

# MEETING MINUTES

## CLARA CITY CITY COUNCIL REGULAR MEETING

**Tuesday**  
**July 10, 2018**  
**6:30 PM**

### CITY HALL COUNCIL CHAMBERS CLARA CITY, MINNESOTA

Members present: Jack Sparks, Gary Nelson, and Rhonda Pieper

Members absent: Nathan Speiser (excused) and Jeffrey Davids

Staff present: Judy Gosseling (Finance Director), Julie Aalfs (Deputy Clerk), Mike Stordahl (Care Center Administrator), Jeff Stager (Public Works), Kimberly Wood (Police Chief), and Windy Block (City Administrator).

Others present: Sam Peterson (Clara City Herald), Michael Amborn (Rodeberg & Berryman, Inc.), Todd Hagen (Ehlers, Inc.), Laurie Dieken, Cindy Meyer, and Shirley Klaassen.

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1. Call to Order—*By Mayor Jack Sparks at 6:35 p.m. Mayor Sparks announced that Councilor Gary Nelson was participating in the meeting via FaceTime from a public area of Tropicana Field in St. Petersburg, FL. He verified that all participants were able to see and hear one another. He also invited the audience members to move closer to the Council Table if they chose to do so. A Quorum of the City Council was declared as being present.*

*Note: This meeting is officially recorded. As such, all commentary has to be communicated through the microphones at the Council and staff tables or through the microphone attached at the speaker's podium.*

2. Additions/Deletions/Modifications to Agenda

**Action taken: M/S/P 3-0 (Pieper/Nelson) to approve the Meeting Agenda as revised by Staff and presented.**

3. Approval of Minutes

3. (A) Regular City Council Meeting of June 12, 2018.

**Action taken: M/S/P 3-0 (Pieper/Sparks) to approve the Meeting Minutes for the Regular City Council Meeting of June 12, 2018, as presented.**

3. (B) Special City Council Meeting of June 25, 2018.

**Action taken: M/S/P 3-0 (Nelson/Pieper) to approve the Meeting Minutes for the Special City Council Meeting of June 25, 2018, as presented.**

3. (C) Special City Council Meeting of July 2, 2018.

**Action taken: M/S/P 3-0 (Pieper/Nelson) to approve the Meeting Minutes for the Special City Council Meeting of July 2, 2018, as presented.**

4. Notices and Communications—*Informational, no action is required. Administrator Block reviewed the following:*

4. (A) Highway 23 Coalition Update, dated June 29, 2018, from Aaron Backman.

5. Approval of Consent Agenda

5. (A) Approval of the “Applications for Construction Permit(s)” for the following applicant(s) as recommended by the Planning Commission from its Regular Meeting on July 3, 2018:

1. Marlyn Andresen, 721 6<sup>th</sup> Ave. NW—Re-shingle home with asphalt shingles applied over existing wood shakes —Work to be done by Lee Hagemeyer Construction—Project cost of \$15,000—Permit fee of \$25.00.
2. Gary Retzlaff, 127 NW 4<sup>th</sup> St.—Re-shingle the original portion of house area with asphalt shingles after removal of the old shingles—Work to be done by Dan Niemeyer Construction—Project cost of \$10,000—Permit fee of \$25.00.
3. Kevin Strommer, 623 Division St. N—Re-side existing home with removal of old siding and its replacement with vinyl siding—Work to be done by owner self-improvement—Project cost unknown—Permit fee of \$25.00.
4. Robert & Sharon Schwitters, 420 3<sup>rd</sup> Ave. NE—Removal of existing driveway and replace with a 26’ X 46’ concrete driveway—Work to be done by Dewey Tjate and Jeff Johnson—Project cost of \$5,800.00—Permit fee of \$25.00.
5. Kathy Speiser, 204 NW 5<sup>th</sup> St.—Re-shingle home with asphalt shingles after the removal of the old shingles--Work to be done by Jonathan Stahl—Project cost of \$12,000—Permit fee of \$25.00.
6. Arvid Wieberdink, 338 S. Main St.—Re-side home with Smart-Board Siding following the removal of the old siding—Work to be done by Square deal Construction of Raymond—Project cost unknown—Permit fee of \$25.00.
7. Tim & Kathy Beseman, 95 NW 5<sup>th</sup> St.—Installation of a 6-foot high privacy fence made of cedar wood and bordering the rear yard of the lot. Fence to be placed on property lines with the written concurrence of all owners of the neighboring parcels—Work to be done by owner self-improvement—Project cost of \$5,000—Permit fee of \$25.00.

5. (B) Approval for the request received from Margie DeGrote on behalf of St. Clara’s Catholic Church for a one-day on-sale 3.2 Malt Liquor License in support of their beer garden at the church’s annual fall fundraiser, which is scheduled to be held on Saturday, September 8, 2018, at the St. Clara’s Catholic Church.

5. (C) Acknowledgement and ratification of the response prepared and sent on behalf of the Clara City Public Utilities Commission to Dooley’s Natural Gas with regard to their request from the City for assistance in responding to a question DNG received recently from the Minnesota Public Utilities Commission. The subject involved the “Municipalities Governance Structure.”

**Action taken: M/S/P 3-0 (Nelson/Pieper) to approve the Consent Agenda as presented above.**

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

6. (A) Planning Commission – *Administrator Block reported on behalf of Council Liaison Speiser.*

1. Approved Minutes of the June 6, 2018 Regular Meeting.
2. Any notable activities from the Regular Meeting of July 3, 2018.

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

1. Approved Minutes of the June 11, 2018 Regular Meeting.
2. Any notable activities from their Regular Meeting of July 9, 2018.

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

7. (A) Police Department—Monthly Activity Report for June 2018 as authored by Police Chief Kim Wood.

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

1. Street lighting improvements for the downtown area, a project in the design phase.

7. (C) Prairie Park Place—Mindie Nurmi, Housing Manager—As of 7/1/18, there are still 13 vacancies.

7. (D) Clara City Care Center—Michael Stordahl, Administrator---*See Agenda Item No. 9 (D).*

7. (E) City Administrator Block reported briefly on each of the following:

1. The Planner Update, dated June 26, 2018, from the UMRDC.
2. Swimming Pool Project.
3. MACCRAY School District bonding referendum for the fall of 2018

8. Public Hearing—*Mayor Sparks called the following Public Hearing to Order at 6:43 p.m.*

8. (A) Public Hearing regarding the “City’s intention to use property tax abatements for up to a 15-year period in assisting with the City’s portion of the financing of the 2018 City & MACCRAY Tennis Court Improvements Project.” This time and place have been reserved via Public Notice for input and testimony by the Public with regard to the City’s intent to use tax abatements in an amount not to exceed \$165,000. Mr. Todd Hagen, Senior Municipal Advisor from Ehlers, Inc. presented the background by explaining the basis and purpose for such strategies. This was then followed by the input and testimony of the Public. Upon request by the Mayor for interested parties to comment, no citizen in the audience asked to be recognized. Staff also reported that no other communication had been received regarding this Public Hearing Notice.

***Action taken:*** *Upon recognizing that all testimony and input had been provided, Mayor Sparks declared this Public Hearing to be closed as of 6:49 p.m. Immediately thereafter, Mayor Sparks then called the following Public hearing to Order at approximately 6:50 p.m.*

8. (B) Public Hearing regarding the City’s intent to adopt the final assessment roll for the 2018 Street and Utility Improvements project. Michael Amborn, P.E., Rodeberg & Berryman, Inc. presented his report and analysis of the projected project costs as bid and the resulting calculation of the final Assessment Roll. Following that presentation, the Public was invited to provide input and testimony with regard to the proposed final Assessment Roll. This Public Hearing had legally noticed via publication in the Clara City Herald and by individual mailing to the affected property owners.

Upon a request for interested parties to comment, no citizen in the audience asked to be recognized. Administrator Block indicated that he had received one letter in response to this Hearing. As such, Block read a letter, dated July 10, 2018, to the Council from Terri P. Miller, Asst. Manager of Taxes, BNSF Railway Company, 2301 Lou Menk Drive, Fort Worth, Texas 76131. The letter stated the BNSF Railway’s objection to their proposed assessments on Parcel No. 30-837-0010 Adjacent to West Center Avenue due to their belief that BNSF’s operating property receives no benefit from the improvement of city streets and city utilities because the operation of its rail property does not require the use of streets and utilities. Staff noted that the BNSF Railway

was not being assessed for any utility improvements and that the City street under consideration for improvement is used often by the Railway and/or their lessees to access the operating railway property. Staff reported that no other communication had been received.

***Action taken:*** *Upon recognizing that all testimony and input had been presented, Mayor Sparks declared this Public Hearing to be closed as of 6:55 p.m. and directed the Council's attention to the General Business below.*

#### 9. General Business

9. (A-1) Consideration of adopting City Resolution No. 2018-021. The discussion revealed that the findings from the Public Hearing at Agenda Item No. 8 (A) showed that the proposed strategy of Tax Abatement was a sound and reasonable one for use in the payment of the City's share (the lesser of 24% of the total cost and \$150,000) for the Tennis Court Improvements project.

***Action taken:*** *M/S/P 3-0 (Pieper/Nelson) to adopt City Resolution No. 2018-021 "RESOLUTION APPROVING PROPERTY TAX ABATEMENTS."*

9. (A-2) Consideration of adopting City Resolution No. 2018-024. Upon review and discussion of the testimony gathered under the Public Hearing at Agenda Item No. 8 (B), the Mayor directed Staff to communicate to BNSF Railway that the City Council finds their objection to be without merit, lacking adequate evidence in support of their claim, and consequently, that their request is denied and that the full assessment will be implemented as proposed.

***Action taken:*** *M/S/P 3-0 (Nelson/Pieper) to adopt City Resolution No. 2018-024 "RESOLUTION ADOPTING THE ASSESSMENT ROLL FOR THE CLARA CITY 2018 STREET AND UTILITY IMPROVEMENTS" as presented.*

9. (B) Consideration of adopting City Resolution No. 2018-022. The consensus of the Council's discussion was to move forward with the bond sale inasmuch as the preceding actions had laid the groundwork for such to be done.

***Action taken:*** *M/S/P 3-0 (Nelson/Pieper) to adopt City Resolution No. 2018-022 "RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2018A, AND PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS, ABATEMENTS, AND LEVYING A TAX FOR THE PAYMENT THEREOF."*

***Based upon the Resolution just passed, Mayor Sparks appointed Windy Block, City Administrator; Todd Hagen, Senior Municipal Advisor from Ehlers, Inc.; and Jack Sparks, Mayor of Clara City as the three persons who will serve on the "Pricing Committee" in support of the G.O. Bonds, Series 2018A sale. The Pricing Committee will be meeting on Tuesday, July 21, 2018, 2:00 P.M., at the City Hall in Clara City for approval of the bond sale results.***

9. (C) Consideration of receiving an update report and perhaps some miscellaneous requests for City support from Laurie Dieken, on behalf of the Clara City Lions Club in support of their scheduled Legacy North & South Parks improvement projects. The "Build" is scheduled for July 28, 2018. Ms. Dieken reviewed the upcoming plans for the upcoming "Build," such including: 1) a request for the City's placement of 6 picnic tables at the North site and 3 picnic tables at the south site, 2) the changes in the size and configuration of the two site improvements, and 3) the revised site plans including a new position for the placement of the brick patio. There was general collaborative agreement on all three issues. In addition, Ms. Dieken requested the Council's permission to use a portion of the Bernick Foundation Funds to fund these recent changes to the plan.

***Action taken:*** *M/S/P Pieper/Nelson) to approve the use of the Bernick Foundation Funds in completing the improvements by the Lions Club for the two Legacy Park Improvement projects.*

9. (D) Consideration of acknowledging and/or approving, as may be required, the operations information and issues, if any, which may be brought forward by the Staff and/or the Council's Care Center Subcommittee. *Mike Stordahl provided the background on each of the following issues and answered questions as needed.*

1. Approval of new employee hire(s) and terminations for the period of June 1-30, 2018.

***Action taken:*** M/S/P 3-0 (Pieper/Nelson) to approve the new hires and terminations, if any, at the Care Center for the month period ending June 30, 2018, such including new hires of: Ainsley Nurmie (Housekeeping), Courtney Schmidt (C.N.A.), Sydney Schwitters (C.N.A.), Stacy Bach (PCA), Walker Tjaden (PCA), and Mariela Guzman Pinto (Dietary); and the termination of: Isaac Hull (PCA)).

2. Acknowledgement and review of the Care Center's Client Census Data Report as of June 30, 2018.

***Action taken:*** M/S/P 3-0 (Pieper/Nelson) to acknowledge and approve the Census Data Report for the monthly period ending June 30, 2018, such revealing 43 active clients out of a possible 60.

3. Acknowledgement and approval of the current Financial Reporting Information and Documentation for the Care Center, such including:

- a) "Financial Data" Report (unaudited) for the period ended May 31, 2018.
- b) Bank Balances and Financial Statement Balances as of June 30, 2018.
- c) Accounts Receivable Balances as of June 30, 2018.

***Action taken:*** M/S/P 3-0 (Pieper/Nelson) to approve the receipt of the financial data report as prepared and presented by the Care Center Staff, such including:

***a) "Unaudited Financial Data" Report for the period ended May 31, 2018, showing Current Income of \$396,709 + Expenses of \$<392,610> = Net Income (Loss) of \$4,099. For the Fiscal Year, the Net Income (Loss) is \$123,740; and***

***b) Bank Balances and Financial Statement Balances as of June 30, 2018, such including: Checking #293 = \$423,164.90; MMS #321 = \$57,603.55, MMS Debt Service #432 = \$33,221.43; MMS Capital Improvement #462 = \$2,507.52; MMS Memorial Fund #650 = \$60,453.35; MMS Construction Bond 2014 #632 = \$17,025.49; and MMS 2014 Debt Service Account #642 = \$75,249.04; equaling a grand total of \$669,225.28; and***

***c) Accounts Receivable Balances as of June 30, 2018, totaling \$470,514.17.***

4. Approval of the Check Register of the Clara City Care Center for the period of June 1–30, 2018.

***Action taken:*** M/S/P 3-0 (Pieper/Sparks) to approve the Check Register of the Clara City Care Center for the period of June 1 – June 30, 2018 in the total amount of \$ 388,330.57 for Check Numbers 48468—48569.

9. (E) Consideration of acknowledging and approving the written resignation of Part-Time Police Officer Cody Schwinghammer from his service with the Clara City Police Department.

***Action taken:*** M/S/P 3-0 (Pieper/Nelson) to acknowledge and accept the written resignation of Part-time Police Officer Cody Schwinghammer from his service with the Clara City Police Department, such to be effective after July 26, 2018.

9. (F) Consideration of adopting City Resolution No. 2018-023 regarding appointment of Election Judges.

***Action taken:*** M/S/P 3-0 (Pieper/Nelson) to adopt City Resolution No. 2018-023 "RESOLUTION APPOINTING ELECTION JUDGES."

- 9.(G) Consideration of approving an adjustment to the wages that are to be paid to election judges for their work on the upcoming 2018 Primary and General Elections.

**Action taken: M/S/P 3-0 (Pieper/Nelson) to approve, as based upon the recommendation of Judy Gosseling, Finance Director, that Regular Election Judges will be paid at the rate of \$11.00 per hour and the Head Election Judges will be paid at the rate of \$14.00 per hour served.**

9. (H) Consideration of approving the taking from the Table of the previously Tabled Motion for the consideration of approving a Change Order No. 7 for Hasslen Construction Co. in an amount of \$2,625.00 in favor of the City. This is associated with the construction of the new bath house for the Aquatic Facility and has been recommended for acceptance by the Construction Manager- Signature Aquatics.

**Action taken: M/S/P 3-0 (Pieper/Nelson) to take from the table the previously tabled motion and to approve the execution of the Change Order No. 7 for Hasslen Construction in an amount of \$2,625.00 to the favor of the City, such approval subject first to the full review and consent of the Council Representative and the City Administrator.**

9. (I) Consideration of approving the South Hawk Creek Street Lighting Project. Mr. Jeff Stager, Public Works Department, has been actively engaged with Xcel Energy in getting the plan and costs together for it and made a presentation to the Council of the project details and projected costs utilizing layout plan in the form of an email, dated July 6, 2018 from Damon Erickson, Xcel Energy.

**Action taken: M/S/P 3-0 (Nelson/Pieper) to approve the installation of the street lights in the South Hawk Creek Business Park as detailed in the Hawk Creek Light Layout email from Damon Erickson, Xcel Energy, dated July 6, 2018, such revealing an installation cost to the City of \$16,536.00 and a monthly Standard Service Underground Rate charge per luminaire of \$21.45. The installation cost is to be taken from the designated project account.**

9. (J) Consideration of approving City resolution No. 2018-025.

**Action taken: M/S/P 3-0 (Pieper/Nelson) to adopt City Resolution No. 2018-025 “RESOLUTION ACKNOWLEDGING AND ACCEPTING A \$100.00 DONATION FROM DORIS GRUSSING, IN MEMORY OF DANIEL GRUSSING, SUCH TO BE DIRECTED TO THE CLARA CITY AMBULANCE SERVICE.”**

10. Approval for the Payment of Claims and Appropriations

10. (A) Due to the early date of the Council Meeting this month, the Verified Claims are not yet available for the Council’s consideration. They will be added to the claims list for the August 2018 meeting.

**Action taken: No action taken.**

11. Appearance of Interested Citizens—*No one requested to be recognized.*

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

12. (A) The next Regular Meeting of the City Council will be on **Wednesday, August 15, 2018, 6:30 pm.** Please note that this meeting date has been moved due to the Primary Election that is being held on Tuesday, August 14, 2018.

13. Adjournment—*Upon recognizing that there was no further business to be considered, Mayor Sparks, without objection, declared this Regular Meeting of the City Council to be adjourned as of 7:30 p.m.*

**BY:** \_\_\_\_\_  
JACK SPARKS, MAYOR

**ATTEST:** \_\_\_\_\_  
WINTHRO C. BLOCK, CITY ADMINISTRATOR