

**Clearwater City Council
Regular Council Meeting Minutes
Clearwater City Council Chamber
February 16, 2016**

CALL TO ORDER

Mayor Edmonson called the regular council meeting of February 16, 2016 to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

Everyone joined in the pledge of allegiance.

ROLL CALL

- Present: Mayor Edmonson, Council Members Crandall, Ranum, and Lange.
- Absent: Member Ritzer.
- Staff present: Administrator Kress, Brandon Hanebuth – Fire Relief Association, and Nick Eldred – Fire Relief Association.
- Public Present: Vern Scott, and Betty Moffitt.
- Others Present: Kevin Bittner – Bolton-Menk, Deputy Becker – Wright County Sheriff's Office, and Ken Francis – Citizen-Tribune.

A quorum was declared present.

APPROVAL OF AGENDA

MOTION by Lange, seconded by Ranum, to approve the agenda as submitted. Council declared that they would start with items E, A, and B under New Business.

Motion carried unanimously.

PUBLIC COMMENT

None.

CONSENT AGENDA

MOTION by Ranum, seconded by Crandall, to approve the following Consent Agenda items:

- a. **Claims/Accounts Payable**
- b. **Approval of 2-01-16 Regular City Council Meeting Minutes**
- c. **Approval of Liability Waiver From LMC**
- d. **Approval of Resolution 2016-06 Non-Corporate Resolution Cetera Authorized Investors**
- e. **Approval of Resolution 2016-07 Authorization of Tax Exempt Temporary Gambling Permit Clearwater/Clear Lake Big River Ducks Unlimited**
- f. **Approval of Public Works to attend New Tree Inspector Certification Workshop and Examination Course**
- g. **Approval of Fire Department Members to Attend Regional Burn**

Motion carried unanimously.

Mayor Edmonson asked for clarification on invoices from G&K and Ameripride. Kress informed the Council that the City is under contract for mats and uniforms with Ameripride and G&K is soon to be replacing Ameripride when the contract expires.

WRIGHT COUNTY SHERIFF DEPUTY REPORT

Deputy Becker updated the Council on criminal activity in the City. Becker reported that there was about thirty nine calls for service that included a few gas drive-offs, and thefts. Becker also reported that they have been patrolling Main Street and keeping an eye on the bridge construction site.

OLD BUSINESS

a. Discussion on Travel and Expense Policy

Administrator Kress walked the Council through the Council Action Request that was included in the Council packet. The request outlined that the Administrator would have the authority to approve any travel, conferences, schools, lodging, and training that has been budgeted for all City Staff. The City Council will approve any travel, conferences, schools, lodging, and training that has been budgeted for the Mayor and Members of the Council.

MOTION by Crandall, seconded by Ranum, to amend the Travel and Expense Policy to read as follows, The City Administrator will approve any travel, conferences, schools, lodging, and training that has been budgeted for all City Staff. The City Council will approve any travel, conferences, schools, lodging, and training that has been budgeted for the Mayor and Members of the Council. When approved, the cost of airfare, lodging, and registration may be paid by check or city credit card when applicable to the vendor in advance of the travel date. Motion carried unanimously.

b. Discussion on Clearwater Heritage Days Payment Request for Porta Potty (agenda request)

Administrator Kress opened the discussion on the payment request for a Porta Potty as requested by the Heritage Days Committee. Kress explained that there was an additional porta potty ordered by the Heritage Days and they were requesting the City cover the additional purchase. Member Crandall raised the question if the expense fit the criteria for donated monies. Member Crandall questioned why the request from the Kayleen Legacy was denied shortly after the Council approved to pay for the Heritage Days Porta Potties. Member Lange asked if the event took place on public property if Member Crandall would be more comfortable approving the expense. Administrator Kress asked attorney Lenhardt for input on the expenses. Mr. Lenhardt confirmed that the expense should benefit the community at large, but the Council has discretion on whether an event fits that criteria. Mr. Lenhardt added that being on public or private property doesn't necessarily affect whether or not the event benefits the whole community. Council consensus was to approve the additional request and include the payment in the next accounts payable.

NEW BUSINESS

a. Quarterly Financial Presentation by AEM Financial Solutions

Ms. Holthaus from AEM gave a presentation on the City's 4th Quarter report. A copy of the quarterly report can be obtained at the City Hall.

b. Discussion on Water and Sewer Rates

Administrator Kress briefly walked through the water and sewer cost analysis that was included in the packet. The handouts provided a cash flow analysis and recommendations for increases. The cash flow analysis showed that the sewer fund was depleting its reserve fund over the last couple years. Kress explained that if the City were to use \$40,000.00 of the water fund reserve each year it would result in a negative cash flow that would impact the reserve. Kress explained that ideally the City would have six months' worth of reserves for operational expenses to start off each year and an additional twelve months'

worth of reserves for capital expenditures. Ms. Holthaus confirmed that six months' worth of reserves for operational expenses to start off each year and an additional twelve months' worth of reserves for capital expenditures would be ideal. Kress recommending reviewing the rates after the official audit is received.

c. Discussion on 2016 Growth Incentive Program and Approval of Resolution 2016-08 Approving the Continuation of the Residential Growth Incentive Program in 2016

Administrator Kress presented Resolution 2016-08 to the City Council.

MOTION by Lange, seconded by Crandall, to approve Resolution 2016-08 Approving the Continuation of the Residential Growth Incentive Program in 2016.

Motion was withdrawn by Lange.

Member Lange questioned whether or not the City Council and City staff should be exempt from partaking in the program in the future. Member Crandall commented that based on the language for the program both Council and staff should be able to partake in the program, but questioned if it was ethically appropriate. Member Crandall questioned whether or not a policy should be developed to the program. Mayor Edmonson asked for the attorney's opinion on the program. Mayor Edmonson gave an overview of the program. Mr. Lenhardt commented that he would like to get back to the Council after doing more research. Mr. Lenhardt did mention that generally it appeared that the program should be available to the Council and staff but it did ethically raise some questions. Members were in favor of having the attorney review the program and suggest some policies. Member Ranum raised some questions about the amount and what should be included as part of the program. Member Ranum questioned if the City should only cover the WAC/SAC fees which would allow for a fourth home to be eligible for the program. Administrator Kress commented that the original program was designed to cover the WAC/SAC fees and the cost for a second water meter. Kress added that in 2015 the program was changed to include any expenses on the permit application up to \$10,000. Member Ranum felt that by only covering the WAC/SAC fees it may be more beneficial and allow for a fourth home to partake in the program

MOTION by Ranum, seconded by Crandall, to Table Resolution 2016-08 Approving the Continuation of the Residential Growth Incentive Program in 2016.

Motion carried unanimously.

d. Appeal of Unpaid Utility Bills

None.

e. Council Approval for Fire Relief Retirement Benefit Increase

Mr. Hanebuth and Mr. Eldred addressed the Council on the Fire Relief increasing the retirement benefit. Mr. Hanebuth explained that the Fire Relief Association had met on January 27th and voted to increase the retirement benefit from \$1,350 to \$1,450 per year, per fire fighter, per year of service, resulting in the Fire Relief being 103% vested.

MOTION by Lange, seconded by Ranum, to increase the retirement benefit from \$1,350 to \$1450 per year, per firefighter, per year of service.

Motion carried unanimously.

REPORTS

- a. **Mayor and Council** – Mayor Edmonson reported that February 2nd and February 8th he attended meetings in Foley, MN and the Capital. The topics of discussion were on Local Government Aid (LGA). The non-greater MN cities LGA is being reduced. The Mayor attended the meeting at the Capital with the Clear Lake Mayor for the Sewer Authority. Mayor Edmonson asked if the Council would be interested in having one meeting a month rather than two. The second meeting could be scheduled on an as needed basis. Administrator Kress added that having one meeting a month would allow for more time to build the Council packet. Kress added that the Consent Agenda would be relied upon to shorten the meeting. Member Lange was in favor of testing out having one meeting a month. Council requested a discussion take place at the next meeting.
- b. **Boards** – Council members reviewed the staff report that was included in the Council packet. Mayor Edmonson asked what the next steps were for the Eldorado Park. Kress commented that the park upgrade is part of the long-term finance plan and work plan. Kress added that the Council should evaluate whether or not the project is desirable. Mayor Edmonson asked Member Crandall what the original intent of the Planning and Zoning Commission was in reviewing the access to Eldorado Park. Member Crandall explained that the Planning and Zoning Commission was asked to review the access to the park. The Commission felt that the cost of the project (\$10,000) compared to the value of the land (\$.50 per square ft. approx. \$1,500) was not an equal swap. Crandall added that the Commission felt it was a little premature to be considering the entrance at this time when there are no finalized/approved plans for construction in the park for 2016. Mayor Edmonson commented that the Park Commission had submitted finalized plans to the Council. Council suggested working with the property owner to negotiate acquiring an easement for a larger entrance and allow the property owner to build an exit.
- c. **Staff** – Mr. Kress walked the Council through the staff report that was included in the Council packet.

MOTION by Lange, seconded by Ranum, to authorize the City Administrator to fill the On-Call Snow Removal position and follow the Step Wage Program.

Motion carried unanimously.

7. Closed Session – Annual Performance Evaluation City Administrator

MOTION by Ranum, seconded by Lange, to recess the regular Council meeting at 8:06 p.m. to go into closed session for the purpose of evaluating Administrator Kress's performance.

Motion carried unanimously.

Mayor Edmonson reconvened the regular City Council meeting at 8:38 p.m.

Mayor Edmonson summarized the closed meeting that was held to conduct a performance evaluation of the City Administrator. Council reviewed performance evaluations from both staff and Council members. Mayor Edmonson asked that the member's rate the Administrator based on the following, "E" for exceeds expectations, "M" for meets expectations, and "S" for meets some expectations, and "D" for does not meet expectations. Members Ranum, Crandall and Lange felt that Administrator Kress had exceeded the expectations for the position. Mayor Edmonson felt that Administrator Kress was meeting the expectations for the position.

MOTION by Crandall, seconded by Ranum, to move the City Administrator to Step 2 of the Step Wage Program at a base rate of \$64,600.

Motion carried 3-1 (Mayor Edmonson voting nay.)

8. Other –

a. Next Meeting – Monday, March 7th, 2016.

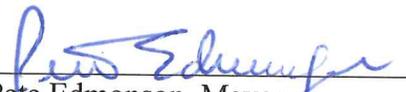
ADJOURN:

MOTION by Ranum, seconded by Crandall, to adjourn the council meeting, at 8:40 p.m.

Motion carried unanimously.



Kevin Kress, City Administrator



Pete Edmonson, Mayor

3-7-16
Date Approved

