with accessories. The bid announcement had been duly published in the Clara City Herald and only one bid was received. It is the recommendation of the Police Chief Ralph Bradley that the City Council awards the sale of this vehicle to the City of Carlos for their offered bid of \$7,500. Following discussion, *it was moved by Feia and seconded by Thissen to approve the sale of the City-owned 2008 Ford Crown Victoria Police Car with certain accessories to the City of Carlos for their bid amount of \$7,500. The motion passed unanimously.*

Under Agenda Item No. 9 (F), consideration was given to the sale of City-owned property to Citizens Alliance Bank for their development of professional office space. Staff reported that both the EDA and Planning Commission had reviewed this proposed sale and found it to be in conformance with the City's Comprehensive Plan and redevelopment goals. Following additional discussion, *it was moved by Thissen and seconded by Nelson to approve the sale of Tax Parcels # 30-130-1620 (former Full Throttle facility) and # 30-130-1640 (former home of Nathan & Kayla Wersinger) to Citizens Alliance Bank for \$219,001 for their development of a proposed 5,000 SF office building and a 3,000 SF Medical Health Clinic, all in further support of the redevelopment of Block 3 of TIF District No. 4-1. The motion passed unanimously.*

At Agenda Item No. 9 (G), consideration was next given to the proposed purchase by the City of private property from RSN Properties, LLC in support of the City's plans to have a new Subway Restaurant developed within the Highway 23 corridor and for the continued redevelopment of the Downtown Business District within TIF District No. 4. Staff reported that both the EDA and Planning Commission had reviewed this proposed purchase and found it to be in conformance with the City's Comprehensive Plan and redevelopment goals. Following discussion, *it was moved by Speiser and seconded by Feia to approve the purchase by the City/EDA of Tax Parcel No. 30-140-0110 from RSN Properties, LLC (dba Harvey Anderson Funeral Home) for its 2014 Estimated Market Value (EMV) per the County Assessor's Record in the amount of \$145,200 plus \$10,021.90 for assessments under the 2014 Utility & Street Improvement Project. The motion passed unanimously.*

At Agenda Item No. 9 (H), consideration was next given to approving the terms of the proposed closeout of the Community Development Block Grant, dated January 5, 2010, which awarded the City of Clara City \$250,000 from the State of Minnesota through DEED for the purpose of job creation. It was reported that a recently completed grant audit by DEED revealed that the City and its partner, Kay's Processing, LLC, ultimately fell a bit short in their goal of jobs creation. Therefore, based upon the results of the Public Hearing above and the City's communication from DEED, *it was moved by Feia and seconded by Thissen to approve the closeout and associated terms of the Community Development Block Grant from DEED on January 5, 2010, FBO Kay's Naturals, such to include:*

- 1) Submittal to DEED of \$41,666.00 as the City's prorated share for the two (2) jobs not created; and*
- 2) Submittal of a written response from the City that a system is now in place to ensure the proper filing in the future of security agreements in a timely manner; and*
- 3) Submittal of a written response that there is a system now in place to collect invoices and construction statements in order to verify the full cost of a project; and*
- 4) The successful completion of a final Public Hearing as previously held above at Agenda Item No. 8 (A).*

The motion passed unanimously.

Under Agenda Item No. 9 (I), consideration was given to approving a request from staff for authorization to execute a Letter of Engagement with Ehlers, Inc. for professional bond reporting services. Staff provided copies of the document and reported that the City Attorney had reviewed it and recommended that it be signed. Following discussion, *it was moved by Speiser and seconded by Feia to authorize staff to execute the "Letter of Engagement to Retain Ehlers as Dissemination Agent for Issuer Continuing Disclosure as Required Under Securities and Exchange Commission (SEC) Rule 15c2-12 (the "Rule"). This motion passed unanimously.*

At Agenda Item No. 9 (J), consideration was next given to receiving a Staff Report, dated January 13, 2015, outlining a Preliminary Action Plan for dealing with the dilemma of a failing or already failed Swimming Pool facility. Following a review of the report, an engaging discussion was held. At this time, no action was taken. The issue was directed to be placed on the Agenda for the February 10, 2015 Regular Meeting.

Under Agenda Item No. 9 (K), consideration was given to approving the execution by the City of a proposed amendment to an existing lease that the City has with ATC Iris 1, LLC for the existence of a communications tower. Staff pointed out that in addition to lengthening the term of the lease, there would be a \$20,000 one-time cash payment made to the City. Following an explanation of the agreement, *it was moved by Feia and seconded by Speiser to authorize the execution of "The First Amendment to Ground Lease Agreement" between the City of Clara City and ATC Iris I, LLC, as presented and subject to legal review by the City Attorney. The motion carried unanimously.*

At Agenda Item No. 10 (A) Approval of the Verified Claims, Deputy-Clerk Gosseling presented the ledger of checks for approval and asked for questions regarding the same. Following the opportunity for review and questions, *it was moved by Thissen and seconded by Nelson to approve the City's Verified Claims and Check Ledger as presented for the period up through Tuesday, January 13, 2015, in the amount of \$795,367.64 for checks #16526 - 16594. The motion passed unanimously.*

At Agenda Item No. 11 "Appearance of Interested Citizens," Lisa Osthus, 322 SW 3rd Street, requested permission to address the Council. She inquired as to why Administrator Block had provided her with a copy of

the full agenda at this meeting? Block responded that there was an extra copy available and thought that she might appreciate having it.

Hearing no other requests to speak, Mayor Sparks reminded the Council Members of the next Regular City Council Meeting as set for Tuesday, February 10, 2015, 6:30 P.M. at City Hall.

Hearing no further business, *Mayor Sparks declared the meeting to be adjourned at 8:05 p.m.*

BY:

Jack Sparks, Mayor

ATTEST:

Winthro C. Block, City Administrator

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

**Tuesday, February 10, 2015
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Jack Sparks on Tuesday, February 10, 2015, at 6:30 p.m. in the Council Chambers of City Hall in Clara City, MN.

Councilors present: Jack Sparks, Les Feia, Gary Nelson, and Nathan Speiser (6:40 p.m.)

Councilors absent: Joe Thissen (excused).

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

Others present: Josie Oliver (Clara City Herald), and Jim Gilman (Conway, Deuth & Schmiesing, PLLP)

Upon soliciting any desired changes to the agenda from the Councilors and staff, *it was moved by Feia and seconded by Nelson to approve the agenda with the addition of Agenda Items No. 9 (D-7) Consideration of Change Order #4 for the 2014 Care Center Project; No. 9 (D-8) Consideration of eliminating Construction Alternate No. 2 under the 2014 Care Center Project; and No. 9 (D-9) Consideration of laying away three (3) active nursing home beds. The motion carried unanimously.*

At Agenda Item No. 3 "Approval of Minutes," *it was moved by Nelson and seconded by Feia to approve the Minutes from the Regular City Council Meeting of January 13, 2015, as presented. This motion carried unanimously.*

Under Agenda Item No. 4 "Notices and Communications," there were two (2) items to be considered. Agenda Item No. 4 (A) was the "County Respondent's Response to Petition for Discretionary Review" as filed by the Counties (in partnership with the LMC) in opposition to the petition for Supreme Court review as previously filed by the folks who are attacking the City's Driver's Diversion Class Program. Agenda Item No. 4 (B) was the Annual Bridge Inspection Report, dated January 7, 2015, as prepared by the Chippewa County Highway Department. These two were informational only and no action was requested.

Upon consideration of Agenda Item No. 5 "Consent Agenda," *it was moved by Feia and seconded by Nelson to approve the following item(s) under the Consent Agenda as presented:*

- 5. (A) Acknowledgment and acceptance of the "2014 Annual Library Report for Chippewa County," as prepared by the Chippewa County Librarian David Lauritsen.*

The motion carried unanimously.

At Agenda Item No. 6 (A), the Council next acknowledged and reviewed, with the assistance of Administrator Block, the approved Planning Commission Minutes of the January 7, 2015 Regular Meeting and any notable current activities from the February 4, 2015 Regular Planning Commission Meeting.

Councilor Nate Speiser arrived at the meeting and took his seat at approximately 6:40 p.m.

At Agenda Item No. 6 (B), with the input of the EDA's perspective as provided by Council Representative Nelson, the Council acknowledged and reviewed the EDA Minutes of the January 12, 2015 Regular Meeting and any notable current activities from the EDA's February 9, 2015 Regular Meeting.

At Agenda Item No. 6 (C), the Council received the Minutes of the Chippewa County Library Board Meeting that had been held on December 16, 2014.

Under the "Reports Sections" at Agenda Item No. 7, the Council acknowledged the following information:

- (A) The "January 2015 Monthly Report" from the Clara City Police Department, as authored by Police Chief Ralph Bradley.
- (B) Public Works Department – No report.
- (C) Prairie Park Place – No report.
- (D) Clara City Care Center – See items at Agenda Item No. 9 (D).
- (E) City Administrator Block provided updates on the following:
 - 1. The Assisted Living Project Contractor's Progress Report and Payment Request No. 13 – February 10, 2015.
 - 2. The 2015 Summary Budget Statement (Revised January 30, 2015) and the 2015 General Fund Budget, Detailed Version.
 - 3. Site and floor plan drawings for the proposed office and medical clinic building as scheduled to be constructed by Citizens Alliance Bank on Tax Parcels No. 30-130-1640 and 30-130-1620.

Under "Public Hearings" at Agenda Item No. 8, there were no Public Hearings to be heard.

Moving on to General Business at Agenda Item No. 9 (A), staff presented its rationale for the implementation of a fire escrow account pursuant to Minnesota Statute 65A.50 as a means of protecting the public's health and safety. Following discussion, *it was moved by Feia and seconded by Speiser that, based on staff's recommendation for the City's adoption of a policy which would allow the City to be certain that any damaged property which may have insurance coverage available to be repaired, replaced, removed, or demolished and ultimately be brought into compliance with the City Code, the City hereby adopts City Resolution No. 2015-01 RESOLUTION ESTABLISHING A FIRE ESCROW ACCOUNT PURSUANT TO MINNESOTA STATUTE 65A.50. This motion carried unanimously.*

At Agenda Item No. 9 (B), consideration was given to two general business items as associated with the Clara City Ambulance Service. Deputy-Clerk Gosseling presented information on both of the issues. The first one involved the 2014 Financial Statement (cash basis) for the Ambulance Service. Following the presentation of the statement and discussion, *it was moved by Nelson and seconded by Feia to acknowledge and accept the 2014 Financial Statement (compiled on a cash basis) for the Ambulance Service as prepared and presented by Deputy-Clerk Gosseling. The motion passed unanimously.* The second item involved the request for approval of certain rate changes for services that are levied by the Ambulance Service. Gosseling provided a chart of the charges that are being recommended for change and facilitated an explanation of each suggested change. Following her presentation, *it was moved by Feia and seconded by Speiser to approve the rate changes for the Ambulance Service as recommended by Deputy-Clerk Gosseling, to be effective January 1, 2015, and such including: 1) the automatic increase in the mileage rate from \$10.85 per mile to \$11.02 per mile for all mileage; and 2) an increase in the base rate charge from the current \$446.00 per trip to \$454.00 per trip. The motion passed unanimously.*

At Agenda Item No. 9 (C), consideration was given to receiving and acknowledging the audit results as detailed in the Care Center's Fiscal Year Financial Statements for Fiscal Year of October 1, 2013 – September 30, 2014. Mr. Gilman, Conway, Deuth & Schmising, PLLP, presented copies of and reviewed each of the following: 1) Care Center Enterprise Fund Financial Statements for the Year Ended September 30, 2014; 2) Care Center Enterprise Fund Management Letter dated September 30, 2014, and 3) PowerPoint summary of the audit results for the period ended September 30, 2014. Discussion followed and included: 1) Impact of the City's participation in the ECPN Program, 2) Impact of the agreement with Belview in providing administrator services by Clara City, and 3) Future impact of the completed Assisted Living Project. Following Gilman's review, questions, and discussion, *it was moved by Speiser and seconded by Feia to acknowledge and accept the Care*

Center's 2014 Fiscal Year Financial Statements for the Period of October 1, 2013–September 30, 2014 as prepared and reported by Conway, Deuth & Schmiesing, PLLP. The motion passed unanimously.

At Agenda Item No. 9 (D), the Council considered issues and/or information as brought forward with the assistance of Care Center Administrator Mike Stordahl and/or the Council's Care Center Subcommittee.

Upon considering Agenda Item No. 9 (D-1), Stordahl reported on the new hires and terminations that occurred during the period of January 1 – January 31, 2015. ***It was moved by Nelson and seconded by Feia to approve the new hires of Natalie Brouwer (Dietary Aide/Cook), Julie Wandersee (Dietary Aide/Cook), and Dawn Carlson (Nursing Aide), and further, to acknowledge the termination of Carrie McCray (Housekeeping). This motion passed unanimously.***

Under Agenda Items No. 9 (D-2) Stordahl next provided an update on the client census data, which revealed 57 clients as of January 31, 2104. Following a review of the available census data, ***it was moved by Feia and seconded by Nelson to acknowledge and accept the census data report for January 31, 2015, for the Care Center as presented. The motion passed unanimously.***

At agenda Item No. 9 (D-3), Stordahl updated the Council regarding the Care Center's Financial Data Report as of December 31, 2014, which showed a year-to-date actual net income (loss) of \$(78,632) versus a budgeted amount of \$4,613. The status of the current and aged Accounts Receivable ledger showed a total outstanding of \$445,238.96 of current and \$319,391.58 of aged as of January 31, 2015. Also reviewed was the status of the Bank Statement Account Balances as of January 31, 2015, which totaled \$1,710,696.58 and includes: Checking Account (#30293) = \$218,208.50; MM Savings Account (#68321) = \$2,540.87; MM Construction Debt Service Account (#67432) = \$7,395.87; Capital Improvement Savings Account (#64462) = \$138,746.63; Memorial Fund Account (#6650) = \$69,623.74; 2014 Construction MMM Bond Fund = \$1,269,889.17; and the 2014 Debt Service = \$4,291.80. Following questions and discussion, ***it was moved by Nelson and seconded by Speiser to acknowledge the receipt of the following reports as presented: 1) Financial Report for the Period Ending December 31, 2014; 2) Bank Statement Fund Balance Data for the date of January 31, 2015; and 3) Accounts Receivable Report as of January 31, 2015. The motion passed unanimously.***

At Agenda Item No. 9 (D-4), the Council reviewed the check register for the month of January 2015. It was noted that Deputy Clerk Gosseling and City Administrator Block are the appointed officials at this time who are responsible for the signing of all such checks. Following an opportunity for any questions about the register, ***it was moved by Speiser and seconded by Feia to approve the Check Register of the Clara City Care Center for the period of January 1 – January 31, 2015, in the total amount of \$687,201.93 for checks # 44295 - 44392. The motion passed unanimously.***

Under Agenda Item No. 9 (D-5), consideration was given for the approval of Payment Request No. 5 for February 10, 2015 regarding the 2014 Care Center Addition & Renovation Project. This request involved a billing from Alliance Building Corporation in the gross amount of \$220,061.55, which following the withholding of current retainage of (\$22,006.16), would result in a net payment of \$198,055.39. It also included a billing for architectural services from Engan Associates, P.A. in the amounts of \$12,387.02 of base fees and \$342.94 of reimbursable expenses. Following questions and discussion, ***it was moved by Nelson and seconded by Speiser to approve Payment Request No. 5 – February 10, 2015, consisting of a net payment of \$198,055.39 to Alliance Building Corporation and \$12,729.96 to Engan Associates, P.A. for a grand total of \$210,785.35 under the 2014 Care Center Addition & Renovation Project. The motion passed unanimously.***

At Agenda Item No. 9 (D-6), consideration was given to a status review and update regarding the "City of Clara City Nursing Home Administrator Shared Services Agreement," which the City has previously entered into with the City of Belview. The Subcommittee had discussed this at length and was recommending that the contract be terminated per the contract in order to enable Care Center Administrator Michael Stordahl more time in which to center his time and effort to the oversight and management of the ever-expanding senior housing campus in Clara City. Stordahl informed the Council that he had verbally notified the officials in Belview of the pending decision in order to give them ample time in which to prepare for the transition. Following discussion, ***it was moved by Feia and seconded by Nelson to direct the City Administrator to draft a letter to the City of Belview notifying them of the City of Clara City's decision to terminate the "City of Clara City Nursing Home***

Administrator Shared Services Agreement” with the City of Belview, effective March 31, 2015. The motion carried unanimously.

At Agenda Item No. 9 (D-7), consideration was given to approval of Change Order #4 for the 2014 Care Center Remodeling Project as prepared and recommended by Andy Engan, Engan Associates, PA. Following an explanation of the request by staff and discussion, ***it was moved by Speiser and seconded by Feia to approve Change Order No. 4, dated February 6, 2015, as prepared by Engan Associates, P.A. for the 2014 Care Center Remodeling Project in the total amount of \$18,193.34. The motion passed unanimously.***

At Agenda Item No. 9 (D-8), consideration was given to the proposed deletion of Alternate No. 2 under the 2014 Care Center Remodeling Project. Stordahl reviewed the suggested deletion, noting that several of his lead staff members were convinced that it was the proper thing to do. It was projected that approximately \$54,000 of the original bid cost of \$63,470 would be saved by the deletion. Following additional discussion, ***it was moved by Speiser and seconded by Nelson to approve the elimination of Alternate No. 2 under the 2014 New Entrance/Physical Therapy Addition and Renovation Project for the Care Center, subject to a Change Order being received from Engan Associates, P.A. that fully documents the total projected savings and ultimate cost of eliminating Alternate No. 2, which had originally been bid at a cost of \$63,470.00 plus architectural fees. The motion passed unanimously.***

At Agenda Item No. 9 (D-9), consideration was given to a recommendation from the Subcommittee for the laying-a-way of three (3) of the existing sixty-six (66) active nursing home beds as an immediate cost cutting measure. Stordahl made the presentation of the facts in support of the request utilizing a historical occupancy rate chart for the Care Center and answered questions from the Councilors. He stated that, if this action is approved, this will leave the Care Center with sixty-three (63) active nursing home beds and a total of eight (8) beds in lay-a-way status. Following discussion, ***it was moved by Feia and seconded by Speiser to approve staff moving forward with the process of laying-a-way three (3) additional active nursing home beds, such to be effective sixty (60) days from the date of application and resulting in 63 active beds with eight total beds in lay-a-way status. The motion carried unanimously.***

At Agenda Item No. 9 (E), consideration was given to acknowledging and accepting a cash donation. Following a brief review of the resolution, ***it was moved by Speiser and seconded by Nelson to adopt City Resolution No. 2015-002 “Resolution Acknowledging and Accepting a \$300 Cash Donation from Immanuel Lutheran Church Women,” such to be directed, per the donor’s wishes, as \$100 to the Clara City Fire Department, \$100 to the Clara City Ambulance Service, and \$100 to the Swimming Pool. The motion passed unanimously.***

Under Agenda Item No. 9 (F), consideration was given to approving the changes in the terms and conditions as recommended to be made to the existing Bargaining Agreement via negotiations between the City’s Negotiating Team (consisting of Mayor Sparks, Councilor Feia, and Administrator Block) and the representatives of the MAPE Supervisory Unit. The Administrator distributed copies of a Memorandum, dated February 10, 2015, which summarized the changes and wage charts as being recommended by the City’s Negotiating Team. In addition, it was pointed out that the Team was recommending the adoption of a three-year contract. Following additional discussion, ***it was moved by Feia and seconded by Nelson to approve the Contractual Changes and Salary Schedules for the Labor Agreement by and between the City and the MAPE Supervisory Unit as recommended by the City’s Negotiating Team and as illustrated in the aforementioned Memorandum. The motion passed unanimously.***

At Agenda Item No. 9 (G), consideration was given to receiving a verbal report from staff regarding the development of an Action Plan for the rehabilitation and/or replacement of the existing Clara City Swimming Pool, which has been adequately documented as being in a poor state of repair. The City Administrator recommended that a subcommittee, to ultimately be comprised of community volunteers and staff, be solicited through advertisements in the Clara City Herald and by personal contacts over the coming three weeks in order to form a team that will address this somewhat dire situation going forward. In the meantime, staff would continue with the process of soliciting a qualified contractor who could assess the safety of the current pool prior to any decision involving the reopening of the pool for the summer of 2015. Following discussion, ***it was moved by Feia and seconded by Speiser to approve the plan as outlined above. The motion carried unanimously.***

At Agenda Item No. 9 (H), consideration was given to approving a recommendation from the Planning Commission and EDA that the City move forward with the sale of Tax Parcel No. 30-140-0110 to Gary Hendrickx, d/b/a Subway Restaurant, following the City/EDA's purchase of said parcel from RSN Properties, LLC. Following a review of the recommendations from both boards and the findings that the proposed sale would be in conformance with the City's Comprehensive Plan and redevelopment goals, *it was moved by Nelson and seconded by Feia to approve the sale of Tax Parcel No. 30-140-0110 in its entirety to Gary Hendrickx, d/b/a Subway Restaurant, for the sum of \$145,200 plus 50% of the costs of the land redevelopment costs (lowering of the lot height by an estimated 2-3 feet). The motion passed unanimously.*

Under Agenda Item No. 9 (I), consideration was given to receiving and acknowledging a Letter of Resignation from Gene Wenstrom, dated February 9, 2015, expressing his intent to resign as the EDA Director effective March 31, 2015. His letter indicated that his employment had first commenced with the City in 1987. Staff also provided a copy of an important PERA informational document entitled "Separation Requirements for Retired Eligibility." Following discussion, *it was moved by Feia and seconded by Speiser to accept, with regret, the resignation of Gene Wenstrom as the Clara City EDA Director, such to be effective March 31, 2015. This motion carried unanimously.*

The question was then raised as to what steps were being suggested for the filling of said position once it does become vacant. Staff responded by requesting additional time in order to fully research the alternatives that might be available. Following additional comment, *it was moved by Feia and seconded by Nelson to direct staff to prepare a report of options that might be available to the Council regarding the delivery of EDA services following the completion of employment by Gene Wenstrom as the City's EDA Director. The motion carried unanimously.*

At Agenda Item No. 10 (A) Approval of the Verified Claims, Deputy-Clerk Gosseling presented the ledger of checks for approval and asked for questions regarding the same. Following the opportunity for review and questions, *it was moved by Speiser and seconded by Feia to approve the City's Verified Claims and Check Ledger as presented for the period up through Tuesday, February 10, 2015, in the amount of \$334,028.27 for checks #16595 - 16677. The motion passed unanimously.*

At Agenda Item No. 11 "Appearance of Interested Citizens," there was no one who requested to be recognized for the purpose of addressing the Council.

Hearing no other requests to speak, Mayor Sparks reminded the Council Members of the next Regular City Council Meeting as set for Tuesday, March 10, 2015, 6:30 P.M. at City Hall.

Hearing no further business, *Mayor Sparks declared the meeting to be adjourned at 9:38 p.m.*

BY:

Jack Sparks, Mayor

ATTEST:

Winthro C. Block, City Administrator

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

**Tuesday, March 10, 2015
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Jack Sparks on Tuesday, March 10, 2015, at 6:34 p.m. in the Council Chambers of City Hall in Clara City, MN.

Councilors present: Jack Sparks, Les Feia, Gary Nelson, and Nathan Speiser

Councilors absent: Joe Thissen (excused)

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

Others present: Josie Oliver (Clara City Herald), Lisa Osthus, and Shirley Klaassen

Upon soliciting any desired changes to the agenda from the Councilors and staff, *it was moved by Nelson and seconded by Feia to approve the agenda with the addition of Agenda Items No. 6 (C-1) Minutes of Chippewa County Library Board Meeting of January 27, 2015; No. 6 (C-2) Minutes of Chippewa County Library Board Meeting of February 24, 2015; No. 9 (D-6) Consideration of Change Order #5 for the 2014 Care Center Project; No. 9 (J) Consideration of the sale of Lot 6, Block 2, Hawk Creek Acres Addition to Brian and Megan Palmquist; and the deletion of Agenda Item No. 10 (A) Approval of the Verified Claims as of March 10, 2015. The motion carried unanimously.*

At Agenda Item No. 3 “Approval of Minutes,” *it was moved by Feia and seconded by Speiser to approve the Minutes from the Regular City Council Meeting of February 10, 2015, as presented. This motion carried unanimously.*

Under Agenda Item No. 4 “Notices and Communications,” there were two (2) items to be considered, including: Agenda Item No. 4 (A) Order from the Supreme Court, dated February 25, 2015, denying the petition of Beverly Snow, et al. from any further review by the Court of their previously denied case that sought to lump all of the diversion programs, including Clara City, together for one trial; and Agenda Item No. 4 (B) Email notice from Bonnie Crosby, Chippewa County Assessor, regarding the upcoming opportunity for Councilor registration for the Board of Appeal and Equalization Online Training between July 1, 2015 and January 31, 2016. These two were informational only and no action was requested.

Upon consideration of Agenda Item No. 5 “Consent Agenda,” *it was moved by Feia and seconded by Nelson to approve the following item(s) under the Consent Agenda as presented:*

5. (A) Approval of the recommendations by the Planning Commission from their meeting on March 4, 2015, for the following “Construction Permit” application(s):

1. Ben & Holly Peterson, 217 East Wachtler Ave.—Construction of a new house in Hawk Creek Acres I, Block 2, Lot 5—Work to be done by Dan Niemeyer Construction—Project cost estimated to be between \$285,000-\$300,000—Application fee of \$1,700 plus water meter cost.

2. Nathan Johnson, 200 NW 5th St.—Install a 4-foot high vinyl fence 2-feet inside property lines, essentially enclosing the entire back yard for the safety of day care clients—Work to be done by owner self-improvement—Project cost of \$4,500—Application fee of \$25.00.

5. (B) Affirmation of the approval given by the City Administrator to an Application for an

Exempt Permit from the MACCRAY Trap Shooting Team, 5075 100th Ave. SE, Maynard, MN, for a raffle activity to be held on April 10, 2015 at Kegger's Bar & Grill, 34 W. Center Ave., Clara City, MN.

The motion carried unanimously.

At Agenda Item No. 6 (A), the Council next acknowledged and reviewed, with the assistance of Administrator Block, the approved Planning Commission Minutes of the February 4, 2015 Regular Meeting and any notable current activities from the March 4, 2015 Regular Planning Commission Meeting.

At Agenda Item No. 6 (B), with the input of the EDA's perspective as provided by Council Representative Nelson, the Council acknowledged and reviewed the EDA Minutes of the February 9, 2015 Regular Meeting and any notable current activities from the EDA's March 9, 2015 Regular Meeting.

At Agenda Item No. 6 (C), the Council received the Minutes of the Chippewa County Library Board Meetings that had been held on January 26, 2014 and on February 24, 2015.

Under the "Reports Sections" at Agenda Item No. 7, the Council acknowledged the following information:

- (A) The "February 2015 Monthly Report" from the Clara City Police Department, as authored by Police Chief Ralph Bradley.
- (B) Public Works Department – No report.
- (C) Prairie Park Place – No report.
- (D) Clara City Care Center – See items under Agenda Item No. 9 (D). Also provided was a billing, dated March 1, 2015, to Parkview Nursing Home in Belview for the contracted services of Nursing Home Administrator Mike Stordahl.
- (E) City Administrator Block provided updates on the following:
 - 1. The Assisted Living Project Contractor's Progress Report and Payment Request No. 14 – March 10, 2015. Staff noted that the billing had been acknowledged by the EDA Board but had been only conditionally approved, subject to the release of the payment only upon final completion of the entire project.
 - 2. The timetable for the development of a new grocery store in Block 1 of the downtown business district. This was summarized in a Memorandum (Version: March 9, 2015) from staff to the EDA on March 9, 2015.

Under "Public Hearings" at Agenda Item No. 8, there were no Public Hearings to be heard.

Moving on to General Business at Agenda Item No. 9 (A), staff presented the rationale for consideration of adopting City Resolution No. 2015-003 "A RESOLUTION SUPPORTING DEDICATED STATE FUNDING FOR CITY STREETS." Staff is recommending that the City go on record as supporting this priority issue of the League of Minnesota Cities (LMC) by adopting the resolution and forwarding it accordingly. Following discussion, *it was moved by Feia and seconded by Nelson to adopt City Resolution No. 2015-003 "A RESOLUTION SUPPORTING DEDICATED STATE FUNDING FOR CITY STREETS," and to communicate such to the LMC. This motion carried unanimously.*

At Agenda Item No. 9 (B), consideration was given to adopting a resolution in support of legislation establishing an early voting process for voters in Minnesota. Staff is recommending that the City should go on record as supporting this priority issue of the League of Minnesota Cities (LMC) by adopting the resolution and forwarding it accordingly. Staff provided infographics which explained the difference between "early voting" and the current in-person "absentee balloting" process. Following discussion, *it was moved by Speiser and seconded by Feia to adopt City Resolution No. 2015-004 "A RESOLUTION IN*

SUPPORT OF LEGISLATION ESTABLISHING AN EARLY VOTING PROCESS FOR VOTERS IN MINNESOTA,” AND TO DIRECT STAFF TO FORWARD IT TO THE LMC. This motion passed unanimously.

At Agenda Item No. 9 (C), consideration was given to approving the recommendation from the Planning Commission that, based upon its findings that the rezoning application from Citizens Alliance Bank for the changing of Tax Parcel No. 30-130-1640 from R-1 “Low Density Residential” to B-1 “General Business” is in conformity with the Comprehensive Plan and the City’s goals of downtown redevelopment, the City should therefore approve the rezoning of Parcel 30-130-1640 from R-1 “Low Density Residential” to B-1 “General Business.” A Public Hearing had been publicly notice and held on the application by the Planning Commission. Following discussion, ***it was moved by Speiser and seconded by Feia to acknowledge receipt and approval of the Planning Commission’s recommendation for the rezoning of Parcel 30-130-1640 from R-1 “Low Density Residential” to B-1 “General Business.” The motion passed unanimously.***

At Agenda Item No. 9 (D), the Council considered issues and/or information as brought forward with the assistance of Care Center Administrator Mike Stordahl and/or the Council’s Care Center Subcommittee.

Upon considering Agenda Item No. 9 (D-1), Stordahl reported on the new hires and terminations that occurred during the period of February 1 – February 28, 2015. ***It was moved by Feia and seconded by Speiser to approve the new hires of Ashlynn Erickson (Nurse’s Aide), Ashley Quigley (Nurse’s Aide), Kayla Beatty (RN), and Cheri Melin (Dietary Aide), and further, to acknowledge the following terminations: None. This motion passed unanimously.***

Under Agenda Items No. 9 (D-2) Stordahl next provided an update on the client census data, which revealed 59 clients as of February 28, 2105. Following a review of the available census data, ***it was moved by Speiser and seconded by Nelson to acknowledge and accept the census data report for February 28, 2015, for the Care Center as presented. The motion passed unanimously.***

At agenda Item No. 9 (D-3), Stordahl updated the Council regarding the Care Center’s Financial Data Report as of January 31, 2015, which showed a year-to-date actual net income (loss) of \$(47,138) versus a budgeted amount of \$6,981. The status of the current and aged Accounts Receivable ledger showed a total outstanding of \$419,473.42 of current and \$328,665.04 of aged as of February 28, 2015. Also reviewed was the status of the Bank Statement Account Balances as of February 28, 2015, which totaled \$1,505,782.78 and includes: Checking Account (#30293) = \$201,890.81; MM Savings Account (#68321) = \$2,540.67; MM Construction Debt Service Account (#67432) = \$12,546.23; Capital Improvement Savings Account (#64462) = \$138,762.60; Memorial Fund Account (#6650) = \$69,623.74; 2014 Construction MMM Bond Fund = \$1,059,765.52; and the 2014 Debt Service = \$20,653.21. Following questions and discussion, ***it was moved by Nelson and seconded by Speiser to acknowledge the receipt of the following reports as presented: 1) Financial Report for the Period Ending January 31, 2015; 2) Bank Statement Fund Balance Data for the date of February 28, 2015; and 3) Accounts Receivable Report as of February 28, 2015. The motion passed unanimously.***

At Agenda Item No. 9 (D-4), the Council reviewed the check register for the month of February 2015. It was noted that Deputy Clerk Gosseling and City Administrator Block are the appointed officials at this time who are responsible for the signing of all such checks. Following an opportunity for any questions about the register, ***it was moved by Speiser and seconded by Feia to approve the Check Register of the Clara City Care Center for the period of February 1 – February 28, 2015, in the total amount of \$608,555.04 for checks # 44393 - 44485. The motion passed unanimously.***

Under Agenda Item No. 9 (D-5), consideration was given for the approval of Payment Request No. 6 for March 10, 2015 regarding the 2014 Care Center Addition & Renovation Project. This request involved a billing from Alliance Building Corporation in the gross amount of \$408,780, which following the withholding of current retainage of (\$40,878.00), will result in a net payment of \$367,902.00. Following questions and discussion, ***it was moved by Nelson and seconded by Speiser to approve Payment Request No. 6 – March 10, 2015, consisting of a net payment of \$367,902.00 to Alliance Building Corporation under the 2014 Care Center Addition & Renovation Project. The motion passed unanimously.***

At Agenda Item No. 9 (D-6), consideration was given to a Change Order No. 005 under the 2014 Care Center Addition & Renovation Project as prepared and recommended by Engan Associates, P.A. It was noted that this

particular change order included, amongst several items, the elimination of Construction Alternate #2 in the amount of \$(58,814.52). Following discussion, *it was moved by Nelson and seconded by Feia to approve Change Order No. 005 as prepared by Engan Associates, P.A. in the total amount of \$(41,622.53) under the 2014 Care Center Addition & Renovation Project. The motion carried unanimously.*

At Agenda Item No. 9 (E), consideration was given to approving a recommendation from the Planning Commission that a bid package be finalized and implemented for the solicitation of quotes regarding the 2015 Sidewalk Improvement Project, such to include the following construction components: Project 1 – Downtown Business District; Project 2 - County Road 2 North; and Project 3 – Wachtler Avenue East. Following review of the suggested projects, *it was moved by Feia and seconded by Nelson to approve the recommendation of the Planning Commission and direct staff to move forward with the bid package preparation. The motion passed unanimously.*

Under Agenda Item No. 9 (F), consideration was given to approving the recommendation from the Planning Commission that, based upon their finding that the EDA/City's proposed purchase of Tax Parcel No. 30-130-2410 is in conformity with the Comprehensive Plan and the City's goals for downtown redevelopment, the City will thereby move forward with the purchase of Parcel 30-130-2410, 38 East Center Avenue, from Jim Koewler for the parcel's 2014 Assessor's Estimated Market Value of \$39,900 plus an agreement that the EDA/City will take responsibility for the approximate \$11,536.15 of assessments due under the 2014 Utility & Street Improvement Project. A draft copy of the Purchase Agreement was reviewed. Following additional discussion, *it was moved by Feia and seconded by Nelson to approve the aforementioned recommendation and to direct staff to initiate the necessary steps to complete the City/EDA's purchase of Parcel No. 30-130-2410, 38 East Center Avenue, from Jim Koewler for the parcel's 2014 Assessor's Estimated Market Value of \$39,900 plus agreement that the EDA/City will take responsibility for the approximate \$11,536.15 of assessments due under the 2014 Utility & Street Improvement Project. The motion passed unanimously.*

At Agenda Item No. 9 (G), continued consideration was given to developing and approving an Action Plan for the rehabilitation and/or replacement of the existing Swimming Pool in view of its current state of disrepair. The current issue of concern involved the issue of safety for opening the pool in the summer of 2015. Staff was recommending that a contract be let for the boring of a determined number of test holes to help assess the depth of any voids which might exist under the main shell. For that purpose, staff presented a proposal from the firm which had done the preliminary assessment, Aquatic Design Solution, LLC, for "Pool Floor Void Exploration." Following a review of the proposal and discussion, *it was moved by Speiser and seconded by Nelson to authorize the execution of the agreement as outlined in the Proposal from Aquatic Design Solutions, LLC, dated March 10, 2015, for Pool Floor Void Exploration, in the lump sum amount of \$3,900 plus reimbursable expenses. The motion carried unanimously.*

Under Agenda Item No. 9 (H), consideration was given to developing an action plan as to how best to proceed with the replacement of Gene Wenstrom and his duties as Director of Economic Development for the City and EDA. Wenstrom has resigned his current position with the City, such to be effective as of March 31, 2015. Staff provided a Staff Report, dated March 10, 2015, on the subject. Following a review of the Staff Report and additional discussion, *it was moved by Nelson and seconded by Feia to delay any further action on this issue until the April 14, 2015 Regular City Council Meeting, with a target that final action on this subject is tentatively anticipated to be completed at the May 12, 2015 Regular City Council Meeting; and further, that in the interim, all duties and responsibilities concerning economic development are to be assigned to the City Administrator for his care and execution. This motion carried unanimously.*

At Agenda Item No. 9 (I), consideration was given to a recommendation from the EDA meeting on March 9, 2015, for the release and advertising of a Request for Qualification and Proposal (RFQ&P) regarding the timely sale, complete removal, and/or relocation of the principal residential structures and all accessory buildings that are currently on Tax Parcel No. 30-140-0110, also known as 111 SE 1st Street, Clara City, MN. The Council members were provided with a draft copy of the advertisement and the RFQ&P. It was reported that the EDA was fully supportive of moving forward with this strategy and urged the City Council to do the same. *Following review of the RFQ&P and discussion, it was moved by Speiser and seconded by Feia to acknowledge the EDA's recommendation and to authorize staff to move forward with the distribution and advertising of the RFP&Q, dated March 10, 2015, as detailed above. The motion passed unanimously.*

Under Agenda Item No. 9 (J), staff requested the Council's consideration of approving the sale of land in Hawk Creek Acres to a potential new home owner. Copies of the Warranty Deed to Joint Tenants, as prepared by City Attorney John Sellner were distributed for Council's review. Following that review and as brief discussion, *it was moved by Feia and seconded by Speiser to approve the execution of a Warranty Deed by the City for the conveyance and warranty to Brian and Megan Palmquist the real property in Chippewa County, Minnesota, described as follows: Lot Six (6), Block Two (2), Hawk Creek Acres, Clara City, Minnesota, for the contract amount of \$2,000 plus their assumption of special assessments in the amount of \$11,829.00. The motion passed unanimously.*

Agenda Item No. 10 (A) Approval of the Verified Claims had been previously deleted from consideration during the action by the Council of approving the agenda under Agenda Item No. 2.

At Agenda Item No. 11 "Appearance of Interested Citizens," the following citizens requested to be recognized for the purpose of addressing the Council. These included:

Lisa Osthus, 322 SW 3rd Street – a) Verbalized the renewal of her previous request to have the City Council Meetings recorded; and (b) Expressed concern about the apparent storm sewer backup of water and ice at the Third Street corner storm sewer inlet.

Shirley Klaassen, 307 SW 3rd St. – a) Expressed her appreciation for the conduct of the two newest Councilors, Nelson and Speiser; and b) Expressed concern for the limited publishing of the RFQ&P regarding the removal of the home and accessory structures at 111 SE 1st Street.

Hearing no other requests to speak, Mayor Sparks reminded the Council Members of the next Regular City Council Meeting as set for Tuesday, April 14, 2015, 6:30 P.M. at City Hall and a reminder that the City Council would also be meeting as the Local Board of Appeal and Equalization (LBAE) at 6:00 P.M. on that same Tuesday, April 14, 2015 at the City Hall. The mayor noted that there must be a quorum of the Councilors in attendance and include at least one Councilor who has attended the Department of Revenue's L.B.A.E training session. If not, the City will forfeit our current LBAE meeting plus next year's LBAE.

Hearing no further business, *Mayor Sparks declared the meeting to be adjourned at 8:06 P.M.*

BY:

Jack Sparks, Mayor

ATTEST:

Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
SPECIAL MEETING**

**Monday, March 30, 2015
City Hall**

This Special Meeting of the City Council for the City of Clara City was called to order by Mayor Jack Sparks on Monday, March 30, 2015, at 4:31 P.M. in the Council Chamber at the City Hall in Clara City.

Members present: Jack Sparks, Gary Nelson, Les Feia, and Nathan Speiser.

Members absent: Joe Thissen.

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

Also present: Josie Oliver (Clara City Herald).

Upon consideration of the agenda and requesting any additions or deletions, *it was moved by Nelson and seconded by Feia to approve the draft agenda as presented. The motion passed unanimously.*

There were no items to consider under Agenda Sections No. 3 "Approval of Minutes," No. 4 "Notices and Communications," and No. 5 "Approval of Consent Agenda."

At Agenda Items No. 6 "Reports from Officers, Commissions, and Committees," No. 7 "Reports from Staff and Administrative Officers" and No. 8 "Public Hearings" there were no items for consideration.

Moving on to "General Business," Mayor Sparks introduced Agenda Item No. 9 (A), which involved the consideration of receiving a recommendation from the EDA regarding their completed review of the qualified responses, if any, as were submitted in timely response to the EDA's Request for Qualification and Proposal (RFQ&P) "for the sale, complete removal, and relocation of the principal residential structure and all accessory buildings that are currently situated on Tax Parcel NO. 30-140-0110, also known as 111 SE 1st Street, Clara City." Staff informed the Council that only one "Response" to the RFQ&P had been received and that it had been submitted on a timely basis. That Response had been submitted by Gary & Cynthia Hendrickx, 226 N. Miles St. Appleton, MN 56208. Staff distributed copies of their entire submitted Response, dated March 27, 2015. Staff also distributed copies of a "Staff Memorandum, dated March 30, 2015," which summarized the review and findings of the Response as completed by the EDA at a Special Meeting at 12:00 Noon this same day. It was noted that a summary of their approved action and recommendations was also included in the Memorandum. In addition, the requested business subsidies were specifically discussed, and they included: 1) A cash subsidy, in an amount not to exceed \$25,000, which will be fully documented by the Bona fide developer and intended to be used by the Respondent for the demolition and/or removal of all existing structures on Tax Parcel 30-140-0110, subject to the Respondent following all prescribed policies and procedures of the MPCA in the course of demolishing these commercial structures; 2) The availability of a cash subsidy, in an amount not to exceed 50% of the as-yet-unknown cost for the inspection and abatement of hazardous materials, if any, from the structures, prior to the certified demolition and/or removal of all such structures; and 3) The availability of a cash subsidy, in an amount not to exceed \$10,000, such to be used by the Respondent in contracting for the lowering of the parcel's profile to a general surface level of approximately six (6) inches above the existing curb level. Staff also distributed copies of the City's "Amended Business Subsidy Policy and

Criteria” document as last adopted by the City Council on March 13, 2001. Councilor Nelson, upon a request from the Chair, summarized the findings and recommendations of the EDA from their earlier meeting and urged approval by the City Council of their recommendations.

Following a thorough review of the proposed subsidies and discussion, *it was moved by Feia and seconded by Speiser to acknowledge and approve the findings and recommendations of the EDA that the Response to the City’s RFQ&P for the removal of all structures from tax parcel No. 30-140-0110 from Gary & Cynthia Hendrickx, dated March 27, 2015, is fully qualified and acceptable, and as such, hereby directs staff to move forward with the implementation of the terms, subsidies and conditions as requested and suggested in the Response, including a specific statement that the City/EDA’s hereby agrees to provide the requested business subsidies, such subsidies to be legally defined, detailed, and provided for in a Business Subsidy Agreement between the City/EDA and Gary & Cynthia Hendrickx, and as to be drafted by the City Attorney in accordance with the intent and content of the Response, the state laws, and the existing local Subsidy Policy. Further, that said Subsidy Agreement, upon its completion, is to be returned to the City Council for its final review and ratification. The motion carried unanimously.*

Under Agenda Item No. 11 “Appearance of Interested Citizens,” Mayor Sparks noted that no one requested permission to be recognized.

Mayor Sparks reminded the Councilors of that they would next be acting as the Local Board of Appeals & Equalization (LBAE) in a special meeting to be held at 6:00 P.M. on Tuesday, April 14, 2015 and that would be immediately followed by the next Regular City Council Meeting as scheduled for Tuesday, January 13, 2015, 6:30 P.M. at City Hall.

Upon recognizing no additional business or issues to be considered, *Mayor Sparks, with the consent of the Councilors, declared the meeting to be officially adjourned at 5:00 P.M.*

BY: _____
: Jack Sparks, Mayor

ATTEST: _____
Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
SPECIAL MEETING
LOCAL BOARD OF APPEAL & EQUALIZATION**

**Monday, April 14, 2015
City Hall**

This Special Meeting of the City Council for the City of Clara City was called to order by Mayor Jack Sparks on Tuesday, April 14, 2015, at 6:00 P.M. in the Council Chamber at the City Hall in Clara City. The Mayor announced that the Council was meeting as the Local board of Appeal and Equalization (LBAE). He also noted that a quorum was present and that the Board had the required LBAE-trained Councilor, Les Feia, in attendance.

Members present: Jack Sparks, Gary Nelson, Les Feia, Joe Thissen, and Nathan Speiser.

Members absent: None.

Staff present: Judy Gosseling (Deputy-Clerk).

Also present: Josie Oliver (Clara City Herald), Bonnie Crosby (Chippewa County Assessor), and Tammy Mortenson (Chippewa County Deputy-Assessor).

Upon consideration of the agenda and a request for any additions or changes, none were noted.

Mayor Sparks then announced that the Chippewa County Assessor's Office, which was also the Assessor for the City of Clara City, would be represented by Bonnie Crosby (the County Assessor) and Tammy Mortenson (Deputy-Assessor and appointed Assessor for Clara City). At that point Mayor Sparks recognized the two aforementioned individuals and requested that they conduct the following portion of the meeting. Together, they presented an overview of the area and properties that were reviewed and evaluated in Clara City for the 2015 Assessment. The also shared with the Council and interested citizens a few facts and figures on property sales, existing values, new construction values, assessment law changes, etc., all of which have helped shape the status of the current 2015 Assessment.

Following the Chippewa County Assessor's presentation, Mayor Sparks opened the meeting up to the Public for any comment or presentation of concerns. Upon asking three times and receiving no such requests, Mayor Sparks asked the Councilors if they had additional questions. Councilor Nelson brought up the two-parcel tax case of Dennis Boike and several Councilors inquired as to how new construction was ultimately valued during the assessment valuation process.

Under Agenda Item No. 11 "Appearance of Interested Citizens," Mayor Sparks noted that no one requested to be recognized.

Upon recognizing that the required open period of public comment time had expired, *Mayor Sparks, with the consent of the Councilors, declared the meeting to be officially adjourned at 6:30 P.M.*

BY: _____
: Jack Sparks, Mayor

ATTEST: _____
Winthro C. Block, City Administrator

MEETING MINUTES

CLARA CITY CITY COUNCIL REGULAR MEETING

Tuesday
April 14, 2015
6:30 PM

CITY HALL COUNCIL CHAMBERS CLARA CITY, MINNESOTA

Present: Jack Sparks, Gary Nelson, Les Feia, Joe Thissen, and Nathan Speiser

Staff: Judy Gosseling, Windy Block, Mike Stordahl, and Jen Henker

Other: Josie Oliver (Clara City Herald), John Chester (Chester Contracting, Inc.), Lisa Osthus, Shirley Klaassen, Kyle Goeman, and Chip Goeman.

1. Call to Order – By Mayor Sparks at 6:30 P.M.
2. Additions/Deletions/Modifications to Agenda.

Action taken: *M/S/P 5-0 (Speiser/Thissen) to approve agenda with the following additions: No. 5 (C) Addition of one nominee for training as an EMT; No. 9 (D-6) Approval of Change Order No. 6 for the 2014 Care Center Rehabilitation & Expansion Project; No. 9 (D-7) Write-off of accounts receivable that are aged and deemed uncollectible at the Clara City Care Center; No. 9 (D-8) Purchase of furniture for the remodeled patient rooms at the Care Center; No. 9 (D-9) Purchase of tax Parcel No. 30-260-0180 from Chuck Ammermann; and No. 9 (J) Approval of the hiring of Daryl Niemeyer for the vacant Part-time Lawn Mower position in the Parks Department.*

3. Approval of Minutes.

3. (A) Regular City Council Meeting of March 10, 2015.

Action taken: *M/S/P 5-0 (Nelson/Feia) to approve as presented.*

3. (B) Special City Council Meeting of March 30, 2015.

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

4. Notices and Communications—None.
5. Approval of Consent Agenda.

5. (A) Approval of the recommendations by the Planning Commission from their meeting on April 1, 2015, for the following “Construction Permit” application(s):

1. Ted Almen, 330 West Center Avenue—Construction of a 4' X 6' overhang structure over the westerly door entrance —Work to be done by Joe Fernholz Construction—Project cost estimated to be \$500 —Permit fee of \$25.00.
 2. Harvey Durhein, 210 SW 1st St.—Relocation of an existing permitted 9' X 9' storage shed at Veterinarian Store for Jaycee's Shoe Donation Program to this residence—Work to be done by owner self-improvement—Project cost of \$-0—Application fee waived.
 3. Lowell Schwitters, 611 NE 1st St.—Residing of existing house and garage—Work to be done by Michael Kontz Construction of Dawson—Project cost of \$6,500—Permit fee of \$25.00.
 4. Lila and Melissa Porter, 526 N. Main Street—Re-shingling of existing house and garage with a brown tin metal product—Work to be done by Heiling Construction, Inc.—Project cost of \$7,500—Permit fee of \$25.00.
 5. Troy & Danelle Groothuis, 511 2nd St. NE—Re-shingling of existing house & garage—Work to be done by Keith Johnson Remodeling & Construction—Project cost of \$13,524—Permit fee of \$25.00.
 6. Derek Bluhm, 315 3rd St. SW—Installation of sidewalk in front yard of house—Work to be done by owner self-improvement—Project cost of \$500—Permit fee of \$25.00.
 7. Gary Hendrickx, 226 N. Miles St., Appleton, MN—Construction of a new Subway Restaurant (54' X 30') at 23 SE Fist Ave.(former site of the Harvey Anderson Funeral Home)—Work to be done by Mark Bohlsen, General Contractor—Project cost of \$160,000—Permit fee of \$286.50 and the requirement of obtaining an approved Site Plan Review.
5. (B) Affirmation of the approval given by the City Administrator to an Application for Exempt Permit from Cross Country trail Blazers, Inc. (Ralph Thissen, CEO) , P.O. Box 341, Clara City, MN, for a bingo & raffle activity to be held on November 27, 2015 at Kegger's Bar & Grill, 34 W. Center Ave., Clara City, MN—*See attached application.*
 5. (C) Approval for the appointment of Randy Bourne and Ben Schoep to the Clara City Ambulance Service for qualification of service and training as First Responders and to authorize the solicitation and qualification of an as yet unnamed person for EMT Training.
 5. (D) Approval for the reappointment of Jeff Davids to the Clara City Ambulance Service. Mr. Davids, a long-time ambulance service volunteer, had recently resigned on February 1, 2015, but has since retested on April 2, 2015, passed his exam with flying colors, and is now asking for his reinstatement to the Ambulance Service.

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

6. Reports from Officers, Commissions, and Committees.

6. (A) Planning Commission – *Council Liaison Nathan Speiser*

1. **Approved Minutes of the March 4, 2015 Regular Meeting.**
2. **Any notable activities from the Regular Meeting of April 1, 2015.**

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

1. **Approved Minutes of the March 9, 2015 Regular Meeting.**
2. **Any notable activities from the Special Meeting on March 30, 2015 and/or their Regular Meeting of April 13, 2015.**

7. Reports from Staff and Administrative Officers.

7. **(A) Police Department**—*Reviewed April Report as authored by Chief Bradley.*
7. **(B) Public Works Department**—*Reported on Mosquito Spraying program for summer 2015.*
7. **(C) Prairie Park Place**
7. **(D) Clara City Care Center - Agenda No. 9 (D) & attached 4/1/2015 Belview Billing.**
7. **(E) City Administrator**
 1. *Contractor's Progress Report No. 15 seeking Payment on April 14, 2015 regarding the Assisted Living Project—No such report was submitted, thus no approval was needed.*
 2. *Grocery Store Project update—reviewed a revised timeframe for recommended actions.*

8. Public Hearing—*None.*

9. General Business.

9. **(A) Consideration of authorizing an agreement with Rice Memorial Hospital for ALS Intercept Services.** Deputy-Clerk Gosseling answered questions regarding the offered agreement and/or provided an explanation of billing rates for the ALS services from Rice Memorial Ambulance Service.

Action taken: *M/S/P 5-0 (Speiser/Nelson) to approve the execution of the proposed Agreement.*

9. **(B) Consideration of approving the amendment to the procedural guidelines for Commercial Rehabilitation under the Small Cities Development Program (SCDP) as recommended by staff of the Upper Minnesota Valley Regional Development Commission (UMVRDC), which is the agency retained by the City for the administration of this current grant program.**

Action taken: *M/S/P 5-0 (Feia/Thissen) to approve the amendments as recommended by staff of the UMVRDC.*

9. **(C) Consideration of adopting City Resolution No. 2015-005 “Resolution Acknowledging and Accepting a \$182.00 Cash Donation from the Bethany Reformed Church Women” for the benefit of the Clara City Ambulance Service.**

Action taken: *M/S/P 5-0 (Speiser/Nelson) to adopt City Resolution No. 2015-005 and to direct the donation per the donor's wishes to the Clara City Ambulance Service.*

9. **(D) Consideration of acknowledging and/or approving, as may be required, issues and information which may be brought forward by the Staff and/or the Council's Care Center Subcommittee.**

1. Approval of new employee hire(s) and terminations for the period of March 1 – March 31, 2015. New hires include: Emily Wandersee (CAN). Current terminations include: None.

Action taken: M/S/P 5-0 (Speiser/Nelson) to approve the new hires as presented.

2. Acknowledgement and review of the Care Center's Client Census Data Report as of March 31, 2015 which shows 59 current clients.

Action taken: M/S/P 5-0 (Thissen/Nelson) to acknowledge the receipt of the census data.

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 February 28, 2015.
Income = \$358,987 Expenses = \$352,961 Net Income (Loss) = \$6,026
- b) Bank Balances and Financial Statement Balances as of March 31, 2015.
Current = \$325,446.56; Memorial = \$69,632.32; Construction = \$729,128.09
- c) Accounts Receivable Balances as of March 31, 2015.
A/R (301 days and newer) = \$389,722.15; A/R (Aged as of 6/1/14) = \$311,675.35

Action taken: M/S/P 5-0 (Speiser/Thissen) to acknowledge the receipt of and approve the Financial Reporting Information as immediately above for the Care Center.

4. Approval of the Check register of the Clara City Care Center for the period of March 1, 2015 – March 31, 2015 in the total amount of \$777,609.94 for Check Numbers 44486 – 44583.

Action taken: M/S/P 5-0 (Nelson/Speiser) to approve the Check Register for the period of March 1-March 31, 2015 in the total amount of \$777,609.94 for Checks 44486-44583.

5. Consideration for the approval of Payment Request No. 7 for April 14, 2015, regarding the 2014 Care Center Addition & Renovation Project.

Action taken: M/S/P 5-0 (Thissen/Speiser) to approve Payment Request No. 7 for April 14, 2015 in a total amount of \$256,953.98 regarding the 2014 Care Center Addition & Renovation Project.

6. Consideration of approving change order No. 6 for the 2014 care center Addition & renovation project in the amount of \$1,086.22 as prepared and recommended by Engan Associates, P.A

Action taken: M/S/P 5-0 (Speiser/Nelson)to approve Change Order No. 6 for the 2014 Care Center Addition & Renovation Project in the amount of \$1,086.22 as prepared and recommended by Engan Associates, P.A.

7. Consideration of approving the write-off of certain past-due account receivables that have been deemed to be uncollectible. The report presented by Jennifer Henker.

Action taken: M/S/P 5-0 (Nelson/Speiser) to approve the write-off of \$307,024.39 of certain

accounts at the Care Center that are receivable and have been deemed by staff and professional service providers (Three Links and Conway, Deuth & Schmiesing) to be uncollectible.

8. Consideration of allowing the purchase of new furniture for the two (2) newly remodeled patient rooms.

Action taken: *M/S/P 5-0 (Thissen/Nelson) to authorize staff of the Care Center to purchase new furniture for the two newly remodeled patient rooms at an estimated cost of \$8,000.*

9. Consideration of authorizing the purchase of Tax Parcel No. 30-260-0180 from Chuck Ammermann for a parking lot for the benefit of the Care Center. The cost is to be shared 50/50 between the City General Government and the Clara city Care Center.

Action taken: *M/S/P 5-0 (Thissen/Nelson) to approve the purchase of Tax Parcel No. 30-260-0180 from Chuck Ammermann for a total of \$15,500, such lot to be used for a parking lot for the benefit of the Care Center and to be cost-shared 50/50 between the City General Government and the Care Center.*

9. (E) Consideration of approving a recommendation from the Planning Commission for the approval of a Site Plan Review for the proposed Subway Restaurant by developer Gary Hendrickx at 23 SE 1st Avenue, with certain conditions.

Action taken: *M/S/P 5-0 (Nelson/Feia) to approve the Site Plan for the proposed Subway Restaurant by Developer Gary Hendrickx at 23 SE 1st Avenue as recommended by the Planning Commission with certain specified conditions (see the associated Site Plan Review, revised April 10, 2015).*

9. (F) Consideration of approving the recommendation from the Planning Commission for the approval of a Site Plan Review for the proposed professional office and medical health clinic building as proposed by developer Citizens Alliance Bank for Block 3 of TIF District No. 4-1 with certain conditions.

Action taken: *M/S/P 5-0 (Thissen/Feia) to approve the Site Plan for the proposed Professional Office and Medical Health Clinic Building by Developer Citizen Alliance Bank in Block 3 of TIF District No. 4-1 as recommended by the Planning commission with certain specified conditions (see associated Site Plan Review, revised April 10, 2015).*

9. (G) Continued consideration of discussing, developing and approving an Action Plan for the rehabilitation and/or replacement of the existing Swimming Pool in view of its current state of disrepair. The exploratory drilling work was performed under contract on Thursday, April 9th, and the prepared report was ready for Council's review at this meeting.

Action taken: *M/S/P 5-0 (Feia/Spaiser) to acknowledge the receipt of the Swimming Pool Floor Exploration report from Aquatic Design Solutions, LLC, dated April 9, 2015, and, that based upon the conclusions of the report, to direct staff to move forward with the opening of the swimming pool for community use in summer 2015.*

9. (H) Consideration of developing an action plan as to how best to proceed with the replacement of Gene Wenstrom and his duties as Director of Economic Development for the City and EDA. Wenstrom's resignation has been previously approved and was effective as of March 31, 2015.

Action taken: Further action was declared tabled by the Mayor with the consensus of the other Councilors and was directed to be placed on the regular City Council Agenda for May 12, 2015.

9. (I) Consideration of receiving and approving a report from Mayor Sparks regarding certain recommended adjustment(s) to the City Administrator's Employment Agreement.

Action taken: M/S/P 5-0 (Thissen/Feia) to approve the recommendation by Mayor Sparks that the City Administrator be placed upon the previously adopted City wage chart for 2015, retroactive to the first payroll period on January 4, 2015, to be calculated at the expected 2,340 hours of regular work per year, and resulting in the following amounts for each of the next three years: 2015 – Level 11, Step 13 = \$71,814.60/Yr.; 2016 – Level 11, Step 14 = \$74,716.20/Yr.; and 2017 – Level 11, Step 15 = \$77,688.00/Yr.

9. (J) Consideration of approving the hiring of Daryl Niemeyer for appointment to the vacant Part-time lawn mower position in the Park department.

Action taken: M/S/P 5-0 (Feia/Nelson) to approve the appointment of Daryl Niemeyer for the Part-time Lawn Mower position in the Parks Department at Level 1, Step 1, or \$9.50 per hour.

10. Approval for the Payment of Claims and Appropriations.

10. (A) Approval of the City's Verified Claims through Tuesday, April 14, 2015. Deputy-Clerk Gosseling presented the recommended check ledger.

Action taken: M/S/P 5-0 (Nelson/Speiser) to approve the Check Register of Claims for April 14, 2015 as presented in the amount of \$404,277.79 for Checks # 16678 – 16853.

11. Appearance of Interested Citizens.

- A. Lisa Osthus – Questions about the lack of street sweeping activity.
- B. Shirley Klaassen – Questions about tree planting.

12. Announcements—No action is required.

12. (A) The next Regular Meeting of the City Council will be on Tuesday, May 12, 2015, 6:30 pm, in the City Hall Chamber.

13. Adjournment – The meeting was declared adjourned by Mayor Sparks at 8:20 P.M.

BY: _____ ATTEST: _____
Jack Sparks, Mayor Winthro C. Block, City Clerk

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

**Tuesday, May 12, 2015
City Hall**

This Regular Meeting of the City Council of Clara City was called to order by Mayor Jack Sparks on Tuesday, May 12, 2015, at 6:30 p.m. in the Council Chambers of City Hall in Clara City, MN.

Councilors present: Jack Sparks, Les Feia, Joe Thissen, Gary Nelson, and Nathan Speiser.

Councilors absent: None.

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

Others present: Josie Oliver (Clara City Herald), Laurie Dieken, Lisa Osthus, and Shirley Klaassen.

Upon soliciting any desired changes to the agenda from the Councilors and staff, *it was moved by Nelson and seconded by Speiser to approve the agenda with the addition of Agenda Items: No. 9 (D-6) Approval for landscaping improvements at the Care Center in an amount not to exceed \$25,000; No. 9 (J) Approval of an Assessment Services Contract with Chippewa County; No. 9 (K) Consideration of clarification of the Assessment Policy for certain properties under the 2014 Street & Utility Improvement Project; No. 9 (L) Consideration of approving certain parking restrictions and signage along Wachtler Avenue adjacent to the Care Center; No. 9 (M) Receiving a presentation by Laurie Dieken on behalf of the Clara City Lions seeking the City's support for park playground equipment improvements; and the deletion of Agenda Item No. 3 (A) Approval of the Meeting Minutes of April 14, 2015. The motion carried unanimously.*

At Agenda Item No. 3 "Approval of Minutes," this item had been deleted from consideration under the Agenda additions/deletions/modification process above.

Under Agenda Item No. 4 "Notices and Communications," there were no items for consideration.

Upon consideration of Agenda Item No. 5 "Consent Agenda," *it was moved by Thissen and seconded by Nelson to approve the following item(s) under the Consent Agenda as presented:*

5. (A) Approval of the recommendations by the Planning Commission from their meeting on May 6, 2015, for the following "Construction Permit" application(s):

- 1. Citizen's Alliance Bank, 140 NW First Avenue—Construction of a new professional office and medical clinic building—Work to be done by Chester Contracting, Inc.—Project cost estimated to be \$1,200,000—Permit fee of \$1,326.50.**
- 2. Dave Lieser, 214 7th Ave. NE—Installation of a 10' X 14' storage & utility shed—Work to be done by owner self-improvement—Project cost of \$2,500—Application fee of \$100.00.**
- 3. Church of St. Clara, 440 N. Main St.—Residing of existing house with vinyl lap siding—Work to be done by Tim Asche Construction—Project cost of \$10,000—Permit fee of \$25.00.**
- 4. Mitch & Kylee Schwindt, 314 4th St. SW—Installation of a 6-foot high white vinyl fence in the rear yard inset 2-feet within their side and rear yard property lines—Work to be done by owner self-improvement—Project cost of \$5,000—Permit fee of \$25.00.**

5. *Harvey Durheim, 210 SW 1st St.—Installation of 16 feet of 6-foot high white vinyl fence in the rear yard at a distance of more than 2-feet from any property line—Work to be done by owner self-improvement—Project cost of \$150—Permit fee of \$25.00.*
6. *Brian & Eva Priebe, 418 First St. NE—Re-shingling of an existing house—Work to be done by Kontz Construction of Dawson/Montevideo—Project cost of \$7,500—Permit fee of \$25.00.*
7. *Calvin & Marsha Harms, 213 NE 7th Ave. (Lot 3, Block 2, Hawk Creek 2nd Addition)—Construction of a new home—Work to be done by Energy Concepts—Project cost of \$275,000—Permit fee of \$1,750.00.*

The motion carried unanimously.

At Agenda Item No. 6 (A), the Council next acknowledged and reviewed, with the assistance of Councilor Speiser, the approved Planning Commission Minutes of the April 1, 2015 Regular Meeting and any notable current activities from the May 6, 2015 Regular Planning Commission Meeting.

At Agenda Item No. 6 (B), with the input of the EDA's perspective as provided by Council Representatives Nelson and Thissen, the Council acknowledged and reviewed the EDA Minutes of the April 13, 2015 Regular Meeting and any notable current activities from the EDA's May 11, 2015 Regular Meeting.

At Agenda Item No. 6 (C), the Council received the Minutes of the Chippewa County Library Board Meetings that had been held on March 24, 2015.

Under the "Reports Sections" at Agenda Item No. 7, the Council acknowledged the following information:

- (A) The "April 2015 Monthly Report" from the Clara City Police Department, as authored by Police Chief Ralph Bradley. A suggestion was made that the Police Department should keep a careful watch over truck traffic that may be exceeding the posted limits for the bridge on south County Road 2.
- (B) Public Works Department – No report.
- (C) Prairie Park Place – No report.
- (D) Clara City Care Center – See items under Agenda Item No. 9 (D).
- (E) City Administrator Block provided updates on the following:
 1. The Assisted Living Project Contractor's Progress Report.
 2. The timetable for the development of a new grocery store in Block 1 of the downtown business district. This was summarized in a Memorandum (Version: May 11, 2015) from staff. Also provide was a blank copy of Memorandum of Understanding (Version April 22, 2015) that is being used to qualify the remaining candidates.
 3. 2014 Street & Utility Improvement Project update--a Memorandum, dated May 11, 2015, from Dave Berryman was presented and discussed.

Under "Public Hearings" at Agenda Item No. 8, there were no Public Hearings to be heard.

Moving on to General Business at Agenda Item No. 9 (A), consideration was given to authorizing the execution of an "Easement Agreement by and between the City of Clara City and Prairie West Mutual Insurance Company and RSN Properties, LLC (Centre Perceel)" in order to facilitate the reasonable and orderly development of a new professional offices/services building on the parcels which were formerly owned by the City and housed the Leaning Tower Building, Crate Insurance Building, and Rothwell Meat Store. Staff stated that the Planning Commission had already approved this Agreement and is also recommending the same to the City Council. The

Councilors reviewed the proposed Easement Agreement and received additional explanation of the issue from staff. Following discussion, *it was moved by Speiser and seconded by Thissen to authorize the execution of the "Easement Agreement by and between the City of Clara City and Prairie West Mutual Insurance Company and RSN Properties, LLC (d/b/a Centre Perceel)". This motion carried unanimously.*

At Agenda Item No. 9 (B), consideration was afforded to approving a recommendation from Roger Knapper, Public Works Director, regarding the City's proposed purchase of a sprayer and associated equipment for the spraying of mosquitos in the upcoming mosquito season. A Staff report on the issue was presented which showed the options for the purchase of the necessary equipment for the internal spraying by city staff. Following discussion, *it was moved by Thissen and seconded by Speiser to approve the City's purchase of a sprayer for mosquito control in the amount as quoted by Clarke Environmental Mosquito Management, Inc. of \$10,470.03 and to implement a mosquito abatement program by City staff. This motion passed unanimously.*

At Agenda Item No. 9 (C), consideration was given to adopting City Resolution No. 2015-006 "Resolution Acknowledging and Accepting a \$200.00 Cash Donation from an Anonymous Donor" for the benefit of the Clara City Ambulance Service. Following discussion, *it was moved by Nelson and seconded by Thissen to adopt City Resolution No. 2015-006 "A RESOLUTION ACKNOWLEDGING AND ACCEPTING A \$200 CASH DONATION FROM AN ANONYMOUS DONOR." The motion passed unanimously.*

At Agenda Item No. 9 (D), the Council considered issues and/or information as brought forward with the assistance of Care Center Administrator Mike Stordahl and/or the Council's Care Center Subcommittee.

Upon considering Agenda Item No. 9 (D-1), Stordahl reported on the new hires and terminations that occurred during the period of April 1 – April 30, 2015. *It was moved by Speiser and seconded by Thissen to approve the new hires of Krystal Dobbs (Nursing), Donna Docken (Nursing), Chris Marcus (Dietary), and Brice Rhode (Dietary), and further, to acknowledge the following terminations: Abigail Nelson (CNA), Maria DuHoux (Nursing), Dawn Carlson (Nursing), and Nichole Beach (Nursing). This motion passed unanimously.*

Under Agenda Items No. 9 (D-2) Stordahl next provided an update on the client census data, which revealed 59 clients as of April 30, 2015. Following a review of the available census data, *it was moved by Nelson and seconded by Speiser to acknowledge and accept the census data report for April 30, 2015, for the Care Center as presented. The motion passed unanimously.*

At agenda Item No. 9 (D-3), Stordahl updated the Council regarding the Care Center's Financial Data Report as of March 31, 2015, which showed a year-to-date actual net income (loss) of \$(51,236) versus a budgeted amount of \$7,566. The status of the current and aged Accounts Receivable ledger showed a total outstanding of \$369,783.73 of A/R as of April 30, 2015. Also reviewed was the status of the Bank Statement Account Balances as of April 30, 2015, which totaled \$870,400.87 and includes: Checking Account (#30293) = \$148,225.68; MM Savings Account (#68321) = \$2,540.88; MM Construction Debt Service Account (#67432) = \$22,847.64; Capital Improvement Savings Account (#64462) = \$138,797.39; Memorial Fund Account (#6650) = \$69,632.32; 2014 Construction MMM Bond Fund = \$434,974.22; and the 2014 Debt Service = \$53,382.74. Following questions and discussion, *it was moved by Thissen and seconded by Nelson to acknowledge the receipt of the following reports as presented: 1) Financial Report for the Period Ending March 31, 2015; 2) Bank Statement Fund Balance Data for the date of April 30, 2015; and 3) Accounts Receivable Report as of April 30, 2015. The motion passed unanimously.*

At Agenda Item No. 9 (D-4), the Council reviewed the check register for the month of April 2015. It was noted that Deputy Clerk Gosseling and City Administrator Block are the appointed officials at this time who are responsible for the signing of all such checks. Following an opportunity for any questions about the register, *it was moved by Speiser and seconded by Thissen to approve the Check Register of the Clara City Care Center for the period of April 1 – April 30, 2015, in the total amount of \$743,666.34 for checks # 44584 - 44704. The motion passed unanimously.*

Under Agenda Item No. 9 (D-5), consideration was given for the approval of Payment Request No. 8 for May 12, 2015 regarding the 2014 Care Center Addition & Renovation Project. This request involved a billing from Alliance Building Corporation in the gross amount of \$196,618.02, which following the withholding of current

retainage of (\$9,830.90), will result in a net payment of \$186,787.12. In addition, staff is recommending the payment of \$96.90 in expenses to Engan associates, P.A. Following questions and discussion, *it was moved by Nelson and seconded by Thissen to approve Payment Request No. 8 – May 12, 2015, consisting of a net payment of \$186,787.12.12 to Alliance Building Corporation and \$96.90 to Engan Associates, PA for a grand total payment of \$186,884.02 under the 2014 Care Center Addition & Renovation Project. The motion passed unanimously.*

At Agenda Item No. 9 (D-6), consideration was given to approving a request for Care Center staff to solicit a qualified contractor for the improvement of up to \$25,000 in outside landscaping of the new Care Center addition. Following discussion, *it was moved by Speiser and seconded by Nelson to approve the solicitation by Care Center staff of a qualified landscaper for the improvement of up to \$25,000 in outdoor landscaping of the new building addition under the 2014 Care Center Addition & Renovation Project. The motion carried unanimously.*

At Agenda Item No. 9 (E), continued consideration was given to the development of an Action Plan for the rehabilitation and/or replacement of the existing Swimming Pool in view of its current disrepair. Discussion was held and the consensus was for staff to continue to update the Council on future progress as may be appropriate. No official action was taken.

Under Agenda Item No. 9 (F), consideration was given to continued consideration of plans and strategies for the replacement of Gene Wenstrom and his duties as Director of Economic Development for the City and EDA. Wenstrom's resignation had been previously approved and was effective as of March 31, 2015, with more than 30 days having since passed. A Staff Report, dated May 12, 2015, was presented that outlined the situation. Staff reviewed the possible courses of action that could be taken as well as the recommendation that was adopted at the EDA Meeting on May 11, 2015. Following additional discussion, *it was moved by Thissen and seconded by Speiser to approve the recommendation from the EDA that an agreement be drafted and agreed to by and between the City and Gene Wenstrom (Contractor) that will result in Gene Wenstrom's being retained as an independent contractor for his delivery of comprehensive Economic Development Services for the City and the EDA, subject to the following conditions also being made a part of such an agreement, including: 1) The drafting of an ongoing contract which can be terminated by either party upon 30 days of written notice; 2) The payment to the Contractor of a flat fee of \$1,750 per month, such to be paid on or before the 15th of the month next following the completion of services in the preceding month; 3) Language that states that all costs for travel, mileage, food, copies, supplies, equipment and other incidentals are to be considered as being included in the monthly contract rate, unless the Contractor receives prior approval from the City Administrator; 4) Contractor's agreement to provide an up-to-date listing of other entities being provided similar or same professional services; and 5) Assurances from the Contractor that he/she shall bear all responsibility and cost for providing adequate general liability insurance and Worker's Compensation Insurance, if appropriate, as such to be recommended by the City Attorney for Clara City. This motion passed unanimously.*

At Agenda Item No. 9 (G), consideration was next given to receiving a report and recommendation from staff for the approval of a proposed agreement regarding the future employment status of Gerald Asche, Public Works Department, who is desiring to move towards a phased retirement arrangement under PERA, such to be effective July 5, 2015. Based upon a review of the Agreement and discussion, *it was moved it was moved by Thissen and seconded by Speiser to authorize the execution of the Phased Retirement Agreement by and between the City of Clara City and Gerald Asche for his phased retirement employment beginning July 5, 2015 and ending on July 4, 2016. The motion carried unanimously.*

In addition, staff requested Council's approval to move forward with the hiring process of a new full-time employee in the Public Works Department. A copy of the job description for a Maintenance Worker and wage chart were reviewed. Following discussion, *it was moved by Speiser and seconded by Nelson to authorize staff to move forward with the hiring process for a full-time maintenance worker in the Public Works Department. The motion carried unanimously.*

Under Agenda Item No. 9 (H), consideration was given to establishing a Special Meeting of the City Council for Tuesday, May 19th at 5:00 P.M., City Hall, for the following purpose: To review all quotes received and to officially award the project to the selected contractor for the demolition and site restoration work regarding the

removal of all structures on Tax Parcels No. 30-130-2430 (former Margaret's Café), No. 30-130-2420 (former Clara City Herald), and No. 30-130-2410 (former Koewler Veterinarian Business). Following a review of the request and the associated "Advertisement for Bids," *it was moved by Nelson and seconded by Thissen to establish a Special Meeting of the City Council for Tuesday, May 19, 2015, 5:30 p.m., at City Hall, for taking possible action on the bids received with regard to the 2015 Commercial Building Demolition Project. This motion carried unanimously.*

At Agenda Item No. 9 (I), consideration was given to approving the renewal of the City's existing Contract/Agreement with SafeAssure Consultants, Inc. for its professional services and assistance with OSHA compliance recommendations, training, and consultations. Staff summarized that over the past few years, this contract has been financially supported and agreed to by the mutual agreement of the Clara City General Government and the Clara City Care Center. *Following a review of the Agreement and discussion, it was moved by Thissen and seconded by Speiser to authorize the execution of the Contract/Agreement with SafeAssure Consultants, Inc. for its professional services and assistance with OSHA compliance recommendations, training, and consultations for a period of twelve months at a cost of \$6,400, such cost to be split 50/50 between the City General Government and the Care Center. The motion passed unanimously.*

Under Agenda Item No. 9 (J), consideration was undertaken of a proposed agreement with Chippewa County for their professional property assessment services. A copy a letter from Bonnie Crosby, Chippewa County Assessor, dated May 7, 2015, and the proposed Agreement were reviewed and discussed. It was noted that the new contract represented a 2.0% increase in the rate per assessed parcel. Following discussion, *it was moved by Nelson and seconded by Thissen to approve the execution of an "Agreement for Assessment Services" with Chippewa County, Minnesota, as proposed for the 2016 Assessment. The motion passed unanimously.*

At Agenda Item No. 9 (K), staff requested guidance from the Council as to how to handle a rather unusual improvement assessment issue. The Councilors were each provided with a copy of emails between the City Engineer and staff which outlined the background of the situation and the options for dealing with the issue. Essentially, the question revolved around how to handle proposed assessments for water main service to four parcels fronting 2nd Street NE between 3rd and 4th Avenues, and owned by Harlan & Sharon Doesken, Herminia Ammermann Life Estate, Chad Olson, and Karissa McClenahan. These parcels are each currently served by a private water line running from the City water main through a back alley. The new water service improvements are in the front yard of each home. Each of the options along with the pros and cons were reviewed. It was noted that none of the four had raised any issue at the Public Hearing for the project or for the Assessment Hearing. Upon reviewing the relevant facts, *it was moved by Speiser and seconded by Thissen to maintain both the public improvement assessment policy as written and the Assessment Record as previously approved for the 2014 Street & Utility Improvement Project. The motion carried unanimously.*

Under Agenda Item No. 9 (L), staff requested approval for the signage and marking for "No Parking" of certain frontage along East Wachtler Avenue. A Memorandum, dated May 12, 2015, outlined the recommendation of Police Chief Ralph Bradley for the implementation of such no parking restrictions along the south side of Wachtler Avenue from Division Street North to 2nd Street NE and for about 120 feet along the north side of Wachtler Avenue starting at Division Street North and going east. The costs would include: the purchase of four (4) new "No Parking" signs, the purchase of two new sign posts, and the painting with yellow paint of about 400 lineal feet of concrete curb. Following a review of the recommendation, *it was moved by Thissen and seconded by Speiser to approve the "No Parking" and signage plan as recommended by Police Chief Ralph Bradley. The motion carried unanimously.*

Under Agenda Item No. 9 (M), Mayor Sparks recognized Laurie Dieken who gave a presentation on the plans of the Clara City Lions Club to procure grant funding for new playground equipment in the City's parks, specifically the Southside Park and the Prairie Park Place Park. She also requested that the City Council adopt a resolution that would illustrate the City's commitment and support of such improvements. Following a "thank you" by Mayor Sparks to Ms. Dieken, *it was moved by Speiser and seconded by Nelson to approve the adoption of City Resolution No. 2015-007 "A Resolution in Support of Enhancements to City Parks and Recreation and Supporting the Clara City Lion's Club in Promoting Such Endeavors." The motion passed unanimously.*

At Agenda Item No. 10 (A) Approval of the Verified Claims, Deputy-Clerk Gosseling presented the recommended check register for claims up through May 12, 2015, and answered any questions regarding it.

Following review, *it was moved by Thissen and seconded by Nelson to approve the Check Register for May 12, 2015, in the amount of \$240,908.19 for Checks # 16854 – 16934. The motion passed unanimously.*

At Agenda Item No. 11 “Appearance of Interested Citizens,” the following citizens requested to be recognized for the purpose of addressing the Council. These included:

Lisa Osthus, 322 SW 3rd Street – a) Inquired as to what was going on with the construction on Third Street SW, b) inquired as to how many Level 1, 2, and 3 Sex Offenders are currently living in Clara City, and c) How much does the EDA have loaned out and how much is being paid back.

Hearing no other requests to speak, Mayor Sparks reminded the Council Members of the next Regular City Council Meeting as set for Tuesday, June 9, 2015, 6:30 P.M. at City Hall.

Hearing no further business, *it was moved by Nelson and seconded by Thissen to adjourn the meeting. The motion passed unanimously and Mayor Sparks declared the meeting to be adjourned at 8:37 P.M.*

BY:

Jack Sparks, Mayor

ATTEST:

Winthro C. Block, City Administrator

**CITY OF CLARA CITY
CITY COUNCIL
SPECIAL MEETING**

**Monday, May 19, 2015
City Hall**

This Special Meeting of the City Council for the City of Clara City was called to order by Mayor Jack Sparks on Tuesday, May 19, 2015, at 5:30 P.M. in the Council Chamber at the City Hall in Clara City.

Members present: Jack Sparks, Gary Nelson, Les Feia, Joe Thissen, and Nathan Speiser.

Members absent: None.

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

Also present: Josie Oliver (Clara City Herald).

Upon consideration of the agenda and requesting any additions or deletions, *it was moved by Speiser and seconded by Thissen to approve the draft agenda with the addition of Agenda Item No. 9 (B) Business Loan Application for Sonja Giinther. The motion passed unanimously.*

There were no items to consider under Agenda Sections No. 3 "Approval of Minutes," No. 4 "Notices and Communications," and No. 5 "Approval of Consent Agenda."

At Agenda Items No. 6 "Reports from Officers, Commissions, and Committees," No. 7 "Reports from Staff and Administrative Officers" and No. 8 "Public Hearings" there were no items for consideration.

Moving on to "General Business," Mayor Sparks introduced Agenda Item No. 9 (A), which involved the consideration of receiving a recommendation from the EDA regarding their completed review of the qualified quotes received in response to the advertisement for bids and to officially award the project to a qualified contractor for the demolition and site restoration work regarding the removal of all structures on Tax Parcels No. 30-130-2430 (former Margaret's Café), No. 30-130-2420 (former Clara City Herald), and No. 30-130-2410 (former Koewler Veterinarian Business). A Memorandum, dated May 15, 2015, from Dave Berryman, Rodeberg & Berryman, Inc., was reviewed regarding the 2015 Commercial Demolition bids. In addition, staff reported on the recommendation that had been approved earlier in the day and forwarded to the City Council. Following discussion, *it was moved by Nelson and seconded by Thissen to accept the recommendations of the City Engineer and the EDA for the approval of Speiser Bros. Construction as the responsible and qualified low bidder in the amount of \$42,000 for the 2015 Commercial Demolition Project. The motion carried unanimously.*

Under Agenda Item No. 9 (B), staff presented another recommendation from the EDA for the approval of a business loan subsidy for Sonja Giinther, d/b/a "Sugar & Spice Cupcakes and Sandwich Shop." Staff provided each Councilor with a copy of an email sent between staff that summarized the action taken by the EDA earlier in the day. Also provided was a loan application summary of the proposed business project. Following a lengthy discussion, *it was moved by Speiser and seconded by Thissen to approve the recommendation as received from the EDA for the granting of a business subsidy loan to Sonja Giinther, d/b/a Sugar & Spice, in an amount not to exceed \$10,000, with amortized monthly payments over a period of 5 years at an interest rate of 5.0% per annum, subject to the following conditions: (1) Loan proceeds are to be released only upon Ms. Giinther providing documented proof of purchase for any equipment that is purchased; (2) Loan terms of five years,*

5% interest, with regular monthly amortized repayments; (3) Suitable documentation that validates Giinther's ownership of any and all equipment that is being offered as collateral for the business subsidy loan; and (4) The successful filing of UCC, lien, and/or fixture filings on all equipment and fixtures as may be offered as collateral. The motion passed unanimously.

At Agenda Item No. 10, there were no Claims or Appropriations to be considered.

Under Agenda Item No. 11 "Appearance of Interested Citizens," Mayor Sparks noted that no one requested to be recognized.

Mayor Sparks then reminded the Councilors that the next regular meeting of the City Council would be on Tuesday, June 9, 2015, at 6:30 p.m.

Upon recognizing no additional business or issues to be considered, *Mayor Sparks, with the consent of the Councilors, declared the meeting to be officially adjourned at 6:47 P.M.*

BY: _____
: Jack Sparks, Mayor

ATTEST: _____
Winthro C. Block, City Administrator

MEETING MINUTES

CLARA CITY CITY COUNCIL REGULAR MEETING

Tuesday, June 9, 2015
6:30 p.m.

CITY HALL COUNCIL CHAMBERS CLARA CITY, MINNESOTA

Present: Jack Sparks, Gary Nelson, Les Feia, Joe Thissen, and Nathan Speiser

Absent: None

Staff: Judy Gosseling, Michael Stordahl, Mindie Nurmi, and Windy Block

Other: Josie Oliver (Clara City Herald), Darrin Ogdahl (Conway, Deuth & Schmiesing), Lisa Osthus, and Shirley Klaassen

1. Call to Order by Mayor Sparks at 6:30 p.m. A quorum was declared to be present.

2. Additions/Deletions/Modifications to Agenda.

Action taken: M/S/P 5-0 (Feia/Nelson) to approve the Agenda with the addition of Agenda Item No. 3 (D) Meeting Minutes from the Special City Council Meeting on April 14, 2015; and the deletion of Agenda Item No. 10 (A) Approval of the Verified Claims.

3. Approval of Minutes.

3. (A) Regular City Council Meeting of April 14, 2015.

Action taken: M/S/P 5-0 (Speiser/Thissen) to approve the Minutes of the Regular City Council Meeting of April 14, 2015, as presented.

3. (B) Regular City Council Meeting of May 12, 2015.

Action taken: M/S/P 5-0 (Nelson/Feia) to approve the Minutes of the Regular City Council Meeting of May 12, 2015, as presented.

3. (C) Special City Council Meeting of May 19, 2015.

Action taken: M/S/P 5-0 (Thissen/Speiser) to approve the Minutes of the Special City Council Meeting of May 19, 2015, as presented.

3. (D) Special City Council Meeting as the Board of Appeal & Equalization on April 14, 2015.

Action taken: M/S/P 5-0 (Nelson/Feia) to approve the Minutes of the Local Board of Assessment and Equalization (LBA&E) as held on April 14, 2015, as presented.

4. Notices and Communications—*No items were considered.*

5. Approval of Consent Agenda.

5. (A) *Approval of the recommendations by the Planning Commission from their meeting on June 3, 2015, for the following “Construction Permit” application(s):*

1. *Michael Schmidt, 423 1st St. NE--Installation of a 24' X 26' cement pad for a future garage addition—Work to be done by Dewey Toutges—Project cost of \$5,200—Permit fee of \$25.00.*
2. *Nathan Bourne, 511 NE 5th St.—Installation of a new 20' X 20' deck—Work to be done by Jeff Koenen Construction—Project cost of \$5,000—Permit fee of \$50.00.*
3. *Steve & Julie Olander, 231 SW 2nd St.—Re-shingle roof of existing garage with reddish-brown steel material—Work to be done by owner self-improvement--Project cost of \$2,000—Permit fee of \$25.00.*
4. *Lois Sweep, 226 SW 1st St.—Replace front step with a modified 6' X 8' platform—Work to be done by Chuck Ammermann Construction—Project cost of \$1,500—Permit fee of \$50.00.*
5. *Derek Bluhm, 315 3rd St. W—Re-shingle existing house and garage with asphalt shingles—Work to be done by owner self-improvement—Project cost of \$5,000—Permit fee of \$25.00.*
6. *Troy Groothuis (Rental), 511 2nd St. NE—Re-shingling of house, garage, and shed—Work to be done by Keith Johnson Construction—Project cost of \$10,000—Permit fee of \$25.00.*
7. *Millie Koenen, 226 NE 3rd St.—Re-shingle garage—Work to be done by Jeff Koenen—Project cost of \$1,000—Permit fee of \$25.00.*

5. (B) *Approval for the validation of the City Administrator’s action and execution of an Application for Exempt Permit as submitted by the MACCRAY Trap Shooting Team, 5075 100th Ave. SE, Maynard, MN 56260, for their conducting of a Raffle Activity on July 11, 2015, at the Clara City Park, 215 NW 1st St., Clara City, MN.*

5. (C) *Approval of the proposed schedule of activities and charges with regard to the operation of the Clara City Swimming Pool for the summer of 2015 activities.*

5. (D) *Approval of an application from the Town & Country Association for authorization to conduct activities on a community-wide basis as associated with Prairie Fest. A letter, authored by Deborah R. Stutelberg, Prairie Fest Chairman, and received by the City on June 5, 2015, provided a good summary of the considerations as requested.*

Action taken (in one motion on all consent items above): M/S/P 5-0 (Feia/Thissen) to approve the Consent Agenda Items as presented above.

6. Reports from Officers, Commissions, and Committees—Discussion only with no action required.

6. (A) **Planning Commission** – *Council Liaison Nathan Speiser*

1. Approved Minutes of the May 6, 2015 Regular Meeting.
2. Any notable activities from the Regular Meeting of June 3, 2015.

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

1. Approved Minutes of the May 11, 2015 Regular Meeting.
2. Approved Minutes of the May 19, 2015 Special Meeting.
3. Any notable activities from their Regular Meeting of June 8, 2015.

6. (C) **Chippewa County Library Board**

1. Minutes of the Tuesday, April 28, 2015 Regular Meeting.
2. Minutes of the Tuesday, May 26, 2015 Regular Meeting.

7. Reports from Staff and Administrative Officers.

7. (A) **Police Department**—Reviewed June Report as authored by Chief Bradley.

7. (B) **Public Works Department**—Report on Mosquito Spraying for June 10, 2015.

7. (C) **Prairie Park Place**—Report by Mindie Nurmi on the status of recent vacancies.

7. (D) **Clara City Care Center**—Action deferred until Agenda Item No. 9 (D).

7. (E) **City Administrator**

1. Discussed a Developer's Report to the EDA, dated June 6, 2015, from Peter Jesh of Summit Development regarding the status of the Assisted Living Project.
2. An update given on the Grocery Store Project.

8. Public Hearing—*None.*

9. General Business.

9. (A) Consideration of receiving the “Audited Financial Statements and Supplementary Information for the Year Ended December 31, 2014,” as prepared by Conway, Deuth & Schmiesing, PLLP, Certified Public Accountants & Consultants--Received documents and report from Darrin Ogdahl, Lead Auditor, Conway, Deuth & Schmiesing, PLLP, Certified Public Accountants.

Action taken: *M/S/P 5-0 (Thissen/Speiser) to acknowledge the receipt of the “Audited Financial Statements and Supplementary Information for the Year Ended December 31, 2014,” as prepared by Conway, Deuth & Schmiesing, PLLP, Certified Public Accountants & Consultants.*

9. (B) Consideration of approving a recommendation from the Planning Commission for the approval of the sale of Lots 1 and 2, Block 1, Hawk Creek Acres, to Chris and Heather Thissen, 2408 SW 9th St., Willmar, MN for the purpose of constructing a house with basement. In addition, the buyer is aware that there is also \$22,273.00 of assessments due. If

there is a “hidden” question, it might be--does the sale of two adjoining lots to one individual for their construction of only one new home meet the Council’s development expectations and goals for this subdivision? A copy of the Vacant Land Purchase Agreement was provided.

Action taken: *M/S/P 5-0 (Feia/Nelson) to approve, as based upon the Vacant Land Purchase Agreement and recommendation of the Planning Commission, the sale of Lots 1 & 2, Block 1, Hawk Creek Acres, to Chris and Heather Thissen, 2408 SW 9th St., Willmar, MN for their purpose of constructing a house with a full basement.*

9. (C) Consideration of receiving an update from the Planning Commission regarding the proposed 2015 Sidewalk Improvement Project—The Council received an update report from Councilor Speiser and staff utilizing drawings of the proposed components of the project.

Action taken: *This Agenda Item involved reporting only with no action requested or taken. The consensus of the members was that the project and process should continue to be implemented as outlined by Councilor Speiser, including the holding of individual meetings by Mayor Sparks and Councilor Speiser with affected parties as necessary.*

9. (D) Consideration of acknowledging and/or approving issues and information as brought forward by the Staff and/or the Council’s Care Center Subcommittee (Thissen and Nelson). The associated reports in support of these subjects were presented and discussed.

1. Approval of new employee hire(s) and terminations for the period of May 1 – May 31, 2015. The Care Center Report was reviewed.

Action taken: *M/S/P 5-0 (Thissen/Nelson) to approve the new hires for the period of May 1-May 31, 2015, including: Amanda Bluhm (CNA), Mary Lou Eide (CNA), Louisa Abrahamson (CNA), Tammy Robertson (CNA), Elise Abrahamson (CNA), and Malana Niemeyer-Duis (RN); and the current terminations of: Brenda Jobgen (Housekeeping), Karissa Schwartz (Housekeeping), Nancy Feia (Housekeeping), Andrew Litner (Nursing), Christina Soto (Nursing), and Rachel Davids (Nursing).*

2. Acknowledgement and review of the Care Center’s Client Census Data Report for May 31, 2015.

Action taken: *M/S/P 5-0 (Nelson/Thissen) to acknowledge and accept the Care Center’s Client Census Data Report for May 31, 2015, which is 54 total clients.*

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 April 30, 2015.
- b) Bank Balances and Financial Statement Balances as of May 31, 2015.
- c) Accounts Receivable Balances as of May 31, 2015.

Discussion included: information regarding a possible rate increase in payments from the State of Minnesota beginning in January 2016; questions about the mounting losses, and questions about the financial impact of the Assisted Living Facility.

Action taken: *M/S/P 5-0 (Nelson/Speiser) to approve the receipt of the financial data as presented by the Care Center Administrative staff, such including:*

a) "Financial Data" Report for the period ended April 30, 2015, showing Income of \$368,462 + Expenses of \$<394,426> = Net Income (Loss) of \$<24,964>. For the Fiscal Year, the Net Income (Loss) is \$<76,200>; and

b) Bank Balances and Financial Statement Balances as of May 31, 2015, such including: Checking #293 = \$101,181.99, MMS #321 = \$2,540.99, MMS Debt Service #432 = \$27,999.53, MMS Capital Improvement #462 = \$138,815.07, MMS Memorial Fund #650 = \$69,788.32, MMS Construction Bond 2014 #632 = \$248,191.38' and MMS Construction Bond 2014 #642 = \$69,751.28, equaling a grand total of \$658,268.56; and

c) Accounts Receivable Balances as of May 31, 2015, totaling \$366,727.46.

4. Approval of the Check Register of the Clara City Care Center for the period of May 1, 2015 – May 31, 2015.

Action taken: *M/S/P 5-0 (Speiser/Thissen) to approve the Check Register for the Clara City Care Center for the period of May 1–May 31, 2015 in the total amount of \$592,947.01 for Check Numbers #44705-44818.*

5. Consideration for the approval of Payment Request No. 9 for June 9, 2015, regarding the 2014 Care Center Addition & Renovation Project.

Action taken: *M/S/P 5-0 (Nelson/Thissen) to approve Payment Request No. 9 – June 9, 2015 in amounts of \$38,947.15 to Alliance Building Systems and \$2,192.63 (\$2,016.65 of fees and \$\$175.98 of expenses) to Engan Associates, for a grand project total of \$41,139.78.*

9. (E) Consideration of soliciting a scope of work and cost estimate from John Graupman, P.E., Bolton & Menk, Inc. regarding needed repairs of the Water Treatment Plant (WTP) and Reverse Osmosis (RO) system. An Email, dated Friday, May 22, 2015, from Graupman that summarized the situation was reviewed as a part of the discussion.

Action taken: *M/S/P 5-0 (Speiser/Feia) to proceed with the solicitation of the complete Scope of Work and Bid Package from Bolton & Menk, Inc. for the necessary repairs of the Water Treatment Plant (WTP) and Reverse Osmosis (RO) System.*

9. (F) Consideration of approving the staff appointments and wage assignments for all persons who, if approved, will be working this summer to facilitate the opening and ongoing operation of the swimming pool—Report presented by staff.

Action taken: *M/S/P 5-0 (Nelson/Speiser) to approve the appointment of staff and their corresponding wage assignment as presented on the provided list entitled "2015 Swimming Pool Employees and Wages," in support of the operation of the Clara City Swimming Pool.*

10. Approval for the Payment of Claims and Appropriations.

10. (A) Approval of the City's Verified Claims through Tuesday, June 9, 2015.

Action taken: *Due to the early meeting date in the month of this meeting, this Agenda Item had been deleted via an earlier action by the Council at Agenda Item No. 2.*

11. Appearance of Interested Citizens.

- A. Lisa Osthus, 322 SW 3rd St. – She offered questions and comments about safety issues resulting from dips in area streets by her house, questioned the status of street light installation, questioned the weekend operations of the swimming pool, and sought information as to the amount of outstanding EDA Loans.
- B. Councilor Nelson informed the Council and staff that he would not be in attendance at either the July 13, 2015 EDA Meeting nor the July 14, 2015 City Council Meeting due to personal obligations outside of the State of Minnesota.

12. Announcements—*No action is required.*

12. (A) The next Regular Meeting of the City Council will be on Tuesday, July 14, 2015, 6:30 pm, in the City Hall Chamber.

13. Adjournment – *Hearing no other business needing to be discussed, the meeting was declared by Mayor Sparks to be adjourned at 8:27 p.m.*

BY: _____ **ATTEST:** _____
Jack Sparks, Mayor *Winthro C. Block, City Clerk*