



AGENDA
Regular Clearwater City Council Meeting
Monday, March 7, 2016
7:00 pm

Call to Order
Pledge of Allegiance
Roll Call

1. Approval of Agenda (Additions/Deletions considered at this time)

Public Comment Period - Please refer to "Public Comment Process" Brochure located by the sign in sheet.

2. Consent Agenda

- a. Claims/Accounts Payable
- b. Approval of 2-16-16 Regular City Council Meeting Minutes
- c. Approval of Resolution 2016-09 Accepting Donation of Monies to Clearwater Fire Department
- d. Approval of Resolution 2016-10 Rescinding the Current Investment Policy and Adopting Revised Policy
- e. Approval of Cancelling March 21, 2016 Meeting

3. Wright County Sheriff Deputy Report

4. Old Business

- a. Discussion on 2016 Growth Incentive Program and Approval of Resolution 2016-08 Approving the Continuation of the Residential Growth Incentive Program in 2016
- b. Discussion on Water and Sewer Rates

5. New Business

- a. Discussion on Replacing Curbs at 265 Bluff Street (Agenda Request)
- b. 2016 Audit Presentation
- c. Discussion on Internal Accounting Control Procedures Policy
- d. Discussion on Purchasing a Stump Grinder and Forks for Loader
- e. Discussion on Ordinance 2016-03 Specialty and Recreational Vehicles, Resolution 2016-11
- f. Discussion on Ordinance 2016-04 Administrative Enforcement, Resolution 2016-12
- g. Discussion on Administrative Enforcement Policy
- h. Discussion on Hosting One Council Meeting Per Month
- i. Discussion on Council Attending League of Minnesota Cities Annual Conference
- j. Discussion on Council, Staff, and Commission Members Participating in the Land Use Planning Series from the League of Minnesota Cities

6. Reports

- a. Mayor and Council
- b. Boards
- c. Staff

7. Other

- a. Next Meeting – Monday, April 4, 2016

8. Adjourn

There may be a quorum of other City Boards or Commissions present.

AGENDA
Regular Clearwater City Council Meeting
Monday, March 7, 2016
7:00 pm

Staff Memo

To: Honorable Mayor and City Council
From: Kevin Kress, Administrator
Date: March 3, 2016
RE: Review/Comment on 03-16-16 City Council Meeting

1. Approval of Agenda (Additions/Deletions considered at this time)

Public Comment Period - Please refer to "Public Comment Process" Brochure located by the sign in sheet.

2. Consent Agenda

- a. **Claims/Accounts Payable** – See enclosed.
- b. **Approval of 2-16-16 Regular City Council Meeting Minutes** – See enclosed.
- c. **Approval of Resolution 2016-09 Accepting Donation of Monies to Clearwater Fire Department** – See enclosed.
- d. **Approval of Resolution 2016-10 Rescinding the Current Investment Policy and Adopting Revised Policy** – See enclosed.
- e. **Approval of Cancelling March 21, 2016 Meeting** – I will be at the MCFOA conference the week prior to March 21st. I recommend cancelling the meeting.

3. Wright County Sheriff Deputy Report – See enclosed.

4. Old Business

- a. **Discussion on 2016 Growth Incentive Program and Approval of Resolution 2016-08 Approving the Continuation of the Residential Growth Incentive Program in 2016** – See enclosed.
- b. **Discussion on Water and Sewer Rates** – See enclosed.

5. New Business

- a. **Discussion on Replacing Curbs at 265 Bluff Street (Agenda Request)** – See enclosed.
- b. **2016 Audit Presentation** – Auditors will present this item.
- c. **Discussion on Internal Accounting Control Procedures Policy**– I made several changes to the enclosed policy, specifically, section IV to better clarify processes and allow for more administrative authority.
- d. **Discussion on Purchasing a Stump Grinder and Forks for Loader** – See enclosed. John recommends purchasing the "Erskine" stump grinder. We are waiting on additional bids for the forks I will update at meeting.
- e. **Discussion on Ordinance 2016-03 Specialty and Recreational Vehicles, Resolution 2016-11** – See enclosed.
- f. **Discussion on Ordinance 2016-04 Administrative Enforcement, Resolution 2016-12**– See enclosed.
- g. **Discussion on Administrative Enforcement Policy** – See enclosed.
- h. **Discussion on Hosting One Council Meeting Per Month**
- i. **Discussion on Council Attending League of Minnesota Cities Annual Conference** – I will discuss at meeting.
- j. **Discussion on Council, Staff, and Commission Members Participating in the Land Use Planning Series from the League of Minnesota Cities** I will discuss at meeting.

6. Reports

- a. **Mayor and Council**
- b. **Boards**
- c. **Staff** – See enclosed Council Action Request.

7. Other

- a. **Next Meeting** – Monday, April 4, 2016

8. Adjourn

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Payments

Current Period: March 2016

Batch Name	030716 CCMTG	User Dollar Amt	\$53,304.94		
	Payments	Computer Dollar Amt	\$53,304.94		
			\$0.00	In Balance	
Refer	1112 ACKLEY, JOSHUA				
Cash Payment	E 230-42200-123 Operating Supplies	WRIGHT CTY FIRE CHIEFS MEAL			\$292.89
Invoice	021716 2/17/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$292.89
Refer	1113 AEM FINANCIAL SOLUTIONS LLC				
Cash Payment	E 100-41000-305 Contracted Services	MARCH 2016 PROFESSIONAL FINANCIAL SVCS			\$3,183.00
Invoice	360514 3/1/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$3,183.00
Refer	1111 ALEX AIR APPARATUS, INC				
Cash Payment	E 230-42200-123 Operating Supplies	PAU-4-2 CHIEF/LT/CAPT			\$430.50
Invoice	29214 2/23/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$430.50
Refer	1083 ALLINA				
Cash Payment	E 230-42200-209 Medical Training	QTRLY BILLING JAN 2016			\$826.88
Invoice	II10020391 1/31/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$826.88
Refer	1103 AMERIPRIDE				
Cash Payment	E 800-45200-125 Cleaning Service-Unifor	LIBRARY RUGS			\$25.00
Invoice	2200754284 2/29/2016				
Cash Payment	E 230-42200-125 Cleaning Service-Unifor	FD RUGS			\$26.06
Invoice	2200754292 2/29/2016				
Cash Payment	E 100-43100-125 Cleaning Service-Unifor	CITY HALL RUGS			\$25.00
Invoice	2200754294 2/29/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$76.06
Refer	1074 BEUNING, LLC				
Cash Payment	E 800-45200-126 Rental/Lease	MARCH RENT 2016			\$1,321.00
Invoice	1482 2/15/2016				
Cash Payment	E 800-45200-382 Utilities	JAN 2016 ELECT			\$29.18
Invoice	1479 2/15/2016				
Cash Payment	E 800-45200-362 Property Ins	JAN 2016 INS			\$114.66
Invoice	1479 2/15/2016				
Cash Payment	E 800-45200-205 Taxes and Assessments	JAN 2016 TAXES			\$251.61
Invoice	1479 2/15/2016				
Cash Payment	E 800-45200-305 Contracted Services	JAN SNOW REMOVAL			\$271.63
Invoice	1479 2/15/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$1,988.08
Refer	1096 CCP INDUSTRIES INC.				
Cash Payment	E 100-43200-123 Operating Supplies	BIG ROLL TOWEL WHITE			\$98.88
Invoice	1632645 2/9/2016				
Transaction Date	3/7/2016	ANNANDALE STAT 10100		Total	\$98.88
Refer	1099 CLEARWATER PARTS CITY AUTO				

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Payments

Current Period: March 2016

Cash Payment	E 600-49400-307 Repair & Maintenance C	CRIMP CRS/STEM WIRE		\$10.34
Invoice	62-281993	2/9/2016		
Cash Payment	E 600-49400-307 Repair & Maintenance C	8 OZ NAVAL JELLY		\$8.06
Invoice	62-282004	2/9/2016		
Cash Payment	E 100-43200-123 Operating Supplies	CARB CLEANER/CHEM DIP CLEANER		\$104.33
Invoice	62-278616	1/5/2016		
Cash Payment	E 230-42200-123 Operating Supplies	SPARK/COPPER PLUG		\$8.77
Invoice	62-279998	1/19/2016		
Cash Payment	E 230-42200-123 Operating Supplies	MISC PARTS		\$0.11
Invoice	62-279972	1/19/2016		
Cash Payment	E 230-42200-123 Operating Supplies	COPPER PLUG/		\$19.34
Invoice	62-279958	1/19/2016		
Cash Payment	E 230-42200-123 Operating Supplies	10W40 QT		\$17.97
Invoice	62-280242	1/21/2016		
Cash Payment	E 230-42200-123 Operating Supplies	FUEL FILTER/BATTERY CLEANER POWER PLUG		\$168.45
Invoice	62-280180	1/21/2016		
Cash Payment	E 230-42200-123 Operating Supplies	FUEL FILTERS		\$1.54
Invoice	62-280194	1/21/2016		
Cash Payment	E 230-42200-123 Operating Supplies	CARB KIT PREMIX		\$95.67
Invoice	62-280359	1/22/2016		
Cash Payment	E 100-43200-123 Operating Supplies	AGM BATTERY		\$107.96
Invoice	62-280359	1/22/2016		
Cash Payment	E 230-42200-123 Operating Supplies	COPPER PLUG		\$7.98
Invoice	62-280130	1/20/2016		
Cash Payment	E 230-42200-123 Operating Supplies	GAS CAP ENGINE 11		\$9.52
Invoice	62-280277	1/21/2016		
Transaction Date	3/7/2016	ANNANDALE STAT 10100	Total	\$560.04
Refer	1102 CLEARWATER RENTAL CENTER			
Cash Payment	E 100-41000-305 Contracted Services	BUCKET LIFT FOR BANNERS		\$85.00
Invoice	020816	2/8/2016		
Transaction Date	3/7/2016	ANNANDALE STAT 10100	Total	\$85.00
Refer	1079 EDMONSON, PETE			
Cash Payment	E 100-41300-120 Reimbursement	MAYOR QTR MTG		\$19.55
Invoice	121615	12/16/2015		
Cash Payment	E 100-41300-120 Reimbursement	SENATE BONDING TOUR		\$13.80
Invoice	121615	12/16/2015		
Cash Payment	E 100-41300-120 Reimbursement	COALITION MTG		\$30.24
Invoice	020216	2/2/2016		
Cash Payment	E 100-41300-120 Reimbursement	ST PAUL CAPITAL		\$69.12
Invoice	020816	2/8/2016		
Transaction Date	3/7/2016	ANNANDALE STAT 10100	Total	\$132.71
Refer	1094 FERGUSON WATERWORKS			
Cash Payment	E 600-49400-123 Operating Supplies	10 MTR V4 WATER METERS		\$2,694.16
Invoice	180423	2/4/2016		
Transaction Date	3/7/2016	ANNANDALE STAT 10100	Total	\$2,694.16
Refer	1108 FRONTIER COMMUNICATIONS			

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Payments

Current Period: March 2016

Cash Payment Invoice	E 230-42200-321 Telephone	558-6561 FD /DISPATCH		\$63.80
Cash Payment Invoice	E 100-43200-321 Telephone	558-2233 MAINT		\$132.15
Cash Payment Invoice	E 601-49450-321 Telephone	558-4678 LIFT STATION		\$65.49
Transaction Date	3/7/2016	ANNANDALE STAT 10100	Total	\$261.44
Refer	1098 HACH	-		
Cash Payment Invoice	E 600-49400-123 Operating Supplies 9790435	CHEMICALS		\$156.22
Transaction Date	2/10/2016	ANNANDALE STAT 10100	Total	\$156.22
Refer	1092 HANDYMANS, INC	-		
Cash Payment Invoice	E 100-43100-307 Repair & Maintenance C 418289	GROMMET KIT/REFILL		\$21.46
Cash Payment Invoice	E 240-45300-123 Operating Supplies 419577	KEY MASTER LOCK		\$99.63
Transaction Date	1/12/2016	ANNANDALE STAT 10100	Total	\$121.09
Refer	1110 ITL PATCH COMPANY, INC	-		
Cash Payment Invoice	E 230-42200-123 Operating Supplies 32134	BADGES/NAMETAGS		\$729.00
Transaction Date	2/24/2016	ANNANDALE STAT 10100	Total	\$729.00
Refer	1089 KERN-DEWENTER-VIERE	-		
Cash Payment Invoice	E 100-41530-308 Auditor Fees 909106	AUDIT YEAR END 2015		\$21,000.00
Transaction Date	2/23/2016	ANNANDALE STAT 10100	Total	\$21,000.00
Refer	1107 MARKLOWITZ, BECKY	-		
Cash Payment Invoice	E 100-41000-125 Cleaning Service-Unifor 709449	CITY HALL CLEANING SVC		\$275.00
Cash Payment Invoice	E 800-45200-125 Cleaning Service-Unifor 709449	LIBRARY CLEANING SVC		\$160.00
Cash Payment Invoice	E 240-45320-125 Cleaning Service-Unifor 709449	LIONS PARK CLEANING SVC		\$25.00
Transaction Date	2/29/2016	ANNANDALE STAT 10100	Total	\$460.00
Refer	1095 MENARDS - ST.CLOUD	-		
Cash Payment Invoice	E 600-49400-307 Repair & Maintenance C 15458	BRUSHES/BULBS/CLEANER/PAINT		\$171.11
Cash Payment Invoice	E 100-41000-599 Capital Outlay - Building 15918	TAPE/ICEMELT/SCREWS/LACQUER THINNER		\$86.08
Transaction Date	2/16/2016	ANNANDALE STAT 10100	Total	\$257.19
Refer	1082 MN DEPARTMENT OF HEALTH - W	-		
Cash Payment Invoice	E 600-49400-306 MDS TEST FEE QTR 1 2016	MDS TEST FEE QTR 1 2016		\$995.34
Transaction Date	2/10/2016	ANNANDALE STAT 10100	Total	\$995.34
Refer	1100 NCPERS	-		

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Payments

Current Period: March 2016

Cash Payment	G 100-21708 Life Insurance	PREMIUM FEB		\$48.00
Invoice	3/2016	2/23/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$48.00
Refer	1080 NELSON SANITATION & RENTAL I			
Cash Payment	E 100-45500-903 Community Events	PORTABLE RESTROOMS		\$60.00
Invoice	A-10190 2	8/14/2015		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$60.00
Refer	1086 NOW IT CONNECTS, INC			
Cash Payment	E 100-41000-307 Repair & Maintenance C	NEW SWITCH SERVER		\$210.00
Invoice	8029	2/18/2016		
Cash Payment	E 100-41000-305 Contracted Services	MONITORING SERVICES		\$135.00
Invoice	8068	3/1/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$345.00
Refer	1101 OFFICE DEPOT (CATALOG)			
Cash Payment	E 100-41000-200 Office Supplies	W2 TAX FORMS		\$28.78
Invoice	817932134001	1/14/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$28.78
Refer	1106 POST MASTER			
Cash Payment	E 100-41000-126 Rental/Lease	ANNUAL PO BOX RENTAL		\$114.00
Invoice	2016	3/1/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$114.00
Refer	1081 QUILL CORPORATION			
Cash Payment	E 100-43200-200 Office Supplies	HP 901 INK		\$24.87
Invoice	3138421	2/9/2016		
Cash Payment	E 100-41000-200 Office Supplies	RECEIPT BK/PAPER TOWELS		\$28.39
Invoice	3138421	2/9/2016		
Cash Payment	E 100-41000-200 Office Supplies	POCKET FOLDERS		\$15.16
Invoice	3166618	2/10/2016		
Cash Payment	E 100-41000-200 Office Supplies	FILE FOLDERS		\$12.82
Invoice	3112072	2/8/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$81.24
Refer	1084 STREICHERS			
Cash Payment	E 230-42200-232 Repairs & Maint - Electr/	FLASHLIGHT BATTERIES		\$325.00
Invoice	1209790	1/19/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$325.00
Refer	1091 SURPLUS SERVICES			
Cash Payment	E 100-43200-123 Operating Supplies	VARIOUS TOOLS		\$67.00
Invoice	00011362	2/12/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$67.00
Refer	1097 TRAUT WELLS, INC			
Cash Payment	E 600-49400-902 Water or WW Testing Fe	BURGER KING SAMPLE # 160208		\$23.00
Invoice	284708	2/12/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$23.00
Refer	1087 US BANK CORP PAYMENT SYSTE			
Cash Payment	E 100-41100-208 Training and Instruction	MCFOA ANNUAL CONF		\$265.00
Invoice	8699	2/4/2016		

Payments

Current Period: March 2016

Cash Payment	E 230-42200-125 Cleaning Service-Unifor	FD QUARTERMASTER		\$299.25
Invoice	5328825	1/8/2016		
Cash Payment	E 230-42200-565 Operating Equipment	FD IDENTIFIRE NAMEPLATES		\$278.69
Invoice	3520	1/15/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$842.94
Refer	1085 WEST SHERBURNE TRIBUNE			
Cash Payment	E 100-41000-351 Legal Notices Publishing	LEGAL NOTICE RES 2015-52		\$64.80
Invoice	073833	12/18/2015		
Cash Payment	E 100-41000-351 Legal Notices Publishing	LEGAL NOTICE SEAS SNOW REM		\$78.40
Invoice	074029	1/31/2016		
Cash Payment	E 100-41000-353 Ordinance Publication	LEGAL NOTICE ORD 2015-04		\$69.60
Invoice	073834	12/18/2015		
Cash Payment	E 100-41000-353 Ordinance Publication	LEGAL NOTICE ORD 2016-02		\$64.80
Invoice	073945	1/8/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$277.60
Refer	1090 WRIGHT COUNTY AUDITOR/TREA			
Cash Payment	E 100-42100-305 Contracted Services	MARCH PATROL SERVICES		\$16,348.00
Invoice	MARCH 16	2/29/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$16,348.00
Refer	1088 WRIGHT HENNEPIN COOP ELECT			
Cash Payment	E 601-49450-382 Utilities	COUNTY RD 7		\$74.14
Invoice	JAN 2016	2/10/2016		
Cash Payment	E 240-45300-382 Utilities	KELSEY AV		\$10.13
Invoice	JAN 2016	2/10/2016		
Cash Payment	E 100-43100-382 Utilities	JAN UTILITIES		\$311.63
Invoice	JAN 2016	2/10/2016		
Transaction Date	3/7/2016	ANNANDALE STAT	10100	Total \$395.90

Fund Summary

10100 ANNANDALE STATE BANK

100 GENERAL FUND	\$43,197.82
230 FIRE AND RESCUE	\$3,601.42
240 PARKS AND RECREATION	\$134.76
600 WATER FUND	\$4,058.23
601 SEWER FUND	\$139.63
800 LIBRARY FUND	\$2,173.08
	\$53,304.94

Pre-Written Check	\$0.00
Checks to be Generated by the Computer	\$53,304.94
Total	\$53,304.94

CITY OF CLEARWATER

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*Check Summary Register©

February 2016 to March 2016

Name	Check Date	Check Amt
10100 ANNANDALE STATE BANK		
Paid Chk# 010213E AFLAC	2/18/2016	\$162.34 EMPLOYEE PAID INS
Paid Chk# 010214E UNITED STATES TREASURY	2/24/2016	\$2,588.13 941 DEPOSIT
Paid Chk# 010215E MN CHILD SUPPORT PAYMENT	2/24/2016	\$247.80 PAYROLL DEDUCTION
Paid Chk# 010216E PUBLIC EMPLOYEES RETIREME	2/24/2016	\$1,391.65 PERA PMNT
Paid Chk# 010217E MINNESOTA REVENUE	2/22/1416	\$433.06 STATE WITHHOLDING
Paid Chk# 010218E MINNESOTA REVENUE	3/2/2016	\$789.00 FEB SLS TAX 2016
	Total Checks	\$5,611.98

**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. 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

Date Approved

DRAFT

**CITY OF CLEARWATER
COUNTIES OF WRIGHT AND STEARNS
STATE OF MINNESOTA**

RESOLUTION NO. 2016-09

**RESOLUTION ACCEPTING A DONATION OF MONIES TO THE CLEARWATER
FIRE DEPARTMENT**

WHEREAS, Minnesota State Statute 465.03 requires that governing bodies must formally accept donations and contributions and that every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full; and

WHEREAS, The City seeks to properly accept and record donations and contributions in accordance with all state statutes and state auditor requirements;

THEREFORE BE IT RESOLVED that the City of Clearwater does formally accept the donation of \$50 from Stephen and Jeanne Dirksen to be used by the Clearwater Fire Department at their discretion.

Adopted this 7th day of March, 2016.

By: _____
Pete Edmonson, Mayor

ATTEST:

Kevin Kress, City Administrator

**CITY OF CLEARWATER
COUNTIES OF WRIGHT AND STEARNS
STATE OF MINNESOTA**

RESOLUTION NO. 2016-10

**RESOLUTION RESCINDING THE CURRENT CITY OF CLEARWATER
INVESTMENT POLICY AND ADOPTION OF REVISED 2016 INVESTMENT POLICY**

WHEREAS, The City of Clearwater had adopted an Investment Policy for the investment of funds. The current Investment Policy requires additional verbiage as requested by the City's auditing firm.

WHEREAS, The City Administrator has incorporated the additional verbiage into the Investment Policy.

THEREFORE BE IT RESOLVED that the City Council of the City of Clearwater Minnesota that:

1. The current Investment Policy is hereby rescinded, and
2. The Clearwater City Council hereby adopts the Investment Policy, dated 3-7-16, as attached.

Adopted this 7th day of March, 2016.

By: _____
Pete Edmonson, Mayor

ATTEST:

Kevin Kress, City Administrator



P.O. BOX 9 ••• 605 CITY RD 75 ••• CLEARWATER MN 55320
Phone: 320-558-2428 ••• Fax: 320-558-2794 ••• www.clearwatercity.com

INVESTMENT POLICY

For the

**CITY OF CLEARWATER
MINNESOTA**

PURPOSE

The purpose of this policy is to establish specific guidelines the City of Clearwater will use in the investment of City funds. It will be the responsibility of the City Administrator to invest City funds in order to attain a market rate of return while preserving and protecting the capital of the overall portfolio. Investments will be made, based on statutory constraints, in safe, low risk instruments.

SCOPE

The City Administrator is responsible for the investing of all funds in the custody of the City, including, but not necessarily limited to, the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, and Agency Funds.

PRUDENCE

The standard of prudence to be used by investment officials shall be the “prudent investor”, and shall be applied in the context of managing the overall portfolio. Investment officers acting in accordance with this policy and with MN Statute 118A, and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided that reasonable action is taken to control adverse developments and unexpected deviations are reported in a timely manner.

OBJECTIVE

There are three main objectives of all investment activities that are prioritized as follows:

- A. Safety - Safety of principal is the foremost objective of the City. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that losses on individual securities do not exceed the income within the entire portfolio. Avoiding capital losses shall be the primary objective of each investment transaction.

Credit Risk: The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed under the Suitability and Authorized Investments section of this policy.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business as designated by Council and are qualified as stated under the Authorized Financial Institutions, Depositories, and Broker/Dealers section of this policy.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- The City will invest in U.S. government obligations or obligations explicitly guaranteed by the U.S. government when possible. These obligations are exempt from credit risk.

Custodial Credit Risk: The City will not hold deposits or investments that are uninsured or uncollateralized, are not registered in the name of the City and held either by the City's broker/financial institution or trust department but not in the City's name. The Finance Officer will ensure proper insurance or collateral is maintained for all deposits and investments at all times. The Finance Officer will obtain a broker acknowledgement form from all investment institutions in January of each year.

Concentration of Credit Risk: This risk is the risk of loss attributed to the magnitude of government's investment in a single issuer. The City will take every measure to keep the concentration of credit risk below 25% of the total investments. If at any time the concentration of credit risk exceeds 25%, this fact must be disclosed to the City Council with associated risk of loss of the public funds.

Interest Rate Risk: The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy under the Investment Parameter section. The City will use method weighted average maturity to manage interest rate risk.

Foreign Currency Risk: This risk refers to the risk that changes in exchange rates that will adversely affect the fair value of an investment or deposit. Deposits and investments held in foreign financial institutions will be disclosed in the U.S. dollars. The City will not hold deposits and investments in foreign financial institutions or brokers.

- B. Liquidity - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonable anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.
- C. Yield - The investment portfolio of the City of Clearwater shall be designed to attain a market-average rate of return through budgetary and economic cycles, taking into consideration the city's investment risk constraints, cash flow characteristics of the portfolio and prudent investment principles.

Subject to requirements of the above objectives, it is the policy of the City of Clearwater to offer financial institutions and companies within the City of Clearwater the opportunity to bid on investments; however the City of Clearwater will seek the best investment yields.

DELEGATION OF AUTHORITY

Management responsibility for the investment program is hereby delegated from the City Council to the City Administrator, who shall establish procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include delegation of authority to persons responsible for investment transactions. The City Administrator shall be responsible for all transactions

undertaken and shall establish a system of internal controls designed to prevent losses from fraud and employee error.

CONFLICT OF INTEREST

Any City Official (elected or appointed) involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair his/her ability to make impartial investment decisions.

AUTHORIZED FINANCIAL INSTITUTE AND DEALER

In accordance with Minnesota Statute 118A.005, the responsibility for conducting investment transactions resides with the City Council of the City of Clearwater. Also, the Council shall authorize the City Administrator to exercise the powers of the Council in designating a depository of the Funds. In selecting depositories, the credit worthiness of the institutions under consideration shall be examined by the City Administrator

Only approved security broker/dealers selected by creditworthiness shall be utilized (minimum capital requirement of \$10 million dollars and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15c3-1 (uniform net capital rule).

All financial institutions and broker/dealers must supply the following information as appropriate

- ◆ Audited financial statements
- ◆ Proof of National Association of Securities Dealers (NASD) certification
- ◆ Proof of stated registration
- ◆ Completed broker/dealer questionnaire for firms who are not major regional or national firms
- ◆ Certification of having read the City’s investment policy

BROKER REPRESENTATIONS

Municipalities must obtain from their brokers certain representations regarding future investments. Minnesota Statutes, Section 118A, Subdivision 6, requires municipalities to provide each broker with information regarding the municipalities investment restrictions. Before engaging in investment transactions with the City of Clearwater, the supervising officer at the securities broker/dealer shall submit a certification annually according to MN Statutes 118A.05. The document will state that the officer has reviewed the investment policies and objectives, as well as applicable state law, and agrees to disclose potential conflicts of interest or risk to public funds that might arise out of business transactions between the firm and the City of Clearwater. All financial institutions shall agree to undertake reasonable efforts to preclude imprudent transactions involving the City’s funds.

AUTHORIZED AND SUITABLE INVESTMENTS

Minnesota Statutes, Section 118A, Subdivision 3, lists all permissible investments for municipalities. This list establishes the maximum investment risk permitted for a Minnesota municipality. Even though

MN Statutes 118A provides for more instruments to be used for investing purposes; the following is a listing of investments the City will be authorized to invest in:

1. Government Securities: Instruments such as bonds, notes, bills, mortgages and other securities which are direct obligations of the federal government or its agencies, with the principal fully guaranteed by the U.S. Government or its agencies.
2. Certificate of Deposit: A negotiable or nonnegotiable instrument issued by commercial banks and insured up to \$100,000 by the Federal Deposit Insurance Corporation (FDIC).
3. Repurchase Agreement: An investment which consists of two simultaneous transactions, where an investor purchases securities from a bank or dealer. At the same time, the selling bank or dealer agrees to repurchase the securities at the same price plus interest at some agreed-upon future date. The security purchased is the collateral protecting the investment.
4. Any security which is a general obligation of the State of Minnesota or any of its municipalities.
5. Statewide investment pools which invest in authorized instruments according to MN Statutes 118A.
6. Money market mutual funds which invest in authorized instruments according to MN Statutes 118A. Interest-bearing deposits in authorized depositories must be fully insured or collateralized.

COLLATERALIZATION

Collateralization will be required on two types of investments. Certificates of Deposit (above the FDIC insurance amount) and Repurchase Agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110 percent of the market value of principal and accrued interest. When the pledged collateral consists of notes secured by first mortgages, the collateral level will be 140% of the market value of the principal and accrued interest. Collateral shall be deposited in the name of the City of Clearwater, subject to release by the City Administrator.

SAFEKEEPING AND CUSTODY

When investments purchased by the City are held in safekeeping by a broker/dealer, they must provide asset protection of \$500,000 through the Securities Investor Protection Corporation (SIPC) and at least another \$2,000,000 supplemental insurance protection.

DIVERSIFICATION

The City will attempt to diversify its investments according to type and maturity. The portfolio, as much as possible, will contain both short-term and long-term investments. The City will attempt to match its investments with anticipated cash flow requirements. Extended maturities may be utilized to take advantage of higher yields; however, no more than 30% of the total investments should extend beyond five (5) years and in no circumstance should any extend beyond twenty (20) years.

CERTIFICATE OF AUTHORITY

The Clearwater City Council hereby authorizes the following city staff to sell, assign and endorse for transfer, certificates of deposit, certificates representing stocks, bonds or other securities that are registered in the name of the City of Clearwater: City Administrator.

INVESTMENT REPORTING

The City Administrator shall prepare an investment report at least quarterly, including a management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter.

CONCLUSION

The intent of this policy is to ensure the safety of all City funds. The main goal of the City will be to achieve a market rate of return while maintaining the safety of its principal.

Approved by the Clearwater City Council
Date: March 7, 2016

Pete Edmonson
Mayor

Kevin Kress
City Administrator



Wright County Sheriff's Office

Sheriff Joe Hagerty

3800 Braddock Ave. NE, Buffalo, MN 55313
1-800-362-3667 Fax: 763-682-7610



Clearwater Monthly Report 2016

Printed on March 1, 2016

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
911 Hang-up Total: 6					
02/07/16 14:00	911 Hang-up	2016007287			911
02/08/16 16:32	911 Hang-up	2016007484			911
02/09/16 08:55	911 Hang-up	2016007608			911
02/15/16 16:25	911 Hang-up	2016008808			911
02/22/16 20:23	911 Hang-up	2016010273	Domestic Disturbance	WCSOP16004604	911
02/29/16 14:01	911 Hang-up	2016011595			911
911 Open Line Total: 2					
02/04/16 22:53	911 Open Line	2016006802			911
02/18/16 12:17	911 Open Line	2016009364			911
Agency Assist Total: 7					
02/04/16 13:36	Agency Assist	2016006699	Agency Assist	WCSOP16003055	Phone
02/07/16 16:32	Agency Assist	2016007308	Agency Assist	WCSOP16003353	Phone
02/12/16 22:01	Agency Assist	2016008328	Agency Assist	WCSOP16003805	Phone
02/14/16 02:05	Agency Assist	2016008562	Agency Assist	WCSOP16003892	Phone
02/15/16 20:11	Agency Assist	2016008844	Agency Assist	WCSOP16004029	Phone
02/18/16 09:52	Agency Assist	2016009346			Phone
02/19/16 09:54	Agency Assist	2016009573	Agency Assist	WCSOP16004297	Phone
Alarm Total: 1					
02/22/16 17:56	Alarm	2016010241	Alarm	WCSOP16004588	Phone
Animal Total: 4					
02/03/16 23:02	Animal	2016006616	Animal	WCSOP16003013	Phone
02/05/16 18:12	Animal	2016006943			Phone
02/18/16 19:13	Animal	2016009445	Animal	WCSOP16004257	Phone
02/24/16 07:37	Animal	2016010519	Animal	WCSOP16004721	Phone
Check Welfare Total: 5					
02/01/16 16:21	Check Welfare	2016006142	Check Welfare	WCSOP16002771	Phone
02/01/16 20:13	Check Welfare	2016006198	Check Welfare	WCSOP16002798	Phone
02/03/16 08:07	Check Welfare	2016006476	Check Welfare	WCSOP16002943	Phone
02/16/16 10:53	Check Welfare	2016008944	Check Welfare	WCSOP16004061	Phone
02/22/16 10:03	Check Welfare	2016010149	Check Welfare	WCSOP16004548	Phone
Citizen Aid Total: 2					
02/07/16 23:58	Citizen Aid	2016007363	Citizen Aid	WCSOP16003375	
02/11/16 19:28	Citizen Aid	2016008101	Traffic - Complaint	WCSOP16003701	

Civil Complaint Total: 5

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
02/02/16 12:30	Civil Complaint	2016006309	Civil Complaint	WCSOP16002846	Phone
02/05/16 17:17	Civil Complaint	2016006927	Civil Child Custody	WCSOP16003171	Phone
02/10/16 21:07	Civil Complaint	2016007926	Check Welfare	WCSOP16003622	Phone
02/23/16 19:43	Civil Complaint	2016010450	Civil Complaint	WCSOP16004695	Phone
02/27/16 09:10	Civil Complaint	2016011163	Civil Complaint	WCSOP16005034	Phone

Civil Process Total: 12

02/02/16 09:59	Civil Process	2016006279			Officer
02/03/16 08:47	Civil Process	2016006480			Officer
02/04/16 08:26	Civil Process	2016006652			Officer
02/04/16 16:54	Civil Process	2016006742			Officer
02/05/16 08:02	Civil Process	2016006844			Officer
02/05/16 08:17	Civil Process	2016006845			Officer
02/05/16 13:59	Civil Process	2016006892			Officer
02/08/16 08:07	Civil Process	2016007402			Officer
02/09/16 15:50	Civil Process	2016007668			Officer
02/10/16 15:28	Civil Process	2016007859			Officer
02/12/16 13:06	Civil Process	2016008212			Officer
02/29/16 08:13	Civil Process	2016011548			Officer

Commercial General Alarm Total: 2

02/09/16 09:49	Commercial General	2016007613	Commercial General Alarm	WCSOP16003471	Phone
02/27/16 18:01	Commercial General	2016011255	Commercial General Alarm	WCSOP16005086	Phone

Domestic Disturbance Total: 2

02/03/16 19:05	Domestic Disturbance	2016006586	Domestic Disturbance	WCSOP16003007	911
02/09/16 20:52	Domestic Disturbance	2016007714	Disorderly	WCSOP16003521	Phone

Drugs Total: 2

02/18/16 08:19	Drugs	2016009328	Drugs	WCSOP16004208	Phone
02/21/16 14:14	Drugs	2016010000	Drugs	WCSOP16004499	Phone

Dumping Total: 3

02/19/16 16:29	Dumping	2016009656	Dumping	WCSOP16004341	Phone
02/23/16 07:22	Dumping	2016010322	Dumping	WCSOP16004624	Phone
02/29/16 09:13	Dumping	2016011562	Dumping	WCSOP16005197	Phone

Extra Patrol Total: 1

02/21/16 16:29	Extra Patrol	2016010027	Extra Patrol	WCSOP16004508	Phone
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Fire - Burn Permit Total: 1

02/16/16 09:41	Fire - Burn Permit	2016008932			Phone
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Fraud - Checks Total: 1

02/18/16 12:26	Fraud - Checks	2016009365	Fraud - Checks	WCSOP16004219	Phone
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Fraud - Checks - Cards Total: 2

02/01/16 13:06	Fraud - Checks - Cards	2016006105	Fraud - Checks - Cards	WCSOP16002751	Phone
02/03/16 13:15	Fraud - Checks - Cards	2016006519	Fraud - Checks - Cards	WCSOP16002965	Phone

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
Fraud - Forgery Total: 1					
02/23/16 08:29	Fraud - Forgery	2016010339	Fraud - Forgery	WCSOP16004635	Phone
Fraud - Internet Total: 1					
02/01/16 16:04	Fraud - Internet	2016006136	Fraud - Internet	WCSOP16002768	Phone
Gopher State One Total: 1					
02/02/16 17:14	Gopher State One	2016006386			Phone
Gun Incident Total: 1					
02/06/16 03:52	Gun Incident	2016007043	Gun Incident	WCSOP16003218	911
Harassment Total: 2					
02/02/16 09:00	Harassment	2016006274	Citizen Aid	WCSOP16002829	Phone
02/10/16 15:20	Harassment	2016007857	Harassment	WCSOP16003586	Phone
Info Total: 3					
02/12/16 15:03	Info	2016008235			Phone
02/20/16 05:55	Info	2016009761			
02/23/16 05:36	Info	2016010311			
Juvenile - Complaint Total: 1					
02/19/16 18:32	Juvenile - Complaint	2016009684	Juvenile - Complaint	WCSOP16004352	911
Lock Out - Lock In Total: 1					
02/10/16 13:48	Lock Out - Lock In	2016007837	Lock Out - Lock In	WCSOP16003574	Phone
Medical - Breathing Problems Total: 1					
02/04/16 11:28	Medical - Breathing	2016006678	Medical - Breathing Problems	WCSOP16003042	911
Medical - Carbon Monoxide Inhalation Total: 1					
02/27/16 09:12	Medical - Carbon	2016011164	Medical - Carbon Monoxide	WCSOP16005033	Phone
Medical - Chest Pain Total: 2					
02/02/16 02:18	Medical - Chest Pain	2016006243	Medical - Chest Pain	WCSOP16002813	Phone
02/27/16 14:44	Medical - Chest Pain	2016011212			Phone
Medical - Fall Over 6 Feet Total: 1					
02/21/16 10:30	Medical - Fall Over 6	2016009974	Medical - Fall Over 6 Feet	WCSOP16004477	Phone
Medical - Seizure Total: 1					
02/10/16 19:20	Medical - Seizure	2016007909	Medical - Seizure	WCSOP16003616	911
Medical - Sick Total: 5					
02/04/16 10:56	Medical - Sick	2016006675	Medical - Sick	WCSOP16003039	911
02/20/16 08:33	Medical - Sick	2016009767	Medical - Sick	WCSOP16004393	911
02/21/16 10:16	Medical - Sick	2016009971	Medical - Sick	WCSOP16004475	911
02/23/16 11:23	Medical - Sick	2016010354	Medical - Sick	WCSOP16004645	911
02/27/16 16:06	Medical - Sick	2016011229			911
Medical - Stroke Total: 1					
02/15/16 16:25	Medical - Stroke	2016008810	Medical - Stroke	WCSOP16004020	911

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
Medical - Unconscious - Fainting Total: 1					
02/08/16 15:15	Medical - Unconscious -	2016007466	Medical - Unconscious -	WCSOP16003424	Phone
Missing Person Total: 2					
02/18/16 07:14	Missing Person	2016009316	Missing Person	WCSOP16004203	Phone
02/20/16 13:08	Missing Person	2016009796	Missing Person	WCSOP16004409	Phone
Motorist Aid Total: 2					
02/20/16 22:18	Motorist Aid	2016009898			Phone
02/27/16 20:34	Motorist Aid	2016011295	Motorist Aid	WCSOP16005097	Phone
MVA - Car Deer Total: 1					
02/06/16 07:05	MVA - Car Deer	2016007049	MVA - Car Deer	WCSOP16003220	Phone
MVA - Hit & Run Total: 1					
02/15/16 20:10	MVA - Hit & Run	2016008843			911
MVA - Injuries Total: 1					
02/24/16 01:44	MVA - Injuries	2016010506	Agency Assist	WCSOP16004716	
MVA - No Injuries Total: 3					
02/08/16 16:18	MVA - No Injuries	2016007481	MVA - No Injuries	WCSOP16003432	
02/09/16 18:38	MVA - No Injuries	2016007699	MVA - No Injuries	WCSOP16003516	
02/22/16 14:20	MVA - No Injuries	2016010192	MVA - No Injuries	WCSOP16004566	911
MVA - Unknown Injuries Total: 1					
02/02/16 13:50	MVA - Unknown Injuries	2016006336			
POR Check Total: 1					
02/05/16 08:20	POR Check	2016006846			Officer
Repossession Total: 1					
02/11/16 22:28	Repossession	2016008134			
Residential Fire Alarm Total: 1					
02/16/16 15:55	Residential Fire Alarm	2016008985	Residential Fire Alarm	WCSOP16004083	Phone
Residential General Alarm Total: 8					
02/01/16 07:42	Residential General	2016006052	Residential General Alarm	WCSOP16002723	Phone
02/02/16 11:34	Residential General	2016006296	Residential General Alarm	WCSOP16002838	Phone
02/04/16 11:34	Residential General	2016006680			Phone
02/05/16 10:16	Residential General	2016006863	Residential General Alarm	WCSOP16003135	Phone
02/07/16 12:54	Residential General	2016007276	Residential General Alarm	WCSOP16003337	Phone
02/11/16 08:34	Residential General	2016007985	Residential General Alarm	WCSOP16003648	Phone
02/15/16 13:58	Residential General	2016008786	Residential General Alarm	WCSOP16004005	Phone
02/16/16 20:04	Residential General	2016009038	Residential General Alarm	WCSOP16004102	Phone
Suspicious - Circumstances Total: 1					
02/05/16 20:02	Suspicious -	2016006974	Suspicious - Circumstances	WCSOP16003189	Phone

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
Suspicious - Person - Vehicle Total: 3					
02/14/16 23:20	Suspicious - Person -	2016008714	Suspicious - Person - Vehicle	WCSOP16003974	Phone
02/17/16 07:00	Suspicious - Person -	2016009106	Suspicious - Person - Vehicle	WCSOP16004119	Phone
02/27/16 17:11	Suspicious - Person -	2016011248	Suspicious - Person - Vehicle	WCSOP16005083	Phone
Theft Total: 6					
02/11/16 09:22	Theft	2016007998	Theft	WCSOP16003656	911
02/18/16 12:55	Theft	2016009372	Theft	WCSOP16004222	Phone
02/18/16 15:57	Theft	2016009406	Theft	WCSOP16004244	Phone
02/22/16 10:36	Theft	2016010157			Phone
02/29/16 14:01	Theft	2016011594	Theft	WCSOP16005216	Phone
02/29/16 20:10	Theft	2016011690	Fraud - Checks	WCSOP16005257	Phone
Theft - Gas Drive Off Total: 12					
02/06/16 07:50	Theft - Gas Drive Off	2016007052	Theft - Gas Drive Off	WCSOP16003222	911
02/07/16 17:11	Theft - Gas Drive Off	2016007312	Theft - Gas Drive Off	WCSOP16003356	911
02/14/16 18:17	Theft - Gas Drive Off	2016008667	Theft - Gas Drive Off	WCSOP16003953	911
02/14/16 22:24	Theft - Gas Drive Off	2016008703	Theft - Gas Drive Off	WCSOP16003969	911
02/15/16 17:38	Theft - Gas Drive Off	2016008817	Theft - Gas Drive Off	WCSOP16004024	911
02/18/16 11:31	Theft - Gas Drive Off	2016009356	Theft - Gas Drive Off	WCSOP16004216	911
02/22/16 18:57	Theft - Gas Drive Off	2016010252	Theft - Gas Drive Off	WCSOP16004593	Phone
02/23/16 20:13	Theft - Gas Drive Off	2016010460	Theft - Gas Drive Off	WCSOP16004702	911
02/24/16 08:06	Theft - Gas Drive Off	2016010523	Theft - Gas Drive Off	WCSOP16004724	911
02/25/16 18:40	Theft - Gas Drive Off	2016010840	Theft - Gas Drive Off	WCSOP16004876	911
02/28/16 13:04	Theft - Gas Drive Off	2016011417	Theft - Gas Drive Off	WCSOP16005139	911
02/29/16 18:46	Theft - Gas Drive Off	2016011674	Theft - Gas Drive Off	WCSOP16005251	911
Theft - Shoplifting Total: 1					
02/29/16 14:51	Theft - Shoplifting	2016011606	Theft - Shoplifting	WCSOP16005222	Phone
Threats Total: 3					
02/16/16 20:24	Threats	2016009044	Harassment	WCSOP16004105	Phone
02/17/16 11:45	Threats	2016009156	Threats	WCSOP16004138	Phone
02/21/16 20:20	Threats	2016010070	Threats	WCSOP16004521	Phone
Tow Total: 1					
02/13/16 10:05	Tow	2016008397	Tow	WCSOP16003829	Phone
Traffic - Complaint Total: 2					
02/25/16 18:00	Traffic - Complaint	2016010827	Traffic - Complaint	WCSOP16004867	Phone
02/28/16 23:28	Traffic - Complaint	2016011507	Traffic - Complaint	WCSOP16005178	Phone
Traffic Stop Total: 63					
02/01/16 15:44	Traffic Stop	2016006129			Officer
02/01/16 23:28	Traffic Stop	2016006226			Officer
02/02/16 19:24	Traffic Stop	2016006397			Officer
02/05/16 16:48	Traffic Stop	2016006919	Traffic Stop	WCSOP16003164	Officer
02/05/16 18:42	Traffic Stop	2016006953			Officer
02/05/16 19:01	Traffic Stop	2016006957			Officer

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
02/05/16 20:26	Traffic Stop	2016006976			Officer
02/05/16 20:39	Traffic Stop	2016006977			Officer
02/05/16 22:29	Traffic Stop	2016006994			Officer
02/06/16 00:11	Traffic Stop	2016007015	Traffic Stop	WCSOP16003204	Officer
02/06/16 01:49	Traffic Stop	2016007034			Officer
02/06/16 22:06	Traffic Stop	2016007190	Traffic Stop	WCSOP16003289	Officer
02/07/16 05:06	Traffic Stop	2016007230	Traffic Stop	WCSOP16003313	Officer
02/07/16 13:08	Traffic Stop	2016007278			Officer
02/07/16 13:33	Traffic Stop	2016007281			Officer
02/07/16 13:39	Traffic Stop	2016007282			Officer
02/07/16 20:31	Traffic Stop	2016007340			Officer
02/08/16 05:45	Traffic Stop	2016007395			Officer
02/08/16 19:02	Traffic Stop	2016007517			Officer
02/08/16 22:32	Traffic Stop	2016007549			Officer
02/10/16 00:43	Traffic Stop	2016007748			Officer
02/10/16 16:51	Traffic Stop	2016007878			Officer
02/10/16 20:56	Traffic Stop	2016007923			Officer
02/11/16 23:32	Traffic Stop	2016008149	Traffic Stop	WCSOP16003723	Officer
02/12/16 14:08	Traffic Stop	2016008224			Officer
02/12/16 19:38	Traffic Stop	2016008299			Officer
02/12/16 20:08	Traffic Stop	2016008307			Officer
02/12/16 20:35	Traffic Stop	2016008313	Traffic Stop	WCSOP16003797	Officer
02/12/16 23:49	Traffic Stop	2016008344			Officer
02/13/16 20:13	Traffic Stop	2016008492	Traffic Stop	WCSOP16003870	Officer
02/13/16 21:51	Traffic Stop	2016008513			Officer
02/14/16 00:23	Traffic Stop	2016008543			Officer
02/15/16 21:25	Traffic Stop	2016008860			Officer
02/15/16 21:33	Traffic Stop	2016008861			Officer
02/16/16 16:50	Traffic Stop	2016008993			Officer
02/16/16 17:13	Traffic Stop	2016008998			Officer
02/16/16 19:38	Traffic Stop	2016009034			Officer
02/16/16 22:46	Traffic Stop	2016009065			Officer
02/16/16 22:52	Traffic Stop	2016009067			Officer
02/17/16 19:18	Traffic Stop	2016009233			Officer
02/17/16 23:56	Traffic Stop	2016009282			Officer
02/18/16 19:37	Traffic Stop	2016009451			Officer
02/18/16 20:48	Traffic Stop	2016009464			Officer
02/18/16 22:17	Traffic Stop	2016009485			Officer
02/18/16 22:34	Traffic Stop	2016009495			Officer
02/21/16 19:22	Traffic Stop	2016010062	Traffic Stop	WCSOP16004516	Officer
02/22/16 12:09	Traffic Stop	2016010169	Traffic Stop	WCSOP16004558	Officer
02/22/16 23:34	Traffic Stop	2016010296			Officer
02/23/16 19:06	Traffic Stop	2016010440			Officer
02/24/16 13:54	Traffic Stop	2016010576	Traffic Stop	WCSOP16004748	Officer
02/24/16 20:18	Traffic Stop	2016010659			Officer
02/24/16 22:25	Traffic Stop	2016010685			Officer
02/25/16 20:14	Traffic Stop	2016010856			Officer

Incident Start Date/Time	Initial Call	CFS #	Final Incident	Case Number	How Reported
02/25/16 20:42	Traffic Stop	2016010867			Officer
02/25/16 21:13	Traffic Stop	2016010870			Officer
02/26/16 18:56	Traffic Stop	2016011045			Officer
02/26/16 19:07	Traffic Stop	2016011048			Officer
02/27/16 10:46	Traffic Stop	2016011177			Officer
02/27/16 10:46	Traffic Stop	2016011178			Officer
02/27/16 18:38	Traffic Stop	2016011260			Officer
02/27/16 22:29	Traffic Stop	2016011322			Officer
02/28/16 20:12	Traffic Stop	2016011483			Officer
02/29/16 05:29	Traffic Stop	2016011532			Officer

Trespass Total: 1

02/19/16 15:02	Trespass	2016009628	Trespass	WCSOP16004325	911
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Warrant - Attempt Total: 3

02/04/16 19:42	Warrant - Attempt	2016006775			
02/26/16 09:24	Warrant - Attempt	2016010943			Officer
02/26/16 11:15	Warrant - Attempt	2016010961			Officer

Total Records: 200

**CITY OF CLEARWATER
REQUEST FOR COUNCIL ACTION**

Requested Date of Council Consideration: 3-7-16 Flexibility: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Originating Department: Administration
Agenda Item: Old Business "a" Discussion on 2016-08 Approving Continuation of the Residential Growth Incentive Program in 2016	Presenter: Administrator, Kevin Kress
	Estimated Time: <input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> 5 Min. <input type="checkbox"/> 15 Min. <input type="checkbox"/> 30 Min. <input type="checkbox"/> 45 Min. <input type="checkbox"/> 1 Hour
Council Action Requested: <input type="checkbox"/> Information/Review <input checked="" type="checkbox"/> Motion to approve... <input type="checkbox"/> Motion to deny... <input type="checkbox"/> Other <input type="checkbox"/> Budget Change	
Background: At the last meeting the Council asked for the City Attorney to provide his input about this program. His memo is attached.	
<p>Some other considerations that were talked about were only to credit the first three homes for WAC/SAC charges and not include a second meter. This makes sense if someone is not interested in the second meter. It also provides for less discrimination and less variance for when the City credits a new home buyer. The City could also discuss not requiring a minimum home value. I believe the intent of this program is to encourage new growth in the City, having a minimum home value may contradict future growth. The following are a few examples to consider before approving the Resolution:</p> <ul style="list-style-type: none"> • WAC/SAC only means the City would credit a total of \$22,748.13 if three participated in the program. It would be \$30,330.84 if 4 homes were allowed to participate. • If the City includes "other" permit fees and a second meter up to \$10,000 the total cost to a participant will vary depending on how much the home is worth. In some cases a participant may not have to pay anything. 	
Supporting Documents: <input type="checkbox"/> Attached <input type="checkbox"/> None	
Department Head Signature/Date:	
Clerk/Treasurer Signature/Date:	

MEMORANDUM

To: Clearwater City Council and City Administrator

From: City Attorney

Date: March 2, 2016

Re: Analysis of Potential Conflict Issues Regarding the Residential Growth Incentive Program

A question was raised at the February 6, 2016 Council meeting as to whether there may be any conflict of interest issues if a member of the Council who has voted to enact or continue the Residential Growth Incentive Program (“RGIP”) thereafter participates in the benefits afforded by the RGIP. Since the RGIP in essence involves-at least indirectly-the expenditure of public funds (by not charging a portion of building permit fees that otherwise would be charged), another question that may be asked is if the City has the legal authority to expend public funds for such a purpose. I will address the second question first.

I. Lawful Expenditures of Public Funds

Cities may spend money only for authorized purposes. Any expenditure of public funds must satisfy the following factors to be considered lawful: (1) public purpose – there must be a public purpose for the expenditure; (2) authority – there must be specific or implied authority for the expenditure in state statute; and (3) procedure – the City Council must properly approve the expenditure.

Minn. Stat. § 412.221 grants city councils broad powers, including the power to provide for and promote the general welfare of the city. Thus the second requirement noted above - (2) authority - is not at issue here. The issues focused on here are factors (1) - whether there was sufficient *public purpose* for the RGIP; and (3) - the *procedure* for approving the RGIP and whether enacting the RGIP creates a conflict of interest if a council member participates in the RGIP.

A. Public Purpose:

The Minnesota Constitution requires that taxes must be used for a public purpose. Minn. Const. art. X, § 1. Whether something constitutes a “public purpose” is subject to interpretation. The Minnesota Supreme Court has followed a rather liberal approach, and has generally concluded that a “public purpose” exists when an expenditure meets all of the following standards:

- (1) It benefits the community as a whole;
- (2) It is directly related to function of government;
- (3) It does not have as its primary objective the benefit of a private interest.

1. *Benefits the Community:* The RGIP applies on its face to all in the community and beyond. If a person meets the program requirements that person may receive the benefits of the program. Moreover, the RGIP has been published to the public through City Council meetings, so all in the community are being made aware of it. The fact that only the first few qualifying applications receive the benefits should not be an issue because any community member could benefit from the program if they meet the requirements and are among the first few applicants. Furthermore, the primary object of the RGIP is to increase new housing in the City of Clearwater, which clearly benefits the community as a whole.

2. *Directly Related to Government Function:* This factor is met. Giving a credit on building permit fees as an inducement to build a new house in the City is directly related to the power of the Council to promote the general welfare of the City.

3. *Primary Object Is Not For A Private Interest:* The primary object of the RGIP is to increase new housing development in the City of Clearwater. It is not directed toward any private interest. While it could be said that the expenditure benefits the private interests of those who receive the benefit, that is not the primary purpose of the RGIP. As stated above, any community member could benefit from the program if they meet the requirements.

It is my opinion that the RGIP satisfies the public purpose requirement.

B. Procedure:

A Resolution enacting or continuing the RGIP, if adopted by a majority vote of the Council, is sufficient to satisfy the procedure requirement for the expenditure of public funds through the program. I recommend, however, that the Resolution be expanded to clarify the program requirements. For example, the Resolution should clarify whether the valuation requirement amount does or does not include land value; and should clarify how the first three permit applications are determined (by over-the-counter filing or by mail postmark date? What if an apparent “first-three” application is not complete, and a later application is complete?)

II. Is there a Conflict of Interest:

A. Contractual vs. Non-Contractual Action

Courts have analyzed conflict of interest differently based on whether the underlying government action involves a contract with interested officials or whether it is a non-contractual action. Here the RGIP would be considered a non-contractual action because the City is not directly contracting with an interested individual. The fact that a Council Member may qualify for the benefits of the RGIP does not in my view create a direct contract between that Council Member and the City.

B. Non-Contractual Action – Valid if Non-Interested Council Members Approve Action

The analysis below concerns a city council member's use of authority/position to vote on something where they have a personal disqualifying interest in the matter at the time it is being voted upon. I did not find relevant case law directly dealing with a situation about the use of a benefits program by a council member after voting on it.

Any city official who has personal financial interest in an official non-contractual action is generally disqualified from participating in the action. Conflicts can arise when a council member's own personal interest is so distinct from the public interest that the member cannot fairly represent the public interest.

An example of a potential conflict of interest in regard to the RGIP would be this: if a Council Member has a present intention to apply for and receive the benefits of a RGIP and then votes on the Resolution creating the RGIP-especially if the general public had no meaningful opportunity to learn about and participate in the RGIP before the Council Member participated. In other words, if the RGIP was enacted primarily to enable one or more Council Members to get a discount on permit fees, that could be a conflict problem. However, that is not the case here.

In my opinion, merely being the owner of land upon which a house could be built that qualifies for the benefits under an established RGIP would not disqualify a Council Member from voting upon the Resolution creating the RGIP and then later applying for benefits under the program since the program potentially benefits all landowners in the City of Clearwater.

Frankly, even if a Council Member had a disqualifying personal interest and voted on the Resolution creating the RGIP, the Resolution would not necessarily be void. In contrast to the rules regarding conflict of interest in contract situations, the official action (approving the Resolution) may be valid if the required numbers of non-interested Council Members approve the Resolution.

Conclusion

1. No Legal Conflict of Interest:

Based on the analysis above I think it is likely that City Council action passing a Resolution creating the RGIP, which is related to new housing construction in the City of Clearwater, would be valid because (1) there was sufficient public purpose; and (2) there is no present disqualifying interest of any of the Council Members. Once a Resolution creating/extending the RGIP is properly adopted I am of the opinion that a Council Member may thereafter legally participate in the benefits of the program assuming, of course, that the participating Council Member has met all of the RGIP requirements.

2. Appearance of Conflict of Interest:

I feel I must add that there certainly could be an appearance of a conflict of interest if a City Council Member who voted to create/extend the RGIP thereafter uses the benefits of the program. While there is not a case or statute that specifically addresses this potential non-contractual conflict situation, it still comes down to an appearance of impropriety. A Review Letter was prepared by the Office of the State Auditor (OSA) in response to a conflict of interest question involving the City of Ramsey. The OSA letter contains the following recommendation when examining conflicts of interest:

“More importantly, the City should consider ways to avoid even the appearance of impropriety. The OSA recommends the City take steps to identify and to avoid, mitigate or neutralize potential organizational conflicts of interest. The OSA also recommends that City officials follow the advice offered by the Minnesota Court of Appeals: “Where there is a choice, city officials should avoid actions which may appear tainted of impropriety, even though they are legal.”

Sometimes an appearance of a conflict can be more of a nightmare for the City and a Council Member than an actual conflict. For example, imagine the potential outcry and problems that could be raised by the fourth applicant if one of the three “slots” in the RGIP went to a Council Member. That could be damaging to the image of the City and, frankly, to the image of the participating Council Member.

To avoid the “appearance of impropriety” it would be prudent if the Council Members refrained from participating in the RGIP. That is what I recommend.

Lastly: I do not think that other city employees would have the same issues of potential conflict of interest or even the appearance of impropriety as they did not vote on the program or have any authority in enacting the program.

DJL

**CITY OF CLEARWATER
COUNTIES OF WRIGHT AND STEARNS
STATE OF MINNESOTA**

RESOLUTION NO. 2016-08

**RESOLUTION APPROVING THE CONTINUATION
OF THE RESIDENTIAL GROWTH INCENTIVE PROGRAM IN 2016**

WHEREAS, the City of Clearwater adopted a growth incentive program for new single family homes constructed; and

WHEREAS, the City of Clearwater wishes to continue to promote development within the community through various incentive programs; and

WHEREAS, the Economic Development Authority has budgeted/allocated \$30,000.00 for 2016 to be used for the Residential Growth Incentive Program.

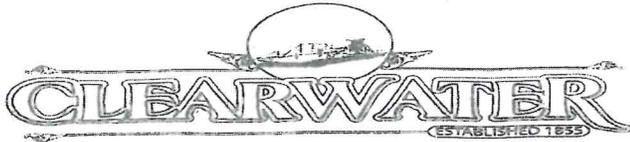
THEREFORE, BE IT RESOLVED, that the City of Clearwater does hereby approve the continuation of the Residential Growth Incentive Program for the first 3 single-family home construction building permits of the year received by city hall with a minimum home value of \$160,00.00 (as determined by the building official and indicated on the building permit as estimated value of the structure) to each receive a credit up to \$10,000 on the fees charged on the combination of the Permit Application and the Application for Connection to Sewer and Water. Building permits must be received by December 31, 2016 to qualify.

Approved this 7th day of March, 2016.

By: _____
Pete Edmonson, Mayor

ATTEST:

Kevin Kress, City Administrator



P.O. Box 9, 605 County Road 75, Clearwater, MN 55320
Office: 320-558-2428 Fax: 320-558-2794

Date Submitted _____
Permit Number _____
Permit Issue Date _____

Building Permit Application

1. CONTRACTOR'S LICENSE NO: _____
 2. SITE ADDRESS: _____
 3. PARCEL NUMBER _____
 4. OWNER (NAME)(ADDRESS)(TEL. NO.) _____

 5. ARCHITECT (NAME)(ADDRESS)(TEL. NO.) _____

 6. BUILDER (NAME)(ADDRESS)(TEL. NO.) _____

 7. LEAD CERTIFICATION: PRE 1978 HOME YES NO
 HOME OWNER DOING WORK YES NO
 CONTRACTOR CERTIFICATION NO. _____
 8. TYPE OF WORK: FIREPLACE HEATING PLUMBING ROOFING
 SIDING NEW CONSTRUCTION GARAGE FINISH BASEMENT
 ALTERATIONS ADDITION SEPTIC PORCH MISC. _____
 9. SIZE OF STRUCTURE: HEIGHT _____ WIDTH _____ DEPTH _____
 10. NO. OF STORIES _____ 11. ESTIMATED VALUE _____
 DESCRIPTION OF WORK: _____

Minnesota State Building Code 1300.0210 subp. 4. states: that the person doing the work authorized by a permit shall notify the building official that the work is ready for inspection.

Minnesota State Building Code 1300.0120 Subp. 11. Expiration. Every permit issued shall become invalid unless the work authorized by the permit is commenced within 180 days after issuance, or if the work authorized by the permit is suspended or abandoned for a period of 180 days after the time the work is commenced.

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction.

Signature of Applicant _____
 Approved By Building Official _____
 Approved by Zoning _____
 City Clerk _____

FOR OFFICE USE ONLY

Taxes Paid YES NO

FEES

Permit Fee _____
 Plan Check Fee _____
 Penalty Fee _____
 Plumbing Fee _____
 Mechanical Fee _____
 State Surcharge Fee _____
 Other Fees _____
 Total Fees _____
 Fee Pd Check # _____
 Receipt # _____

CODE ANALYSIS

Type of Construction _____
 Use of Building _____
 Occupancy Group _____
 Occupant Load _____

Plans & Specs Sets _____
 Survey Copies _____
 Energy Calculations

FIRE SPRINKLER REQUIRED

Yes No

Plumbing Contractor

License Number _____
 Phone Number _____

Mechanical Contractor

License Number _____
 Phone Number _____

NOTES

All inspections shall be called in at least 24 hours in advance by the owner or the owners agent: 877-533-3629



Inspection Services of Central Minnesota Inc.
13297 Shakopee Lake Road, Onamia, MN 56359

City of Clearwater
Application for Connection of Sewer and Water

Street Address of Service _____

Account / Meter Number _____

Size of Water Meter Installed _____

Permit Application Number _____

Name of Owner _____

Owner's Address _____

City Fees

Phone Number _____

Sewer Access (SAC) _____

Name of Excavator _____

Excavator Address _____

Water Line Installation _____

Maintenance Fee _____

Water Access (WAC) _____

Disconnect/reconnect _____

Water Meter _____

Excavator Phone Number _____

Park Dedication _____

Name of Plumber _____

Other Fees _____

Plumber Address _____

Plumber Phone Number _____

TOTAL FEES _____

The undersigned applicant requests permission to install water and sewer service at the above listed service address and to connect to City mains. The undersigned and/or owner agree to comply with all ordinances, rules, and regulations established by the City as conditions for the use of water and sewer and to obtain all proper approvals and inspections. The locations of property lines are the responsibility of the owner and not the City of Clearwater. The property must be surveyed prior to issuance of a building permit. The undersigned further certifies that one of the following statements, as checked, applies to the property for which this application for service pertains:

- _____ 1. That the lot or tract to be served has been assessed for the cost of construction of the mains, with which the connection is made, or that proceedings for levying such assessment have or will be commenced in due course; or
- _____ 2. That the cost of construction of the main has been paid by the developer or builder platting the lot or tract; or
- _____ 3. That if neither of the foregoing is true, a sum equal to the portion of the cost of constructing the mains which would be assessable against the lot or parcel has been paid to the City of Clearwater.

Owner/Builder Signature

Today's Date

Building Official/City Official Signature

Today's Date

AGENDA REQUEST

Name: Wally and Diane Eisenschenk

Address: 265 Bluff Street

Phone number: 320-492-2255 Alternate: 320-492-4718

Date requesting: ~~Feb~~ ^{MARCH 7-16} Allotted time on agenda: 5 min

Number of attendees: 2

Nature of request: To replace curb into driveway with a low approach curb or knock down.

Expectations from Council:

I own 2 classic cars and am a member of a car club where the low profile of the cars will rub on existing curb. The spoilers could crack or break on these cars.

Confirmed Date: _____ Time: _____

Confirmed with requestor: _____

Council meetings are held the first and third Monday's of the month at 7:00pm. in City Hall. Agenda request must be received in City Hall by noon on the Tuesday prior to the scheduled council meeting in order to be put on the agenda for that specific Monday evening.



Wally & Diane Eisenschent
265 Bluff St

Top Photo - Diane's
'73 Javelin - Front Bottom

Bottom Photo - Sons
'03 Ford Rousch Mustang



AutoBarn Classic Cars
800-650-1055
www.autobarnclassiccars.com



Internal Accounting Control Procedures

The City of Clearwater wants to ensure public confidence and retain a financially healthy Community. Therefore it is the intent of the Internal Accounting Control Procedures to provide guidelines that will sustain the fiscal integrity, and ensure proper accountability of the fiscal management of the City.

Adopted this 16th day of May, 2011
Amended this 17th day of October, 2011
Amended this 7th day of May, 2012
Amended this 7th day of March, 2016

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III	Petty Cash / Imprest Fund	8
IV	Capital and General Expenditures	10
V	Payroll	15
VI	Depositories	17
VII	Fund Classification	20

I. Disbursement and Payment of Claims

Goal

The goal of the City Council in establishing an internal control system for cash disbursements is to safeguard the assets of the city and to ensure an appropriate level of fiduciary responsibility.

Objective

The objective of the City Council in meeting this goal is to ensure that cash is disbursed only upon proper authorization of management for valid governmental purposes, and that all disbursements are properly recorded.

Procedures

1. Segregation of Duties

No financial transaction shall be handled by only one person from beginning to end.

- a. Payment of all claims shall be authorized by the appropriate department supervisor, the City Administrator, and the City Council.
- b. Invoices shall be coded by the appropriate department supervisor and then submitted to the Administrative Assistant/Accounting Clerk for recording and processing of payment. In the absence of the Administrative Assistant/Accounting Clerk, the Deputy Clerk or AEM may record and process payments.
- c. Checks shall be signed by the Deputy Clerk and the Mayor. In the absence of either the Deputy Clerk or Mayor, the Acting Mayor shall be designated to sign checks. Checks are signed by electronic signature as approved by the City Council on 10-19-2015.
- d. Bank reconciliations shall be prepared at the close of each month by the Administrative Assistant/Accounting Clerk or AEM.
- e. Financial reports shall be prepared by AEM and presented to the City Council on a quarterly basis.
- f. Office supplies shall be ordered by department supervisors, through the Administrative Assistant/Accounting Clerk. When invoices are received the Administrative Assistant/Accounting Clerk shall indicate which department the supplies are to be allocated to. The City Administrator shall then code the invoice, and submit to the Administrative Assistant/Accounting Clerk for processing.
- g. The Administrative Assistant/Accounting Clerk or Deputy Clerk will mail out all properly processed and signed checks. Check stubs will be attached to the invoice and filed accordingly.

2. Accounting Controls
General Disbursements

- a. All general disbursements will be approved in advance by the City Council. The following exceptions may be made upon approval by the City Administrator:
 - Debt service payments, including principal, interest, and fiscal agent fees
 - Payroll and related liability payments
 - Investment purchases
 - Sales tax payments
 - Postage replenishment
 - Contract or other payments that have specific City Council pre-approved payment instructions
 - Payments in which a substantial discount can be realized by timely payment
 - Payments where a substantial late charge would be incurred if timely payment was not made
 - Payments for regular/reoccurring monthly expenditures
 - Other General expenditures as outlined in Section 4 Capital and General Expenditures
- b. All general disbursements, other than from payroll, petty cash, or made electronically, will be made by pre-numbered checks.
- c. It is not permissible to draw checks payable to Cash.
- d. Under no circumstances will blank checks be signed in advance.
- e. Expenditures must be approved in advance by authorized person(s) as defined within this policy, with the exception of those items as outlined in (a) above and those outlined in Section 4 Capital and General Expenditures.
 - The City will not honor a claim for services or a reimbursement request for services that were provided or performed without prior authorization or a binding contract between that individual or provider and the City. In the event that a claim is submitted to the City for work or service without City authorization, the claim will be disallowed and marked accordingly. City staff shall return a copy of the claim to the claimant identifying the reason for denial.
 - Disallowed claims shall be so marked and kept in a file for an appropriate time period.
- f. All signed checks will be mailed promptly by the Administrative Assistant/Accounting Clerk or Deputy Clerk.
- g. Invoices will be filed with the check stub that identifies the date paid, amount of check and check number.

- h. Invoices and requests for reimbursement will be checked for accuracy and reasonableness before approval.
- i. A monthly check register will be prepared that details the date of the check, check number, amount of check, and description of expense account to be charged.
- j. Unpaid invoices shall be maintained in an unpaid invoice.
- k. Expense reports for travel related expenses shall be submitted on a timely basis, per the Personnel Policy.
- l. Checks by which claims are paid shall have printed on the reverse side, above the space for endorsement: "The undersigned payee, in endorsing this check declares that the same is received in payment of a just and correct claim against the City of Clearwater, and that no part of it has heretofore been paid."
- m. In accordance with M.S. 471.425, subd. 2, claims of the city shall be paid within 35 days from the date of receipt, or as otherwise stipulated by the terms of a contract. Claims not paid within this time frame will be subject to penalty and interest charges assessed by the vendor, as provided for in M.S. 471.425, subd. 4.

Electronic or Wire Transfers

- a. All Electronic and Wire Transfers will generally be for:
 - Debt service payments, including principal, interest, and fiscal agent fees
 - Payroll and related liability and benefit payments
 - Investment purchases
 - Sales tax payments
 - Building Permit Surcharge payments
- b. The City Administrator will document the process and anticipate the funds to be wired to the designated depository on a particular date and time.
- c. The City Administrator will obtain notification from the depository that the wire transfer has been made.
- d. The depository will deliver a wire transfer receipt to the City Administrator who in turn provides that information to the Administrative Assistant/Accounting Clerk.
- e. The Administrative Assistant/Accounting Clerk or AEM will prepare any appropriate general ledger transactions, including payments and adjusting journal entries.
- f. All journal entries shall be reviewed and initialed by the City Administrator and if necessary AEM.
- g. The Administrative Assistant/Accounting Clerk will include electronic or wire transfers on each Claims Listing report.

Credit Cards

- a. In accordance with Minnesota Statute § 471.382, the City Council may authorize the use of a credit card by any city officer or employee otherwise authorized to make a purchase on behalf of the city. If a city officer or employee makes or directs a purchase by credit card that is not approved by the City Council, the officer or employee is personally liable for the amount of the purchase. A purchase by credit card must otherwise comply with all statutes, rules, or city policy applicable to city purchases.
- b. Credit card purchases shall not be allowed except as legally provided for under M.S. 471.382 and by authorization of the city council.

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II. Cash Receipts

Goal

The goal of the city council in establishing an internal control system for cash receipts is to safeguard the assets of the city and to ensure an appropriate level of fiduciary responsibility.

Objective

The objective of the city council in meeting this goal is to ensure that all cash intended for the city is received, promptly deposited, properly recorded, reconciled, and kept under adequate security.

Procedures

1. Segregation of Duties

No financial transaction shall be handled by only one person from beginning to end.

- a. The Administrative Assistant/Accounting Clerk will be responsible for receiving all cash payments to the city, whether by mail or in person. In the absence of the Administrative Assistant/Accounting Clerk, the Deputy Clerk or City Administrator may receive cash payments.
- b. The Administrative Assistant/Accounting Clerk will be responsible for preparing deposits of cash receipts and coding and recording the same in the general ledger accounts of the city.
- c. The Deputy Clerk or City Administrator will be responsible for delivering the deposits to the designated depository.
- d. Invoices for city services shall be prepared by the Deputy Clerk or Administrative Assistant/Accounting Clerk. An accounts receivable register will be maintained by the Administrative Assistant/Accounting Clerk.

2. Accounting Controls

The following common internal controls relate to all receipts:

- a. All receipts including cash, checks, electronic receipts, and wire transfers will be accounted in the general ledger.
- b. All cash and check receipts will be entered into the general ledger in the form of a receipt batch by the Administrative Assistant/Accounting Clerk. All electronic receipts and wire transfers will be entered into the general ledger in the form of a separate receipt batch or adjusting journal entry per occurrence.
- c. Each individual receipt will include the date, amount, remitter, appropriate accounting code, description of the receipt, and initials of the city staff receiving the payment.
- d. The receipt batch total will be reconciled and agreed to the total of all cash, check,

or electronic receipts to be deposited.

- e. All cash and check receipts will be deposited at least weekly.
- f. All deposits will be made by the Deputy Clerk or City Administrator.
- g. A bank receipt will be attached to a copy of the deposit slip by the Administrative Assistant/Accounting Clerk, who will compare for accuracy.

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III. Petty Cash / Imprest Funds

Goal

The goal of the city council in establishing an internal control system for an imprest fund is to safeguard the assets of the city and to ensure an appropriate level of fiduciary responsibility.

Objective

The objective of the city council in meeting this goal is to provide guidelines for the use, safekeeping and reporting standards of the imprest fund, while allowing for small purchases or reimbursements to be made from said fund in accordance with M.S. 412.271, subd. 5.

Procedures

1. Segregation of Duties

The petty cash fund is available to staff to make small purchases or reimbursements, in cash, for items such as postage, office supplies, parking, etc., using the following guidelines:

- a. The Administrative Assistant/Accounting Clerk shall be the custodian of the Petty Cash Fund and will be the only person to have access to the cash.
- b. The City Administrator must approve all withdrawals from the Petty Cash Fund.
- c. The custodian of the Petty Cash Fund shall be responsible for reconciling the fund on a monthly basis and submitting an expense report to the Administrative Assistant/Accounting Clerk.
- d. The Administrative Assistant/Accounting Clerk will make the appropriate entries to record the expenses and will arrange for replenishment of the Petty Cash Fund. A Petty Cash Fund report will be provided to the City Council on a monthly basis.

2. Accounting Controls

The following guidelines will govern the use and keeping of the Petty Cash Fund.

- a. The Petty Cash Fund will not exceed the amount of \$150.
- b. The Petty Cash Fund will be kept by the custodian in a locked cash box. The locked box shall be kept in a secure place. Payment for items costing over \$25 must be made by check rather than reimbursed through petty cash.
- c. Withdrawals from the Petty Cash Fund will be made only by completing a Petty Cash Voucher. The voucher must state the date and amount of the withdrawal, the reason the cash was withdrawn, the expenditure account to which the expense should be charged, and the name and signature of the person receiving the cash.

The voucher shall also contain the signature of the City Administrator approving the withdrawal.

- d. Supporting documentation (receipts, invoices) must be attached to each voucher.
- e. Unannounced counts of petty cash and change will be made on occasion by the City Administrator.
- f. No staff member shall be allowed to cash personal checks, including pay checks, in the petty cash or change funds of the city.
- g. Under no circumstances shall staff members be permitted to borrow from petty cash or change funds for personal use.

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VI. Capital and General Expenditure Policy

Goal

The goal of this policy is to maintain appropriate procedures regarding the procurement, management and disposal of all fixed assets, and to establish and monitor fiscally responsible spending practices.

Objective

To ensure proper accountability and stewardship of the resources available for capital and general expenditures, while maintaining a safe and healthy working environment for all employees and high level service to the residents of the City of Clearwater.

Purchasing Procedures

1. Approval:

Appropriate approval for all capital and general expenditures must be obtained, including department head approval and final approval by the City Administrator.

Certain items purchased regularly from the same vendor do not require prior approval. These items include bulk fuel purchases, periodical subscriptions, memberships, uniforms, or any other items specifically exempted by the City Administrator and/or City Council. For purchases over \$5,000, a regular Purchase Order is required. The City Administrator must provide assurance that City Council or his/her approval, as applicable, has been obtained for the purchase.

These procedures apply to the purchase of supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property. All purchases must be consistent with the approved annual budget. The City Council, and City Staff acknowledge that the budget is a tool used for fiscal responsibility. The City Council and City Staff acknowledge and understand that specific line items may exceed the budgeted amount. The City Council, and City Staff will endeavor to remain on budget.

All telephone or verbal quotes must be followed with written confirmation.

In addition, the following approval procedures apply:

Purchases of less than \$1,000

The purchase may be made in the open market by an authorized purchaser. Authorized purchasers are strongly encouraged to seek quotations from several vendors if the anticipated cost approaches \$1,000.

Purchases from \$1,000 to \$2,500

The purchase should be based on a minimum of two (2) quotations. Quotations may be obtained by telephone or in written form via facsimile, delivery service, or Internet. Quotations must have a specific date and time period for which they are valid. All quotations

should be kept on file for a minimum of one (1) year and include the names of vendors providing the quotations, the amounts of the quotations, and each successful quotation signed and dated. Quotations from unsuccessful bidders should be attached to the payment voucher of the successful bidder. A Purchase Order must be completed. Department Head approval is required. Department Heads are encouraged to consult with the City Administrator prior to a purchase being made.

Purchases from \$2,501- \$5,000

The purchases should follow the procedure for purchases between \$1,000 and \$2,500 but are required to be reviewed by and approved by the City Administrator.

Purchases from \$5,001 to \$100,000

The proposed purchase must be presented to Council for approval before the commencement of the purchasing process. The purchase may be made either via sealed bids or by obtaining three (3) or more written quotations, without advertising for bids or otherwise complying with the requirements of competitive bidding laws. Quotations may be obtained by telephone or in written form via facsimile, delivery service, or Internet. Quotations must have a specific date and time period for which they are valid. All quotations should be kept on file for a minimum of one (1) year and include the names of vendors providing the quotations, the amount of the quotations, and each successful quotation signed and dated. If quotations are obtained by phone, they must be followed up with a signed quotation to be considered a valid quotation. The quotations must be forwarded to the City Council for selection and approval. This approval shall be accomplished by an agenda write-up submitted for consideration at a regularly scheduled Council meeting.

Purchases exceeding \$100,000

The proposed purchase must be presented to Council for approval before the commencement of the purchasing process. Purchases or contracts exceeding \$100,000 require formal sealed bids solicited by public notice in accordance with Minnesota Statute 471.345, Subd.3. The purchaser shall prepare or cause to be prepared, the specifications, the advertisement to solicit sealed bids, the opening and tabulation of bids, and any necessary investigation of the bids. The City's designated representative shall recommend to the City Council which bid is the lowest, responsible bid. The City Council shall determine the lowest responsible bidder and shall accept such bid. In all cases, the City Council reserves the right to accept or reject any or all of the bids, and waive informalities therein.

The City has reasonable discretion in determining the lowest responsible bidder. Not only must a successful bidder submit the lowest bid price and substantially meet the terms and conditions of the specifications, the low bidder must be considered "responsible" and have the capacity to perform the proposed contract. "Responsibility" includes such considerations as the bidders' financial responsibility, integrity, ability, skill, and likelihood of providing faithful and satisfactory performance. There is more latitude in purchasing items of equipment not capable of exact specifications. In making such a purchase, the City Council may exercise reasonable discretion in determining the lowest responsible bidder. The City Council may

consider, in addition to the bid price, the quality, suitability, and adaptability of the article for its intended use.

2. Competitive Bidding:

In accordance with M.S. 471.345, the City will use the competitive bidding process for contracts and purchases that exceed \$100,000; excepting those purchases made through the State of Minnesota Cooperative Purchasing Venture (CPV) Program. A bid bond in the amount of 5% of the bid is required when using the competitive bidding process to ensure that the successful bidder enters into a contract with the city. In addition, a performance bond and a payment bond are required for all services exceeding \$75,000, as defined by M.S.574.26. All contractors, regardless of the amount of contract for services, are required to complete Department of Revenue Form IC-134 before final payment.

Exclusions from Competitive Bidding Requirements

It is not legally necessary to advertise for bids for:

1. Professional services such as those provided by doctors, engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or professional training. Before contracting any professional service over \$4,999, City Council approval is required. The City Council will decide if quotations or bids are appropriate even though not legally required;
2. The purchase or lease of real estate;
3. The purchase of non-competitive products patented or obtainable from only one source. Demonstration of this circumstance must meet statutory requirements for a “sole source vendor” purchase.

3. Price Agreements:

Price agreements may be used to acquire items the City frequently purchases in small quantities, i.e. gasoline, propane, and heating fuel. A price agreement is a contract between the City and a vendor. Under it, the vendor agrees to supply all of the City’s requirements for the specified commodity during the period of agreement. The price may be fixed or variable, such as a fixed discount from market price. Such price agreements expedite delivery, reduce paperwork, and generally result in lower prices. The procedure for “Purchases of less than \$1,000” applies.

4. Emergency Purchasing:

When an emergency occurs that may jeopardize public safety or the health and welfare of employees or citizens, department heads may authorize a necessary emergency purchase. Department head emergency purchases and the reason for the purchase shall be reported in writing to the City Administrator within 24 hours. At least two (2) competitive quotations should be utilized whenever possible as part of the process.

In an emergency situation, the City Council may dispense with the bidding requirements of state contract law. Before deciding if an emergency exists, the City Council shall consult with a competent attorney.

5. Disaster Purchasing:

The Mayor may declare a local disaster or emergency. The declaration shall not be continued for a period in excess of three (3) days except by, or with the consent of, the City Council. A disaster may result from fire, flood, tornado, blizzard, destructive winds, or other natural causes, or from sabotage, hostile action, or from hazardous material mishaps or catastrophic measures, or emergencies that are technological in nature.

During a declared emergency, the City may enter into contracts and incur obligations necessary to combat the disaster by protecting the health and safety of persons and property, and providing assistance to victims of such disasters. The City may exercise such power as deemed necessary without complying with purchasing procedures prescribed by law pertaining to the performance of public work, entering into rental equipment agreements, purchase of supplies and materials, limitations upon tax levies, and the appropriation and expenditures of public funds, including, but not limited to, publication of resolutions, publication of call for bids, provisions of personnel laws and rules, provisions related to low bids, and requirement for budgets.

6. Cooperative Purchasing:

The City may increase savings from bulk discounts by making purchases jointly with one or more governmental units through joint powers agreements. Under these programs, several governmental units can enter into an agreement to authorize one party to solicit bids and provide for the purchase at the option of each participating governmental unit. Once the governmental units agree on the specifications of the item, one party may advertise for bids on behalf of all the parties that participate in the agreement. Rather than specify a specific number of items, the advertising participant will advertise for a range of quantities estimated for the entire group. Each participating unit can make the final decision on whether to purchase the items from the successful bidder.

The City may also participate in the Cooperative Purchasing Venture (CPV) administered by the Minnesota State Board of Administration.

7. Disposal and Acceptance of Fixed Assets:

Fixed Asset - Equipment, property, buildings, vehicles and improvements that have an original or historic cost of \$5,000 or more, have an average useful life of three years or longer, when added to the original asset, extend the useful life of the asset, and meet the following criteria:

Equipment

- a. the item retains its original shape and appearance with use;
- b. it is non-expendable (not a supply);
- c. it represents an investment;

- d. it does not lose its identity by incorporating it through a different or more complex item;
- e. includes furniture but excludes built-in equipment which is considered part of the building;
- f. the item is not a repair part.

Property

- a. initial acquisition of real estate;
- b. improvements such as trees, shrubs, wells, septic systems, walkways, driveways, fences and other man-made improvements. An improvement must increase the value of the property.

Vehicles

- a. original cost of all transport vehicles and trailers that are not classified as equipment and can be registered for use on public highways;
- b. amounts paid under installment or lease contracts that have a terminal date and result in the acquisition of the vehicle.

Infrastructure

- a. the original cost of street or trail construction, including lighting systems, sidewalks, and bridges;
- b. the original cost of underground and above-ground utility systems, including water, sanitary sewer and storm sewer. Includes water towers, well houses and lift stations.

Disposal of fixed assets and other city property will be governed by applicable Minnesota Statutes. The City Council shall approve an annual Capital Equipment Budget, which shall include the identification of equipment to be disposed of. City Staff, at their discretion, shall abide by the following guidelines to achieve the highest level of return on the equipment:

- a. Trade In
- b. Auction
- c. Sealed Bids
- d. Advertising – Form that will best reach the appropriate audience
 - 1. Local Newspaper
 - 2. League of Minnesota Cities
 - 3. City Website
 - 4. Other

City Staff shall report in a timely manner to the City Council of any pending disposal transactions. If it is determined that one of the afore mentioned forms of disposal is not the best means and will not provide the City with the highest level of return, then City Staff shall seek approval from the City Council.

Acceptance of contributions of fixed assets or other property shall be in accordance with applicable Minnesota Statutes and shall be the responsibility of the city council. The City Administrator will be notified of any asset acquired by means of contribution. Donated fixed assets shall be recorded at fair market value.

V. Payroll

Goal

The goal of the city council in establishing an internal control system for payroll disbursements is to safeguard the assets of the city and to ensure an appropriate level of fiduciary responsibility.

Objective

The objective of the city council in meeting this goal is to ensure that payroll disbursements are made only upon proper authorization to bona fide employees, that payroll disbursements are properly recorded, and related legal requirements (such as payroll tax deposits) are complied with.

Procedures

1. Segregation of Duties

- a. Each employee shall track time and complete time sheets in the prescribed manner of the Personnel Policy.
- b. Council members, Board members and Fire Department members shall be compensated as described in the City's ordinance and/or policy. When payment is determined by attendance at meetings, attendance sheets must be provided.
- c. The Administrative Assistant/Accounting Clerk or AEM shall process all payrolls.
- d. All pay stubs will be emailed unless a request is made to the City Administrator to provide a printed copy in a sealed envelope.
- e. The City Administrator shall review the payroll register, and the Administrative Assistant/Accounting Clerk will post payroll to the general ledger. The posting Journal Entry will be reviewed and initialed by the City Administrator.
- f. The Administrative Assistant/Accounting Clerk or AEM will prepare all payroll related tax withholding deposits and reports.
- g. The Administrative Assistant/Accounting Clerk or AEM shall prepare year-end W-2's to employees and respond to inquiries regarding the same.

2. Accounting Controls

The following common internal controls relate to payroll:

- a. Time sheets are required to document employee hours, including overtime, and leave time.
- b. Employment records will be maintained for each employee that detail wage rates, benefits, taxes withheld, and any changes in employment status.

- c. Payroll-related taxes, including employer share, shall be withheld and paid to the appropriate government agency on a timely basis.
- d. Written personnel policies shall dictate the accounting for vacations, holidays, sick leave and other benefits.
- e. A list of payroll checks written, with appropriate taxes withheld, will be maintained in a separate payroll register.

VI. Depositories

Goal

The goal of the City is to ensure that the funds deposited are federally insured and that the appropriate collateral has been furnished to protect funds deposited in excess of the FDIC Coverage.

Objective

The safety of public funds should be the foremost objective in public funds management.

Procedures

1. Designating a Depository

Pursuant to Minnesota Statutes § 118A, all city councils must designate one or more financial institutions as a depository of city funds. A city may designate one or more of the following financial institutions as a depository:

1. Savings associations
2. Commercial banks
3. Trust companies
4. Credit unions
5. Industrial loan and thrift companies

Depository Guidelines:

- a. Annual designation of the City of Clearwater depositories will be made by the City Council during the first council meeting of the New Year.
- b. Designation of depositories will be made by a City Council resolution and the resolution will state the terms and conditions of the deposit and be filed with the City Administrator.
 - a. City of Clearwater will be one or more of the above mentioned financial institutions.

2. Collateralization of Public Deposits

Collateralization of public deposits through the pledging of appropriate securities or surety bonds by depositories is an important safeguard for such deposits. Pursuant to Minnesota Statute § 118A.03 (2007), deposited amounts in excess of the federal deposit insurance limits must be protected by collateral security or a corporate surety bond executed by a company authorized to do business in the state which, when computed at its market value, shall be at least ten percent more than the amount of the excess deposit at the close of the banking day. Likewise, if a deposit is made in a nonmember bank (not covered by FDIC insurance), a city will need to obtain collateral or a corporate surety bond even if the deposit is less than the federal deposit insurance limit. The financial institution may furnish both a surety bond and collateral aggregating the required amount.

State and local government depositories should take all possible actions to comply with federal requirements in order to ensure that their security interests in collateral pledged to secure deposits are enforceable against the receiver of a failed financial institution. The city must ensure that the following criteria must be met in order to perfect a security interest in pledged collateral under federal law:

- The assignment must be in writing;
- The assignment must have been approved by the depository's board of directors or loan committee, and the approval must be reflected in the minutes of the board or committee;
- The assignment must have been continuously, from the time of its execution, an official record of the depository.

Collateralization Guidelines:

- a. The City Administrator will ensure that a collateralization pledge is received from each city depository following the first depository board meeting of each year.
- b. The City Administrator will ensure that each collateralization pledge:
 - 1. Must be accompanied by a written assignment to the city from the financial institution.
 - 2. Assignment must state that, upon default, the financial institution must release to the city on demand, free of exchange or any other charges, the pledged collateral.
- c. The City Administrator will ensure that the assignment was approved by the depository's board of directors, and that the approval is reflected in the minutes of the board and that a copy of the depository board of director's minutes be kept on file with the City.
- d. The City Administrator will verify that the assignment has been continuously, from the time of its execution, an official record of the depository.
- e. The City Administrator will verify that the collateral is one of the following as per Minnesota Statute § 118A.03, subd. 2:
 - 1. United States government treasury bills, notes, or bonds;
 - 2. Issues of a United States government agency or instruments that are quoted by a recognized industry quotation service available to the government entity;
 - 3. A general obligation of a state or local government, with taxing powers, rated "A" or better;
 - 4. A revenue obligation of a state or local government, with taxing powers, rated "AA" or better;
 - 5. General obligation securities of a local government with taxing powers pledged as collateral against funds deposited by that same local government entity;
 - 6. An irrevocable standby letter of credit issued by a Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard and Poor's.
 - 7. Time deposits that are fully insured by any federal agency.

- f. The City Administrator will ensure that the depository pledged collateral when computed at its market value, is at least ten percent more than the amount of the excess deposit at the close of the banking day which by definition incorporates a financial institution's cutoff hour.

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VII. Fund Classification

Goal

The goal of the City is to be in compliance with GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*.

Objective

To provide for clearer fund balance classifications, for proper commitment and assignment of funds, and to identify acceptable minimum fund balances.

Procedures

Classifying Fund Balance

Funds shall be classified based on the nature of the particular resources. Funds shall be identified as nonspendable, restricted, committed, assigned and unassigned as defined below.

<i>Classification</i>		<i>Definition</i>
Nonspendable		Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
Restricted		Fund balance should be reported as restricted when constraints placed on the use of resources are either: a Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b Imposed by law through constitutional provisions or enabling legislation.
Unrestricted	Committed	Used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
	Assigned	Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
	Unassigned	The residual classification for the General Fund. This is the fund balance that has not been reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

Unrestricted Fund Balance

The unrestricted fund balance is the amount of fund balance left after determining both nonspendable and restricted net resources. Therefore unrestricted includes committed, assigned, and unassigned classified funds.

Minimum Fund Balance

Whereas the State Auditor's Office has recommended an acceptable unrestricted fund balance of 35 to 50 percent of total current expenditures for the General Fund Operating Budget. The

City of Clearwater has identified that an unrestricted fund balance of 50 percent of its annual general fund budget will ensure the financial integrity of the City. The goal will be to maintain a 50 percent balance and not allow it to decrease below 40 percent. Considerations shall be given to financial resources, tax revenue collection cycles, predictability of revenues and the volatility of expenditures, to maintain the desired level of unrestricted fund balance. The City Council, City Administrator and AEM shall diligently work together through proper fiscal management to create a balanced budget which will provide for and protect the unrestricted fund balance of the City.

Order of Resource Use

In the event that expenditure is incurred for purposes of which both restricted and unrestricted fund balances are available, the City will first use the restricted funds that are available for that purpose. Once those have been exhausted, then the unrestricted funds will be used. When using the restricted funds, the City must ensure that the integrity of the restricted funds remains in tact, and that funds are not depleted in a manner that could impact other restricted purposes of those funds.

When it has been determined that restricted funds are not available and that unrestricted funds will be used, the City will then determine which unrestricted fund classification it will be taken from. Funds shall be considered in the following order: committed funds first, then assigned funds, and lastly the unassigned funds. When determining which funds to utilize the City needs to be aware of each funds purpose and the balances that exist, and the need to retain an unrestricted fund balance.

Oct 28 at 7:13 PM

Nic Bosquez <Nic.Bosquez@fairchildequipment.com>

To johnnyschmidt@frontiernet.net

Hello John,

Thanks for taking the time to meet with me and Ray today. It was great to chat with you guys again. Below you will find quotes for a couple different grapple buckets as well as one for a stump grinder. I have sold all of the attachments below and all of my customers have been impressed with what these units will do. I have also included a link to the catalog which will show more detail about the attachments and also prices. When you click the link it will ask you to put in an email address to continue, You can put in your own and it should bring you to the page that pertains to the attachment I have quoted. You can feel free to book mark the Erskine link if you like, then you can look through there anytime you like. Also if you see anything else you would like a price on please let me know. As I mentioned today, you will notice a discount on all of the pieces I am quoting you. Please let me know if you have any questions or if you need anything else. Thanks again for all your time.

"NEW" Erskine "Stump Grinder"<http://www.erskineattachments.com/catalog/#p=80>

RETAIL PRICE: \$6,260 (with couplers & wire harness)

DISCOUNT: - \$995.50

YOUR PRICE: \$5,254.50 (includes Couplers & wiring harness)**"NEW" Erskine "Industrial Grapple Bucket"**<http://www.erskineattachments.com/catalog/#p=48>

RETAIL PRICE: \$3,920 (With Couplers)

DISCOUNT: - \$700

YOUR PRICE: \$3,220 (Includes Couplers)**"NEW" Erskine "Grapple Rod Bucket"**<http://www.erskineattachments.com/catalog/#p=52>

RETAIL PRICE: \$4,095 (Includes couplers)

DISCOUNT: - \$700

YOUR PRICE: \$3,520 (Includes Couplers)

Have a good one,

Nic Bosquez
Account Manager
Fairchild JCB
Cell:612-562-1453
Fax: 763-434-8238

er Games Groups Answers Screen Flickr More v

Search Mail

Search Web

Home

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930M Quote (4) People

johnnschmidt@frontiernet.net Sam, Any Nov 2 at 2:36 PM

Sam Meacham It should be in house end o Nov 2 at 2:38 PM

johnnschmidt@frontiernet.net Thanks fc Nov 3 at 7:29 AM

Sam Meacham <Sam.Meacham@zieglercat.com> Dec 7 at 9:28 AM
To johnnschmidt@frontiernet.net

John,

60" Pallet forks with a 60" carriage for the 930M are \$2,990.00,
60" construction forks with a 96" carriage are \$6,170.00.

Stump grinder for your machine with standard flow hydraulics is \$7,060.00.

CAT

72" STD duty dual grapple bucket is \$3,300.00 this includes the cylinder guards and bolt on cutting edge.

Let me know if you would like to order any of these.

Thanks,

Sam Meacham
Territory Manager | Ziegler CAT
901 West 94th Street | Minneapolis, MN 55420
p 952.888.4121 | c 651.271.1090 | f 952.887.5827
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EXHIBIT A

TITLE AND SUMMARY OF ORDINANCE 2016-03

**AN ORDINANCE OF THE CITY OF CLEARWATER, MINNESOTA
REPEALING AND REPLACING THE MUNICIPAL CODE
CHAPTER 34 ARTICLE II**

The City Council of the City of Clearwater, Minnesota, Counties of Wright and Stearns, does hereby repeal and replace Chapter 34 Article II of the Clearwater Code.

The purpose for repealing and replacing Chapter 34 Article II of the Code is to establish specialty and recreational vehicle regulations, incorporating agency rules and regulations, and providing for penalty for violation thereof.

A complete copy of the Ordinance is available for inspection at the City Office, 605 County Road 75, Clearwater MN 55320, and on the City's website at www.clearwatercity.com.

Adopted by the Clearwater City Council on the 7th day of March, 2016.

Pete Edmonson, Mayor

Attest:

Kevin Kress, City Administrator

CERTIFICATION

I, Kevin Kress, City Administrator of the City of Clearwater, Minnesota, do hereby certify that the foregoing Resolution is a true and exact copy of the Resolution presented to and adopted by the City Council of the City of Clearwater, at a duly authorized meeting thereof, held on the 7th day of March, as shown by the minutes of said meeting in my possession.

Kevin Kress, City Administrator

ORDINANCE NO. 2016-03

AN ORDINANCE OF THE CITY OF CLEARWATER, MINNESOTA, ESTABLISHING SPECIALTY AND RECREATIONAL VEHICLE REGULATIONS, INCORPORATING AGENCY RULES AND REGULATIONS, AND PROVIDING FOR PENALTY FOR VIOLATION THEREOF.

THE CITY COUNCIL OF THE CITY OF CLEARWATER HEREBY ORDAINS:

SECTION 1. Chapter 34 Article II of the Clearwater Code is hereby repealed and replaced and shall read as follows:

1. SPECIAL AND RECREATIONAL VEHICLES: MOTORIZED GOLF CARTS, UTILITY TASK VEHICLES, CLASS 1 & 2 ALL-TERRAIN VEHICLES, SNOWMOBILES AND MINI-TRUCKS.

(A) PERMIT REQUIREMENTS AND OTHER REGULATIONS

(1) No person shall operate a motorized golf cart, utility task vehicle, class 1 or class 2 all-terrain vehicle, or mini-truck on streets, alleys, sidewalks or other public property without obtaining a permit as provided herein.

(2) Every application for a permit shall be made on a form supplied by the city and shall contain all of the following information:

- (a) The name and address of the applicant.
- (b) The nature of the applicant's physical handicap, if any.
- (c) Model name, make, and year and number of the motorized golf cart, class 1 or class 2 all-terrain vehicle, or mini-truck.
- (d) Current driver's license or reason for not having a current license.
- (e) Other information as the city may require.

(3) An annual permit fee shall be as set forth in the Ordinance Establishing Fees and Charges adopted by the City Council annually, as that ordinance may be amended from time to time.

(4) A separate permit is required for each special and recreational vehicle. Permits issued to dealers may be transferred for the purpose of test-driving a vehicle. However, a separate permit is required for each vehicle used for the operation of a business.

(5) Permits shall be issued for a period of one year and may be renewed annually Jan. 1 to Dec. 31. Permit fees will not be prorated

(6) No permit shall be issued or renewed unless the following conditions are met:

- (a) The applicant shall be required to submit a certificate signed by a physician that the applicant is able to safely operate a motorized golf cart, utility task vehicle or class 1 and class 2 all-terrain vehicle on the roadways designated.
- (b) The applicant must provide evidence of insurance in compliance with the provisions of Minnesota Statutes concerning insurance coverage for the golf cart, utility task vehicle, class 1 and class 2 all-terrain vehicle, or mini-truck.
- (c) The applicant has not had his or her driver's license revoked as the result of criminal proceedings.

(7) Motorized golf carts, utility task vehicles, class 1 and class 2 all-terrain vehicles, and mini-trucks are permitted to operate only on city streets, not state or federal highways, except to cross at designated intersections. Only golf carts are permitted to travel on City owned trails, paths and assigned parks.

(8) Motorized golf carts, utility task vehicles and class 1 and class 2 all-terrain vehicles may only be operated on designated roadways from sunrise to sunset. They shall not be operated in inclement weather conditions or at any time when there is insufficient light to clearly see persons and vehicles on the roadway at a distance of 500 feet.

(9) Motorized golf carts shall display the slow-moving vehicle emblem provided for in Minn. Stat. § 169.045, as it may be amended from time to time, when operated on designated roadways.

(10) Motorized golf carts, utility task vehicles, class 1 and class 2 all-terrain vehicles, and mini-trucks shall be equipped with a rear-view mirror to provide the driver with adequate vision from behind as required by Minn. Stat. § 169.70.

(11) The operator of a motorized golf cart, utility task vehicle, class 1 and class 2 all-terrain vehicle, or mini-truck may cross any street or highway intersecting a designated roadway.

(12) Every person operating a motorized golf cart, a utility task vehicle, class 1 and class 2 all-terrain vehicle, or a mini-truck under permit on designated roadways has all the rights and duties applicable to the driver of any other vehicle under the provisions of Minn. Stat., ch. 169, as it may be amended from time to time, except when these provisions cannot reasonably be applied to motorized golf carts or mini-trucks and except as otherwise specifically provided in Minn. Stat. § 169.045(7), as it may be amended from time to time.

(13) The City Council may suspend or revoke a permit granted hereunder upon a finding that the holder thereof has violated any of the provisions of this Chapter or Minn. Stat., ch. 169, as it may be amended from time to time, or if the city determines there is evidence that the permit holder cannot safely operate the motorized golf cart, utility task vehicle, class 1 and class 2 all-terrain vehicle, or mini-truck on the designated roadways.

(14) The number of occupants on a golf cart, utility task vehicle, class 1 and class 2 all-terrain vehicle, or mini-truck may not exceed the designated design occupant load for such vehicle.

(B) DEFINITIONS –

For the purpose of this Chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DRIVER. The person driving and having physical control over the motorized golf cart, utility task vehicle, class 1 and class 2 all-terrain vehicle, or mini-truck.

MOTORIZED GOLF CART. Any passenger conveyance being driven with four wheels with four low-pressure tires that is limited in engine displacement of less than 800 cubic centimeters and total dry weight less than 800 pounds.

CLASS 1 ALL-TERRAIN VEHICLE. An all-terrain vehicle that has a total dry weight of less than 900 pounds.

CLASS 2 ALL-TERRAIN VEHICLE. An all-terrain vehicle that has a total dry weight of 1,000 to 1,800 pounds.

UTILITY TASK VEHICLE. As defined by Minn. Stat. § 169.045, subd. 1 (3), a side-by-side, four-wheel drive, off-road vehicle that has four wheels, is propelled by an internal combustion engine with a piston displacement capacity of 1,200 cubic centimeters or less, and has a total dry weight of at least 1,800 pounds but less than 2,600 pounds.

MINI-TRUCK. As defined in Minn. Stat. § 169.01, subd. 40(a), a motor vehicle that has four wheels; is propelled by an electric motor with a rated power of 7,500 watts or less or an internal combustion engine with a piston displacement capacity of 660 cubic centimeters or less; has a total dry weight of 900 to 2,200 pounds; contains an enclosed cabin and a seat for the vehicle operator; commonly resembles a pickup truck or van, including a cargo area or bed located at the rear of the vehicle; and was not originally manufactured to meet federal motor vehicle safety standards required of motor vehicles in the Code of Federal Regulations, title 49, sections 571.101 to 571.404, and successor requirements. A mini-truck does not include: an electric vehicle or a medium-speed electric vehicle as defined by § 73.11; or a motor vehicle that meets or exceeds the regulations in the Code of Federal Regulations, title 49, section 571.500, as it may be amended from time to time.

(C) Authorized city staff and emergency personnel may operate city owned motorized golf carts, ATVs, UTVs, and mini-trucks without obtaining a permit within the city on city streets, sidewalks, trails, rights-of-way, and public property when conducting city business.

(D) Mini-truck equipment requirements:

- (1) A mini-truck may be operated under permit on designated roadways if it is equipped with all of the following:
 - (a) At least two headlamps.
 - (b) At least two tail lamps.
 - (c) Front and rear turn-signal lamps.
 - (d) An exterior mirror mounted on the driver's side of the vehicle and either an exterior mirror mounted on the passenger's side of the vehicle or an interior mirror.
 - (e) A windshield.
 - (f) A seat belt for the driver and front passenger.
 - (g) A parking brake.

2. OPERATION OF ELECTRIC PERSONAL ASSISTIVE MOBILITY DEVICES.

(A) *ELECTRIC PERSONAL ASSISTIVE MOBILITY DEVICE* means a self-balancing device with two nontandem wheels, designed to transport not more than one person, and operated by an electric propulsion system that limits the maximum speed of the device to 15 miles per hour.

(B) Except as otherwise provided by law, a person operating an electric personal assistive mobility device has the rights and responsibilities of a pedestrian.

(C) *Operation.*

- (1) An electric personal assistive mobility device may be operated on a roadway, sidewalk or bicycle path if operated in compliance with the regulations set forth in this Chapter.
- (2) No person may operate an electric personal assistive mobility device on a roadway, sidewalk, or bicycle path at a rate of speed that is not reasonable and prudent under the conditions. Every person operating an electric personal assistive mobility device on a roadway, sidewalk, or bicycle path is responsible for becoming and remaining aware of the actual and potential hazards then existing on the roadway, sidewalk or bicycle path and must use due care in operating the device.
- (3) An electric personal assistive mobility device may be operated on a roadway only under the following circumstances:
 - (a) While making a direct crossing of a roadway in a marked or unmarked crosswalk.
 - (b) Where no sidewalk is available.
 - (c) Where a sidewalk is so obstructed as to prevent safe use.
 - (d) When so directed by a traffic control device or by a peace officer.
 - (e) Temporarily in order to gain access to a motor vehicle.
 - (f) As provided in division (7) below by City Council resolution.

(4) An electric personal assistive mobility device may not be operated at any time on a roadway with a designated speed limit of more than 35 miles per hour except to make a direct crossing of the roadway in a marked crosswalk.

(5) An electric personal assistive mobility device may not be operated at any time while carrying more than one person.

(6) *Designated exclusive city streets.* The City Council may, by resolution, designate exclusive city streets within its jurisdiction where the operation of electric personal assistive mobility devices is not permitted.

(7) A person operating an electric personal assistive mobility device on a sidewalk must yield the right-of-way to pedestrians at all times. A person operating an electric personal assistive mobility device on a bicycle path must yield the right-of-way to bicycles at all times.

(8) An electric personal assistive mobility device may not be operated unless the device bears reflectorized material on the front, back, and wheels, visible at night from 600 feet when illuminated by the lower beams of headlamps of a motor vehicle.

3. MOTORIZED FOOT SCOOTERS

(A) ***MOTORIZED FOOT SCOOTER*** means a device with handlebars designed to be stood or sat upon by the operator, and powered by an internal combustion engine or electric motor that is capable of propelling the device with or without human propulsion, and that has no more than two 12-inch or smaller diameter wheels and has an engine or motor that is capable of a maximum speed of 15 miles per hour on a flat surface with not more than 1 percent grade in any direction when the motor is engaged. An electric personal assistive mobility device, a motorized bicycle, an electric-assisted bicycle, or a motorcycle is not a motorized foot scooter.

(B) Operation of a motorized foot scooter on city bicycle paths, bicycle lanes, bicycle trails, or bikeways is prohibited except as provided in division (C) below.

(C) The City Council may, by resolution, designate specific bicycle paths, bicycle lanes, bicycle trails, or bikeways as available for use by motorized foot scooters.

(D) Every person operating a motorized foot scooter shall have all rights and duties applicable to the operator of a bicycle, except in respect to those provisions relating expressly to motorized foot scooters and in respect to those provisions of law that by their nature cannot reasonably be applied to motorized foot scooters.

(E) No person may operate a motorized foot scooter upon a sidewalk, except when necessary to enter or leave adjacent property. No person may operate a motorized foot scooter that is carrying any person other than the operator.

(F) No person under the age of 12 years may operate a motorized foot scooter.

(G) No person under the age of 18 years may operate a motorized foot scooter without wearing properly fitted and fastened protective headgear that complies with standards established by the commissioner of Public Safety.

(H) A motorized foot scooter must be equipped with a headlight and a taillight that comply with standards established by the Commissioner of Public Safety if the motorized foot scooter is being operated under conditions when vehicle lights are required by law.

(I) A person operating a motorized foot scooter on a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway, except in the following situations:

- (1) When overtaking and passing another vehicle proceeding in the same direction.
- (2) When preparing for a left turn, in which case the operator shall stop and dismount at the right-hand curb or right edge of the roadway, and shall complete the turn by crossing the roadway on foot, in compliance with restrictions placed by law on pedestrians.
- (3) When reasonably necessary to avoid impediments or conditions that make it unsafe to continue along the right-hand curb or edge, including, but not limited to, fixed or moving objects, vehicles, bicycles, pedestrians, animals, surface hazards, or narrow lanes.

4. MEDIUM-SPEED ELECTRIC VEHICLES AND NEIGHBORHOOD ELECTRIC VEHICLES

(A) *Definitions.*

- (1) ***MEDIUM SPEED ELECTRIC VEHICLE*** means an electrically powered four-wheeled motor vehicle, equipped with a roll cage or crushproof body design, that can attain a maximum speed of 35 miles per hour on a paved level surface, is fully enclosed and has at least one door for entry, has a wheelbase of 40 inches or greater and a wheel diameter of 10 inches or greater, and except with respect to maximum speed, otherwise meets or exceeds regulations in the Code of Federal Regulations, title 49, section 571.500, and successor requirements.

(2) **NEIGHBORHOOD ELECTRIC VEHICLE** means an electrically powered motor vehicle that has four wheels, and has a speed attainable in one mile of at least 20 miles per hour, but not more than 25 miles per hour on a paved level surface.

(B) Operation of neighborhood electric vehicles on city streets is prohibited except as provided in (C) below.

(C) *Use on designated exclusive city streets.* The City Council may, by resolution, designate exclusive city streets within its jurisdiction where the operation of neighborhood electric vehicles or medium-speed electric vehicles is permissible, provided that no street so designated has a speed limit of more than 35 miles per hour.

(D) A neighborhood electric vehicle or a medium-speed electric vehicle may be operated on public streets and highways only if it meets all equipment and vehicle safety requirements in Code of Federal Regulations, title 49, section 571.500, as it may be amended from time to time.

(E) Authorized city staff and emergency personnel may operate city owned neighborhood electric vehicles and medium-speed electric vehicles within the city on city streets, sidewalks, trails, rights-of-way, and public property when conducting city business.

5. SNOWMOBILES

(A) Definitions.

All definitions as used in M.S.A. § 84.81 are adopted and incorporated as if fully set forth herein. The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Operate means to ride in or on and control the operation of a snowmobile.

Operator means every person who operates or is in actual physical control of a snowmobile.

Owner means a person, other than a lien holder, having the property interest in or title to a snowmobile and is entitled to the use or possession thereof.

Register means the act of assigning a registration number to a snowmobile.

Snowmobile means a self-propelled vehicle designed for travel on snow or ice or a natural terrain steered by wheels, skis or runners.

(B) Snowmobile registration and general requirements.

Except as provided in M.S.A. § 84.82, subd. 6, no person shall operate any snowmobile upon any public street, alley, public lot, lake or stream within the corporate limits of this city, unless such snowmobile has been registered in accordance with state law.

(C) Operation on public streets, parks, waters and land.

(1) Except as provided in subsection (C) (2) of this section, no person shall operate a snowmobile upon any public street, park, alley, lot, lake or stream within the corporate limits of the city between the hours of 10:00 p.m. and 7:00 a.m.

(2) Between the hours of 10:00 p.m. and 7:00 a.m. a snowmobile may be operated only for purposes of leaving a business establishment or residence at which the operator was located and proceeding directly to the operator's residence by the most direct route or proceeding directly outside of the corporate limits of the city over one of the routes authorized in subsection (D) of this section.

(3) At no time shall any snowmobile be operated on any public street within the corporate limits of this municipality at a speed in excess of 20 miles per hour.

(4) Snowmobiles shall not be operated in city parks.

(5) Snowmobiles shall not be operated on any paved public trail.

(6) No snowmobile shall be operated on a public sidewalk.

(7) It is unlawful to intentionally chase, run over, or kill any animal with a snowmobile.

(D) Applicable Regulations and Authorized Routes.

(1) Snowmobiles may be operated only during the period from November 1 through March 30 and only when there is adequate snow cover so that the snowmobile does not damage city streets, sidewalks or other city rights-of-way.

Authorized by the city as entrance/exit access within the corporate limits of the city are the following:

Routes. Snowmobiles are authorized to travel in City limits in correspondence with the map distributed by SnowmobileTrail.com. Specifically,

<http://www.snowmobiletrail.com/us/mn/city/clearwater/>

(2) *Required equipment.* No snowmobile shall be operated upon any public street, alley, lot, lake or stream within the corporate limits of the city unless it is equipped with at least one headlamp and one tail lamp, and with brakes which conform to standards prescribed by state law. Furthermore, every snowmobile shall at all times be equipped with a muffler in good working order which blends the exhaust noise into the overall vehicle noise and is in constant operation to prevent excessive or unusual noise. No person shall use a muffler cut out, bypass, or similar device. The exhaust system shall not emit or produce a sharp popping or cracking sound.

(3) *Emergency.* Exception for emergencies. Notwithstanding the prohibition of operating a snowmobile upon a roadway to the contrary, a snowmobile may be operated on a public thoroughfare:

- (a) In an emergency during the period of time and at locations where snow upon the roadway renders travel by automobile impractical and the roadway is officially declared impassable for automobile traffic; and
- (b) By authorized city personnel.

(4) *Other provisions.* All other provisions of this Chapter pertaining to motor vehicle equipment shall apply to snowmobiles, except those which by their nature can have no application.

(5) *Rights and duties.* Every person operating a snowmobile upon a roadway shall be granted all of the rights and shall be subject to all of the duties applicable to a motor vehicle owner or driver as provided by law and the provisions of this Section, except as to those provisions which by their nature can have no application.

(E) Unsafe and harassing driving.

It shall be unlawful for any person to drive or operate any snowmobile at any place within the city limits in unsafe or harassing ways including those set forth below:

(1) *Speed.* At any rate of speed greater than what is reasonable or proper under all the surrounding circumstances, and never in excess of the speed limit adopted in Code Section 46-196.

(2) *Careless and reckless.* In a careless, reckless, or negligent manner so as to endanger, or be likely to endanger, the person or property of another or to cause injury or damage to another.

(3) *Liquor and drugs.* No owner or other person having charge over or control of any snowmobile or all-terrain vehicle shall operate, authorize or permit any individual the person knows or has reason to believe is under the influence of alcohol or a controlled substance or other substance to operate the snowmobile anywhere in this city or on the ice of any boundary water of this city, as specified in M.S.A. § 84.91.

(4) *Loud driving.* In such a manner so as to create unreasonably loud and excessive noise or in any way which shall unduly disturb the peace and privacy of the residents of this city or in any manner create a public nuisance.

(5) *Head and tail lights.* Without a headlight and tail light when required for safety.

(6) *Single file traffic only.* Snowmobiles traveling in the same direction must travel in single file. It shall be unlawful for two or more snowmobiles to travel abreast on any city street.

SECTION 2. This ordinance becomes effective from and after its passage and publication in summary form in the City's official newspaper.

CITY OF CLEARWATER, MINNESOTA

By: _____

Mayor Pete Edmonson

ATTEST:

By: _____

City Administrator Kevin Kress

RESOLUTION NO. 2016-11

**RESOLUTION AUTHORIZING THE PUBLICATION OF A SUMMARY OF
ORDINANCE NO. 2016-03, AN ORDINANCE REPEALING AND REPLACING
CHAPTER 34 ARTICLE II OF THE CLEARWATER MUNICIPAL CODE**

At a regular meeting of the City Council of the City of Clearwater, held Monday, the 7th day of March, 2016, at the City Office, 605 County Road 75, Clearwater, Minnesota, 55320,

THE CITY COUNCIL OF THE CITY OF CLEARWATER RESOLVED:

Pursuant to the authority of Minn. Stat. Sec. 412.191, subd. 4, the City Council hereby determines that the publication of the title and a summary of Ordinance No.2016-03, which amends Chapter 34 of the Clearwater Municipal Code, in the form attached as Exhibit A to this Resolution, will clearly inform the public of the intent and effect of Ordinance No. 2016-03, and it is hereby directed that the attached summary be published in accordance with the law.

Voting in Favor:

Voting Against:

This Resolution was duly passed this 7th day of March, 2016.

CITY OF CLEARWATER

By: _____
Pete Edmonson, Mayor

ATTEST:

By: _____
Kevin Kress, City Administrator

EXHIBIT A

TITLE AND SUMMARY OF ORDINANCE 2016-04

**AN ORDINANCE OF THE CITY OF CLEARWATER, MINNESOTA
AMENDING THE MUNICIPAL CODE
ADDING CHAPTER 3**

The City Council of the City of Clearwater, Minnesota, Counties of Wright and Stearns, does hereby add Chapter 3 to the Clearwater Code.

The purpose for adding Chapter 3 to the Code is to establish administrative enforcement rules and regulations, and providing for penalty for violation thereof.

A complete copy of the Ordinance is available for inspection at the City Office, 605 County Road 75, Clearwater MN 55320, and on the City's website at www.clearwatercity.com.

Adopted by the Clearwater City Council on the 7th day of March, 2016.

Pete Edmonson, Mayor

Attest:

Kevin Kress, City Administrator

CERTIFICATION

I, Kevin Kress, City Administrator of the City of Clearwater, Minnesota, do hereby certify that the foregoing Resolution is a true and exact copy of the Resolution presented to and adopted by the City Council of the City of Clearwater, at a duly authorized meeting thereof, held on the 7th day of March, as shown by the minutes of said meeting in my possession.

Kevin Kress, City Administrator

ORDINANCE NO. 2016-04

AN ORDINANCE OF THE CITY OF CLEARWATER, MINNESOTA, ESTABLISHING ADMINISTRATIVE ENFORCEMENT RULES AND REGULATIONS, AND PROVIDING FOR PENALTY FOR VIOLATION THEREOF.

THE CITY COUNCIL OF THE CITY OF CLEARWATER HEREBY ORDAINS:

SECTION 1: The Clearwater Code is hereby amended to add Chapter 3, which shall read as follows:

CHAPTER 3: ADMINISTRATIVE ENFORCEMENT

Section

[3.01](#) Purpose and intent

[3.02](#) Definitions

[3.03](#) Administrative notices

[3.04](#) Citation

[3.05](#) Responding to citation; payment

[3.06](#) Requesting a hearing

[3.07](#) Hearing Officer

[3.08](#) Appeal of Hearing Officer decision

[3.09](#) Failure to pay

[3.10](#) Subsequent violations

§ 3.01 PURPOSE AND INTENT.

Administrative enforcement procedures established pursuant to this chapter are intended to provide the city with an informal, cost-effective and more efficient alternative to criminal prosecution of civil litigation for certain violations of the city code. The city retains the right to enforce provisions of this code by bringing criminal charges or commencing civil litigation in any case where the city determines it is appropriate or necessary, but finds that an administrative process is beneficial to the residents of the city and finds that such a process is a legitimate and necessary alternative method of enforcement of code violations.

§ 3.02 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CODE COMPLIANCE OFFICER. Any officer of the Wright County Sheriff's Department or any employee of the city who has received official authority by the City Council to enforce the city code.

CODE OFFENSE. A violation of any section, subdivision, paragraph or provision of the city code and is subject to a civil penalty determined according to a schedule adopted by resolution of the City Council from time to time and payable directly to the City Treasurer. Each day the violation exists constitutes a separate **CODE OFFENSE**.

§ 3.03 ADMINISTRATIVE NOTICE.

A Code Compliance Officer may issue, either in person or by United States first class mail, an administrative notice to any person suspected or known to have committed a code offense and/or to the owner of property upon which a code offense is being committed. The administrative notice shall identify the code offense, the location in which the code offense occurred or is occurring, and the recommended corrective action for the code offense. The administrative notice may also state that the alleged violator has, at the discretion of the Code Compliance Officer, up to 15 days to correct or abate the code offense. If the alleged violator and/or owner upon which a code offense is being committed is unable to correct or abate the code offense within the prescribed time, he or she may request an extension from the Code Compliance Officer. Any extension granted by the Code Compliance Officer shall specifically state the date of expiration. If the code offense is not corrected or abated, as outlined in the administrative notice, within the prescribed time, the Code Compliance Officer may issue a citation, as provided below.

§ 3.04 CITATION.

A Code Compliance Officer is authorized to issue a citation upon the belief that a code offense has occurred, whether or not an administrative notice has first been issued in regard to the code offense. The citation shall be given to the person responsible for the violation and/or to the owner of the property upon which the violation has occurred, either by personal service or by United States first class mail. The citation shall state the nature of the code offense, the time and date the code offense occurred, the civil penalty applicable to that code offense as set forth in a schedule of civil penalties which shall be adopted by resolution of the City Council from time to time, and the manner for paying the civil penalty or requesting a hearing before a Hearing Officer to contest the citation.

§ 3.05 RESPONDING TO CITATION; PAYMENT.

Once a citation is issued, the alleged violator and/or the owner of the property upon which the violation has occurred shall, within 15 days of the time of issuance of the citation, either pay the civil penalty set forth in the citation or request a hearing in writing according to the procedure set forth in this section. The civil penalty may be paid either in person at City Hall, or by United States first class mail, postage prepaid and postmarked within the prescribed 15 days. Payment of the civil penalty shall be deemed to be an admission of the code offense.

§ 3.06 REQUESTING A HEARING.

Any person contesting a citation issued pursuant to this chapter may, within 15 days of the time of issuance of the citation, request a hearing before a Hearing Officer. Any request for a hearing before a Hearing Officer shall be made in writing on a form provided by the city for such a request and either delivered personally to the city at City Hall or mailed to the city by United States first class mail, postage prepaid and postmarked within the prescribed 15 days. The hearing shall be held at City Hall within 30 days of the date the city received a timely written notice that a hearing has been requested. Failure to appear for the hearing will result in a default decision against the party failing to appear. The losing party will be responsible for payment of the cost of the hearing.

§ 3.07 HEARING OFFICER.

The City Council shall by resolution from time to time appoint a list of persons authorized to act as a Hearing Officer. The Hearing Officer is authorized to conduct an informal hearing to determine if a code offense has occurred. The Hearing Officer may be compensated by the city for such hearings and related findings. The Hearing Officer shall have the authority to uphold or dismiss the citation or reduce or waive the civil penalty imposed upon such terms and conditions as the Hearing Officer shall determine. The Hearing Officer's decision shall be made in writing on a form provided by the city for such purpose. The Hearing Officer's decision is final, except as provided in this chapter for appealing the Hearing Officer's decision in limited cases to the City Council.

§ 3.08 APPEAL OF HEARING OFFICER DECISION.

(A) The Hearing Officer's decision shall be appealable to the City Council only for the following matters:

(1) An alleged failure to obtain a required permit (such as, without limitation, a conditional use permit), license (such as, without limitation, a liquor license), or other approval from the City Council as required by the city code;

(2) An alleged violation of a permit (such as, without limitation, a conditional use permit), license (such as, without limitation, a liquor license), other approval, or the conditions attached to the permit, license, or approval, that was issued by the City Council; or

(3) An alleged violation of regulations governing a person or entity who has received a license issued by the City Council.

(B) An appeal to the City Council of the Hearing Officer's decision must be made in writing on a form provided by the city for such an appeal and must be served on the City Clerk by United States first class mail, postage prepaid, within ten days after the date of the Hearing Officer's decision.

(C) A timely appeal will be heard by the City Council after a notice of hearing is served by the city upon the appellant in person or by certified mail at least ten days in advance of the date of the hearing. The parties to the hearing will have an opportunity to present oral or written arguments regarding the Hearing Officer's decision.

(D) The City Council shall consider the record, the Hearing Officer's decision, and any additional arguments before making a determination. The City Council is not bound by the Hearing Officer's decision, but may adopt all or part of the Hearing Officer's decision. The City Council's decision may be voted upon and given at the hearing or may be given in writing within 15 days of the hearing.

§ 3.09 FAILURE TO PAY.

(A) In the event a person charged with a code offense fails to pay the civil penalty and correct or abate the code offense for which a citation was issued within the prescribed time, a late charge of 15% shall be imposed thereon for each seven days the civil penalty remains unpaid and the code offense remains uncorrected or unabated beyond the due date.

(B) An unpaid civil penalty and accrued late charges will constitute a personal obligation of the person to whom the citation was issued and the city shall have the right to collect such unpaid civil penalty and accrued late charges, together with the city’s costs and reasonable attorney’s fees, in a criminal or civil proceeding.

(C) Pursuant to M.S. § 429.101 and M.S. § 514.67, as they may be amended from time to time, and other applicable law, a lien in the amount of the civil penalty and accrued late charges may be assessed quarterly or annually against the property where the code offense occurred and collected in the same manner as taxes. Any such assessment shall not preclude the city from issuing additional citations for a continuing code offense.

(D) The city may suspend or revoke a license or permit or other approval associated with the code offense if the civil penalty and accrued late charges are not timely paid.

§ 3.10 SUBSEQUENT VIOLATIONS.

If a second citation for a code offense is issued by the city to the alleged violator and/or the owner of the property upon which the violation has occurred within 24 months of the issuance of a previous citation for the same code offense, the civil penalty shall increase by 25% over the scheduled civil penalty amount. If a third citation for a code offense is issued by the city to the alleged violator and/or the owner of the property upon which the violation has occurred within 24 months of the issuance of a previous citation for the same code offense, the civil penalty shall increase by 50% over the scheduled civil penalty amount. If a fourth citation for a code offense is issued by the city to the alleged violator and/or the owner of the property upon which the violation has occurred within 24 months of the issuance of a previous citation for the same code offense, the civil penalty shall increase by 100% over the scheduled civil penalty amount.

SECTION 2: This ordinance becomes effective from and after its passage and publication in summary form in the City’s official newspaper.

Passed by the City Council of the City of Clearwater the 7th day of March, 2016.

CITY OF CLEARWATER, MINNESOTA

By: _____
Mayor Pete Edmonson

ATTEST:

By: _____
City Administrator Kevin Kress

CITY OF CLEARWATER

POLICY ON ADMINISTRATIVE VIOLATIONS AND CLARIFYING COMMENCEMENT OF ORDINANCE VIOLATION INSPECTIONS

ADOPTED: March 7, 2016

I. PURPOSE

The Clearwater City Council has deemed it necessary to clarify its ordinance enforcement procedure in regard to the following two issues:

1. Procedures on Administrative Violations and Fines
2. Commencement of Ordinance Enforcement Inspections

II. PROCEDURES ON ADMINISTRATIVE VIOLATIONS

The City has established a procedure for administrative violations, because there are certain negative consequences for both the City and the accused in the more traditional criminal prosecution of violations such as:

- The delay inherent in that system does not ensure prompt resolution.
- Citizens resent being labeled as criminals for violations of administrative regulations.
- The criminal process does not always regard city code violations as being important and therefore the City is often not satisfied with the resolution of the process.

Accordingly, the City finds that the use of administrative citations and the imposition of civil penalties is a legitimate and necessary alternative method of enforcement. This method of enforcement is in addition to any other legal remedy that may be pursued for city code violations.

However, the City has discovered some code violations remain after the fine has been paid. Consequently, the City has had to impose fines more than once for the same or similar violations of ordinances. And in so doing, the City has discovered a need to establish a Procedure for Administrative Violations and Fines.

Therefore, the Council has determined the following are procedures that shall be followed in regard to Procedures on Administrative Violations and Fines:

Upon the first violation, the City will issue a letter to the violator. The City will send a Notice of Violation(s) letter to the violator by regular mail. The violator will have fifteen (15) calendar days to correct the violation(s) after receiving the Notice of Violation(s) letter.

If the violator fails to correct the violation(s) within the time period provided in the Notice of Violation(s) letter, the City will issue an Administrative Notice to the violator. The City will send the Administrative Notice to the violator in person or by regular mail. The Administrative Notice must state the violation(s) of City Code, the required corrective action(s), the compliance date and that failure to correct the violation(s) will result with the City issuing an administrative citation(s). The Administrative Notice provides the violator fifteen (15) additional calendar days, from the date of the Administrative Notice, to correct the violation(s).

If the violator is making a good faith attempt to remedy the violation(s), the City may grant an extension, the length of which must be agreed upon in writing between the City and the violator.

If the violator fails to correct the violation(s) within the time period provided in the Administrative Notice, the City may issue an administrative citation. The City must issue the citation to the violator in person or by certified and regular mail. The citation must state the date, time, type of offense, name of the issuing officer, amount of the scheduled fine, and the manner for paying the fine or appealing the citation.

If the violator fails to correct the violation(s) within the two week period from the date the first administrative citation was issued, the City will issue a second administrative citation. If the violator fails to correct the violation within two weeks of the date the second administrative citation was issued, the City will continue to issue administrative citations on a weekly basis until the violation(s) is corrected or other legal action is taken. Depending on the nature of the violation, the City Council may direct more frequent issuance of administrative citations.

Any future violations of the same nature by the same violator are not subject to the Notice of Violation(s) and Administrative Notice letters and will result in immediate issuance of an administrative citation.

III. COMMENCEMENT OF ORDINANCE ENFORCEMENT INSPECTIONS

The City Council has made the following findings in regard to enforcing ordinances in the City of Clearwater:

1. The Citizens of Clearwater do not generally support, want, nor expect the City of Clearwater to conduct rigorous ordinance inspections.
2. The City Council believes the City could not afford the expense of staff and court costs associated with rigorous ordinance enforcement.
3. However, residents do expect that when they are adversely impacted by a violation of a city ordinance to the point they are willing to file a written or verbal complaint with the City; the City will take appropriate action to remedy the situation, through inspection and enforcement of the ordinance(s) that are being violated.

Therefore, the Council has determined the following are the procedures that shall be followed in regard to ordinance enforcement:

1. If there is an immediate health or safety concern the City is aware of due to the violation of a city code, then immediate ordinance inspections and enforcement should commence.
2. If residents file a written or verbal complaint with the City, the City will then inspect and enforce ordinance violations accordingly.
3. If there is a violation which is so severe and/or obvious that it negatively impacts the City and/or threatens the ordinance's integrity, or if the violation of a more permanent nature is being undertaken at significant expense (i.e. structure) the City will then inspect and enforce any ordinance violations accordingly.

ADMINISTRATIVE CITATION

CASE#: _____

DATE: _____

TIME: _____

ISSUED BY: _____

PHONE NUMBER: _____

ADDRESS OF VIOLATION: _____

CITY: Clearwater STATE: MN ZIP: 55320

PROPERTY OWNER'S NAME: _____

PROPERTY OWNER'S ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

VIOLATION INFORMATION

1. VIOLATION: _____

PENALTY: \$ _____

DESCRIPTION/LOCATION/CORRECTION: _____

2. VIOLATION: _____

PENALTY: \$ _____

DESCRIPTION/LOCATION/CORRECTION: _____

3. VIOLATION: _____

PENALTY: \$ _____

DESCRIPTION/LOCATION/CORRECTION: _____

DUE ON OR BEFORE: _____

TOTAL DUE: \$ _____

Previous violation of same offense within 24 months _____

Date(s) of prior offenses: _____

SERVED: _____ In person

_____ By certified and regular mail

WHITE-OFFICE COPY YELLOW-VIOLATOR PINK-INSPECTOR'S COPY

ADMINISTRATIVE ENFORCEMENT CIVIL PENALTY SCHEDULE

CLASS A OFFENSES: \$50

Violations of Animal Regulations

CLASS B OFFENSES: \$100

Violations of Zoning Regulations

All Nuisance Violations

CLASS C OFFENSES: \$200

Violations of the Sign Ordinance

Violations of Building Regulations

***SUBSEQUENT VIOLATIONS WITHIN 24 MONTHS:**

If a second citation for a Code Offense is issued by the City to the alleged violator and/or owner of the property upon which the violation has occurred within Twenty-four (24) months of the issuance of a previous citation for the same Code Offense, the civil penalty shall increase by 25% over the scheduled civil penalty amount. If third citation for a Code Offense is issued by the City to the alleged violator and/or the owner of the property upon which the violation has occurred within twenty-four (24) months of the issuance of a previous citation for the same Code Offense, the civil penalty shall increase by 50% over the scheduled civil penalty amount. If a fourth citation for a Code Offense is issued by the City to the alleged violator and/or the owner of the property upon which the violation has occurred within twenty-four (24) months of the issuance of a previous citation for the same Code Offense, the civil penalty shall increase by 100% over the schedule civil penalty amount.

Hearing Officer Handout

INTRODUCTION

The Clearwater City Council adopted City Code Chapter 3, Administrative Enforcement of Code Regulations, to govern the enforcement of the City Code. Enforcement of Chapter 3 may be commenced by the issuance of an Administrative Notice, followed by an Administrative Citation. If the property in violation is not brought into compliance by the date specified on the Administrative Notice, or immediately by the issuance of an Administrative Citation in certain cases. In response to the issued Administrative Citation, the violator may pay the scheduled penalty issued or request an Administrative Hearing. If a hearing is requested the following procedures should be followed:

PRE-HEARING PROCEDURE

Selection of Hearing Officer, Time and Date

The City Clerk's office will select a hearing officer by beginning with the top name on the list of officers approved by the City Council. Once an officer has been contacted, his or her name will automatically move to the bottom of the list. When you are contacted, the city clerk will indicate the types of cases to be heard and the names of the people involved. If you accept the assignment, the city clerk will work with you to schedule a hearing date and time acceptable for your schedule. Generally, you'll be expected to be available for one-half of a day. More than one (1) matter may be scheduled for hearing during that time.

The city clerk must schedule a hearing to occur within 30 days after receiving the accused's request. At least 10 days before the scheduled hearing date, the City Clerk's Office will send an Administrative Hearing Notice to you and all involved parties, unless all parties accept a shorter time. The notice will contain the names of the parties and the type of violation(s) alleged. Hearings will be held at Clearwater City Hall, 605 County Road 75, Clearwater, MN 55320.

Self-Disqualification

Upon being assigned to a case, you must decide if there are grounds for self-disqualification. Grounds for such disqualification include:

- personal interest in the action
- financial interest in the action
- relationship to any party
- bias or prejudice
- former counsel for any party (If any member of your firm would be disqualified under this provision, you are also disqualified.)

If there are grounds for self-disqualification, you must verbally notify the City Clerk's Office of your self-disqualification and a new hearing officer will be assigned.

Continuances

A request for a continuance of the case may be granted by the City Clerk's Office when good cause is shown, at least five (5) days prior to the scheduled hearing date. The rescheduled hearing date must be within 10 days of the originally scheduled date. The City Clerk's Office will contact you to set a new hearing date and time.

Pre-Hearing Communications

There must be no ex parte communication between you and parties' or their representatives. All scheduling and other matters will be handled by the City Clerk's Office, 320-558-2428.

HEARING PROCEDURE

Case File and Reporting to the Hearing

Upon the receipt of every request for a hearing, the issuing department will compile a case file, including: a summary report detailing the facts in support of and determination that the offense constitutes a violation; a copy of Administrative Notice(s) and Administrative Citation(s); photographs and/or videotape of the property, if available; proof of mailing and/or posting of notice on the property, if applicable; and a case history from the department that issued the Administrative Citation.

The alleged violator has the opportunity to provide the City Clerk's Office with a case file on their position as well. Both case files will be available for you to pick up at Clearwater City Hall, two (2) business days preceding the scheduled hearing. Other arrangements are available to have the file faxed, mailed or emailed.

You are requested to report to Clearwater City Hall at least 15 minutes before the scheduled hearing. This will allow for any administrative tasks and last-minute changes. If you would like, you may arrive earlier to review the case file if you choose not to receive it beforehand.

Failure to Appear

The failure of an accused to appear for the hearing constitutes an admission of the violation and waives any right to a hearing; you may impose a penalty in his or her absence. If the city representative fails to appear the charge(s) will be dismissed.

Hearing Introduction

You should begin the hearing by introducing yourself and emphasizing your neutrality. You should also explain your role and how the hearing will proceed. The introduction may also be an appropriate time to explain the accused's right to appeal your decision to the City Council in certain cases.

Hearing Procedure

The hearing must be recorded. The City will provide the equipment necessary and may have a representative at the hearing to assist you. The proceedings should be informal, without strict rules of evidence. Your actions and rulings should be made as deemed necessary to conduct a dignified and orderly hearing. You will determine whether to allow opening and/or closing statements. In order to maintain informality, the use of an attorney is discouraged. The City will not be represented by an attorney at the hearing and if the alleged violator has an attorney, he or she is allowed to advise, but not make any presentations.

The city bears the burden of proving a violation and will present testimony first. Each party has the right to present testimony and cross-examine the other's witnesses. You must administer an oath or affirmation to each witness. During the hearing you will receive testimony; view exhibits; and give weight to evidence, including hearsay evidence, which possesses probative value commonly accepted by reasonable and prudent people in the conduct of their affairs. Because this is a civil matter, you must find a violation only if the greater weight of the evidence supports such a finding.

Decision

You have the authority to:

- determine that a violation occurred
- dismiss a charge
- impose the penalty established in the City Council-approved schedule
- reduce, stay or waive a scheduled penalty, unconditionally or upon compliance with appropriate conditions

When deciding which action to take, consider any or all of the following factors:

- the duration of the violation
- the frequency of reoccurrence of the violation
- the seriousness of the violation
- the history of the violation
- the violator's conduct after issuance of the Administrative Notice and Administrative Citation
- the violator's conduct after issuance of the notice of the Administrative Hearing
- the good faith effort by the violator to comply
- the impact of the violation upon the community
- prior record of city code violations
- other factors appropriate to a just result

You may not impose a penalty greater than those established, but may impose a penalty for each day that the violation continues if (A) the violation caused or is causing a serious threat of harm to public health, safety or welfare or (b) the violator intentionally and unreasonably refused or refuses to comply with the code requirement.

Filing the Decision

You may announce your decision at the end of the hearing. However, should you desire more time to review the evidence or believe it is best to wait because of an emotional party, you may announce that you are taking the matter under advisement.

In all cases, your decision must be made in writing, using the City of Clearwater's Hearing Officer's Decision form. Findings of fact, conclusions of law, and any orders are required components of the written decision. If you made your decision at the end of the hearing and complete the form at that time, the city clerk's representative will make copies for each of the parties. If you choose not to complete the decision immediately following the hearing, you must provide the completed form to the City Clerk's Office within ten (10) days of the hearing. The city clerk will mail a copy to all parties shortly thereafter. Any required action must be specified in detail with a performance due date.

POST-HEARING PROCEDURE

Appeal

In most cases, your decision will be final without a right to make an administrative appeal. The aggrieved party may, however, appeal your decision to district court. Your decision may be appealed to the City Council if the case involved:

- an alleged failure to obtain a required permit (such as, without limitation, a conditional use permit), license (such as, without limitation, a liquor license) or other approval from the City Council as required by the City Code;
- an alleged violation of a permit (such as, without limitation, a conditional use permit), license (such as, without limitation, a liquor license), other approval, or the conditions attached to the permit, license, or approval, that was issued by the City Council; or
- an alleged violation of regulations governing a person or entity who has received a license issued by the City Council

To exercise an appeal to the city council, the person must submit a request in writing to the city clerk within ten (10) days after your decision.

Consequences of Failure to Pay

If you determine that a violation occurred and impose a penalty, the appellant must pay the full amount of the penalty within a specified time. If the penalty is not paid within the time specified, it will constitute:

- a late charge of fifteen percent (15%) for each seven (7) days the civil penalty remains unpaid and the Code Offense remains uncorrected or unabated beyond the due date.
- a personal obligation of the person(s) to whom the citation was issued (a personal obligation may be collected by appropriate legal means.)
- a lien in the amount of the civil penalty and accrued late charges may be assessed quarterly or annually against the property where the Code Offense occurred and collected in the same manner as taxes.
- the city may suspend or revoke a license or permit or other approval associated with the Code Offense if the civil penalty and accrued late charges are not timely paid.

Hearing Officer's Fees

The hearing officer must submit a signed City of Clearwater Hearing Officer Statement for Services form to the City Clerk. No fees will be paid if any of the officer's decisions have not been timely filed, without good cause, with the City Clerk's Office. The fee will be \$150.00 per hearing and reimbursement for mileage to and from Clearwater City Hall at the current mileage rate as set by the IRS.

Custody of File

At the time you file your written decision, you must also provide the City Clerk's Office with all the exhibits submitted at the hearing and the tape recording. If a party wishes to withdraw an exhibit, the city clerk will make a copy to keep with the file. You are not expected to retain your notes regarding the matter.

March 3, 2016

Mr. John Doe
1234 Main Street N
Clearwater, MN 55320

RE: 1234 Main Street N

ADMINISTRATIVE NOTICE

The Clearwater City Council has adopted a City Code in an effort to maintain and improve healthy communities in the city. The Community Development Department directs this effort by responding to city code concerns in our neighborhoods. This Administrative Notice is the first step of the city's Administrative Enforcement Program that is intended to be an effective and informal procedure for achieving compliance with city ordinances.

During a recent inspection, the following violation(s) of city code were cited:

VIOLATION:

I. UNLICENSED VEHICLE PARKED IN DRIVEWAY.

Accumulations or storage in the open of any of the following items or any parts or accessories thereto anywhere within the city limits are prohibited: Motor vehicles which are not currently licensed or generally not being driven, or are being used for parts.

' _____ of City Code).

**CORRECTION REQUIRED: CURRENTLY LICENSE THE VEHICLE (LIC # 123ABC/JUN 03)
OR REMOVE THE VEHICLE FROM THE PROPERTY OR STORE INSIDE A BUILDING
SO IT IS NOT VISIBLE FROM PUBLIC VIEW.**

DEADLINE BY WHEN YOU MUST COMPLY: December 31, 2016

You must correct the violation(s) by the date set forth above. If the violation has not been corrected within the 15-day period, an initial civil penalty of not less than \$50.00 nor more than \$200.00 will be issued. Any future violation(s) of the same ordinance will not be subject to the 15-day correction period and will result in issuance of a citation. Call 320-558-2428, Ext. 2 if you have any questions or if for any reason you are unable to complete the work by the compliance date of March , 2016.

Sincerely,

Jane Ann Doe
Zoning Coordinator

March 7, 2016

John Doe
1234 Main Street N
Clearwater, MN 55320

NOTICE OF ADMINISTRATIVE HEARING

The City of Clearwater, City Clerk's Office has received a written request for an Administrative Hearing from Mr. John Doe on March 7th, 2016.

The hearing has been set on:

Date: Wednesday, March 26, 2012

Time: 9:30 a.m. (please arrive 15 minutes before the scheduled hearing)

Location: Clearwater City Hall
Council Chambers
605 County Road 75
Clearwater, MN 55320

The Administrative Hearing has been scheduled to consider the case of Administrative Citation No. 2012-0001, issued by Code Enforcement Officer Jane Ann Doe. The citation charges John Doe with a violation of the following section(s) of City of Clearwater Code, present at 1234 Main Street N, Clearwater, MN 55320:

- 1) Clearwater City Code §: Inoperable vehicle, expired registration.

The hearing officer assigned is Mr. Joe Schmo. If you have questions regarding this notice, please contact City Clerk at 320-558-2428. A case file (including a summary report, any photographs, written testimonies, or any other written audio or video material) must be in the office of the city clerk by or before 4:00 p.m. on Monday March 7th, 2016. This case file will be delivered to Mr. Joe Schmo.

Cc: Jane Ann Doe, Code Enforcement Officer
Joe Schmo, Hearing Officer
Property file

Administrative Hearing Request Form

I/We _____

Request an Administrative Hearing regarding citation
number for property located at:

Requester's Signature

Date

Phone Number (Day)

Phone Number (Evening)

Office Use Only:

Name of person accepting request

Date

Routed to the City Clerk's Office on _____

Date

- **Additional Comments:**

Appeal from Administrative Hearing Officer Decision

I/We _____

request an appeal from the Administrative Hearing Officer Decision regarding citation

number _____

for property located at:

Requester's Signature

Date

Phone Number (Day)

Phone Number (Evening)

Office Use Only:

Name of person accepting request

Date

Routed to the City Clerk's Office on _____

Date

- **Additional Comments:**

Within fifteen (15) days of receipt of this Administrative Citation, the person to whom it is issued MUST either:

- 1) pay the scheduled fine OR
- 2) request an administrative hearing.

Each day that a violation continues after the issuance of this citation shall be deemed a separate offense.

IF YOU WISH TO PAY THE FINE, THEN:

You may elect to plead *guilty as charged* and pay the fine in one of the following two (2) manners.

1. Fines may be paid in person at Clearwater City Hall by cash, check or money order. Include the white copy of the citation.
2. Fines may be sent in the mail and paid by check or money order, payable to the City of Clearwater for the correct amount. Do not send cash in the mail. Include the white copy of the citation. Payments can be sent to the following address:

The City of Clearwater
605 County Road 75
PO BOX 9
Clearwater, MN 55320

ALL PAYMENTS MUST BE ACCOMPANIED BY THE WHITE COPY OF THE CITATION.

Failure to Pay a Fine

If the City of Clearwater does not receive payment of the fine or a request for an administrative hearing within fifteen (15) days after the citation was issued, the scheduled fine will increase by 15% for each 7-day period the fine is not received.

Failure to Correct Violations

When a violation continues beyond the initial 15-day period, the city may:

- 1) issue a second citation
- 2) file civil or criminal charges OR
- 3) take other action to acquire compliance with city ordinance.

Repeat Violations within 24 Months

If the same property and property owner are charged with a subsequent violation within a 24 month period for the same or substantially similar offense, the fine is increased by 25%. After a third infraction in 24 months the fine increases by 50% and after a fourth infraction, the fine doubles.

IF YOU WISH TO REQUEST AN ADMINISTRATIVE HEARING, THEN:

You must complete an administrative hearing request form available at City Hall if you:

- 1) believe you did not violate an ordinance OR
- 2) want to refute the citation.

Any request shall be made in writing on a form provided by the City and be either delivered to Clearwater City Hall or mailed to the City at 605 County Road 75, Clearwater, MN 55320. All administrative hearings are held before an independent hearing officer who is not a city employee and has no other connection with the city. When a hearing is requested, the city clerk randomly selects an officer from a list of independent lawyers, approved by the City Council.

STATE OF MINNESOTA
COUNTY OF WRIGHT
CITY OF CLEARWATER
605 County Road 75
Clearwater, MN 55320
Phone: 320-558-2428 fax: 320-558-2794

HEARING OFFICER'S DECISION

for
City of Clearwater, a municipal corporation,
v.
_____ Alleged Violator

CHARGES:

ORDINANCE #:

1. _____
 2. _____
 3. _____
-

The undersigned hearing officer received testimony regarding this matter at a hearing held on _____ at Clearwater City Hall, 605 County Road 75, Clearwater, MN 55320. Based on this testimony and all of the evidence presented, the hearing officer determines the following

FINDINGS OF FACT

First Charge: _____

Second Charge: _____

Third Charge: _____

BASED UPON THE FOREGOING, IT IS
HEREBY ORDERED THAT:

1.

2.

3.

DATE: _____

HEARING OFFICER

RESOLUTION NO. 2016-12

**RESOLUTION AUTHORIZING THE PUBLICATION OF A SUMMARY OF
ORDINANCE NO. 2016-04, AN ORDINANCE AMENDING THE CLEARWATER
MUNICIPAL CODE TO ADD CHAPTER 3**

At a regular meeting of the City Council of the City of Clearwater, held Monday, the 7th day of March, 2016, at the City Office, 605 County Road 75, Clearwater, Minnesota, 55320,

THE CITY COUNCIL OF THE CITY OF CLEARWATER RESOLVED:

Pursuant to the authority of Minn. Stat. Sec. 412.191, subd. 4, the City Council hereby determines that the publication of the title and a summary of Ordinance No.2016-03, which adds Chapter 3 of the Clearwater Municipal Code, in the form attached as Exhibit A to this Resolution, will clearly inform the public of the intent and effect of Ordinance No. 2016-03, and it is hereby directed that the attached summary be published in accordance with the law.

Voting in Favor:

Voting Against:

This Resolution was duly passed this 7th day of March, 2016.

CITY OF CLEARWATER

By: _____
Pete Edmonson, Mayor

ATTEST:

By: _____
Kevin Kress, City Administrator

CITY OF CLEARWATER
REQUEST FOR COUNCIL ACTION

Requested Date of Council Consideration: 3-7-16 Flexibility: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Originating Department: Administration & Public Works
Agenda Item: Staff Reports	Presenter: Administrator, Kevin Kress
	Estimated Time: <input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> 5 Min. <input type="checkbox"/> 15 Min. <input type="checkbox"/> 30 Min. <input type="checkbox"/> 45 Min. <input type="checkbox"/> 1 Hour
Council Action Requested: <input checked="" type="checkbox"/> Information/Review <input type="checkbox"/> Motion to approve... <input type="checkbox"/> Motion to deny... <input type="checkbox"/> Other <input type="checkbox"/> Budget Change	
Background: <u>Public Works</u> <ol style="list-style-type: none"> 1. Changed out banners along 24. 2. Cleaning and painting discharge pipe well #4. 3. Replaced chemical feed lines well#4. 4. Replaced main breaker pump #1 main lift station was failing and causing alarms. 5. Moved walk up window at City Hall. 6. Class March 1 through the 3 water and sewer. <u>Administration</u> <ol style="list-style-type: none"> 1. I submitted a draft Lease Agreement to the Food Shelf for their review. 2. I will be meeting with Lions Club members to discuss a Lease Agreement. 3. I have been meeting with copier vendors as our copier lease is up in July this year. At the next meeting I will likely offer some options moving forward. 4. The City may have to amend the Fee schedule at the next meeting for several items (specialty vehicles, water/sewer, and administrative fines. This requires amending the Ordinance. 5. In talking with some of the Council there were a few members interested in developing an agenda process to clarify how each part of the agenda works. This may be a good strategy for current and future councils. If desired I will develop an agenda procedure for Council to consider. 6. I have included a pay systems document for informational purposes. 	
Supporting Documents: <input checked="" type="checkbox"/> Attached <input type="checkbox"/> None	
Department Head Signature/Date:	
Clerk/Treasurer Signature/Date:	

TYPES OF PAY SYSTEMS

Introduction:

There are several different types of pay systems commonly used by cities. The major different types are discussed in the following paragraphs. The City should keep in mind that advanced communication to employees and training of supervisors and managers is critical to the success of any pay system. An ideal approach involves the City establishing goals and a mission that allows for employees, supervisors, and managers the ability to provide feedback on the intended components of the compensation plan. A compensation plan will deteriorate over time if it is not maintained. In other words, a city cannot establish salary grades for each job class and expect them to remain valid forever. Market rates for various jobs change greatly over time due to changes in the labor market.

1. Traditional Step Pay Programs

In traditional public sector pay plans, movement through the assigned pay range is accomplished by established steps. Each step represents a percentage pay increase, usually between 2 percent and 5 percent. Steps are generally given based on longevity with the city. Sometimes, the city establishes performance criteria as well. For example, an employee might be eligible for a step increase on his/her anniversary date if the employee receives a satisfactory performance review.

The advantages of a step plan are predictability for employees and for budgeting purposes. Also, this type of plan is generally perceived as being fair by employees. The primary disadvantage of a step plan, especially if based solely on longevity, is that it does nothing to motivate employees to perform at higher levels. Critics of step plans based on longevity say these plans encourage employees to simply “put in their time” or work at the minimal levels necessary to retain the job. Another criticism of traditional step plans is that the only method by which an employee can receive significant pay increases or move up a pay grade is through reclassification of his/her position. Reclassification refers to an action by which an employee’s job class is reviewed for possible assignment to a higher salary grade.

2. Merit Pay Systems

Merit pay plans are often set up just like step pay plans, except the step increases are given only on the basis of merit or performance. For example, in a merit pay plan, an employee may be eligible to receive a step increase once per year but the determining factor is his/her performance throughout the year. The performance is often measured through a formal performance evaluation process, but it can also be a reward for other things such as completion of a particular project or for assuming additional work duties.

Sometimes organizations budget a certain percentage of wages to be allocated among employees based on merit. Supervisors are then asked to make judgments about how the money is allocated among employees. In this type of situation, some employees may receive no merit pay or step increase and others may receive more than one step.

Merit pay is often criticized as not being objective. In other words, supervisors reward the employees they like and punish the employees they don't like through merit pay. Proponents of merit pay like it because it can be a good motivator for higher levels of performance.

3. Performance Incentive Pay Systems

Some cities establish systems to reward employees through incentive pay. For example, a city may establish goals for each employee, for work teams, for departments, or even for the entire city. If and when those goals are reached, the employee(s) responsible for reaching them receive incentive pay.

Performance incentive pay is usually a one-time, lump sum payment made to employees, but it could also be an ongoing pay increase. The city must be careful when awarding lump sum incentive pay to ensure the payment is allowable under Minnesota state law. Cities are prohibited from awarding bonus pay because this may be considered a gift and, therefore, an unlawful city expenditure. Any compensation must be tied to job performance. In order to avoid problems under Minnesota statutes, the League encourages cities to take the following measures when establishing incentive programs:

- Establish specific criteria or goals in advance that must be met in order to receive the incentive pay—preferably at the beginning of the year or performance evaluation period.
- Have the city council approve the pay incentives as a formal part of the employee compensation plan for the year
- Document that employees know about the incentive pay and know how they can go about earning it.

4. Skill or Competency-Based Pay Systems

Some pay plans reward employees for acquiring new skills or competencies. This type of plan requires the city to develop lists of skills or competencies that it wishes to reward throughout the organization and for each individual job class or position. For example, for clerical job classes, the organization may wish to reward those employees who learn a new software program. Throughout the organization, however, the city may wish to reward any employee who learns how to conduct effective meetings.

Once the city has established the skills and competencies it wishes to reward for each job class, then it can establish a pay system that rewards employees for developing that new skill. For example, an employee who earns a certification in a particular computer software program might receive a step increase.

Skill or competency-based pay systems have several advantages. They target wage increases to the precise skills and competencies the organization wishes to encourage, so in this respect it is a very efficient use of funds. They also can be used to encourage employees to develop skills preparing them for promotions in the city; this ensures the city has internal candidates ready for promotions when they occur. Finally, this type of pay system is generally accepted by employees

as “fair” as long as the criteria for developing the skills and competencies is applied consistently and uniformly and supervisors and managers are well-trained in how to implement the system.

One disadvantage of skill or competency-based pay systems is that wages can creep up over time as increasing numbers of employees take advantage of the opportunities for pay advancement. However, a counter argument can be made that the city is reaping the rewards of having a more highly skilled and efficient work force.

5. Combination Pay System Plans

Because there are advantages and disadvantages to every type of pay plan and because different employees are motivated by different types of reward systems, some organizations choose to incorporate several different types of pay systems into one overall plan. For example, a city’s compensation plan might incorporate all of the following:

- Small, longevity-based step increases.
- Incentive pay based on departmental or team goals.
- Skill-based pay for certain job classes.
- Competency-based pay for managers.

While this type of combination plan may meet many different goals, it can be difficult and time-consuming to administer and confusing (or potentially viewed as unfair or discriminatory) to employees.

Other Types of Pay Increases

1. Retention Increases

A retention increase is usually given to an employee to retain the employee when he/she has a job offer with another employer at a higher salary. Retention increases tend to be used more in the private sector than in the public sector. Often public sector pay plans do not have the flexibility to award retention increases, or in some situations, they may only be awarded by the city council. Waiting for city council approval for a retention increase may not be practical when an employee has another job offer waiting.

Building the ability to award retention increases into a pay plan can be advantageous in some situations. For example, if an employee is critical to the functioning of a team, a department, or the city in general, and if the only reason for the employee to be seeking other employment is his salary, a retention increase may be a good solution.

However, retention increases cannot be routinely given out without undermining the integrity of the pay plan.

In addition, cities should be careful to ensure uniform treatment of employees based on business needs and avoid decisions that may lead to a disparate impact that could be found discriminatory. For example, males are regularly offered retention increases and females are not.

Also, there are often many reasons beyond just salary for an employee to seek another job. Persuading an employee to stay for more money when they are unhappy with other aspects of the employment may just result in a less happy, less productive employee in the long run who, unfortunately, feels trapped because of the amount of money he or she is earning. Therefore, while having the ability to award retention increases may be a helpful tool, it should be used relatively rarely. A better approach is for the city to make efforts to maintain a pay plan that reflects the market rates for each position.

2. Red-circled salaries

A red-circled salary refers to a situation where an employee is being paid a rate higher than the maximum of the salary grade assigned to that position. This occurs occasionally when there are labor shortages associated with a particular job class, and the city is forced to pay a higher rate in order to recruit qualified candidates for the job.

Generally, the employee is treated in the same manner as other employees who are at the top of the salary grade (e.g., eligible for cost-of-living increases but no other types of pay increases until the salary range “catches up”). However, sometimes the employee’s salary is completely frozen; e.g., absolutely no salary increases are given until the salary range again exceeds the employee’s wage rate.

3. Across-the-Board or Cost-of-Living Increases

In some situations, employees receive across-the-board wage adjustments based on some factor such as cost-of-living increases. There is no state or federal law requiring the city to give cost of living increases to its employees, but they are usually given in situations such as the following:

- When an employee is paid at a set wage rate (usually an hourly rate) with no assigned salary range.
- When negotiated for all employees covered by a collective bargaining agreement (union agreement), or a personnel ordinance or policy provision.
- When an employee is paid at the maximum of the assigned salary range.
- When an employee is occupying a seasonal or temporary job.
- To keep up with what other employers are paying for similar job duties, to avoid low employee morale/productivity, high turnover, and/or difficulty in recruiting.

If the city wishes to tie across-the-board wage increases to a specific cost-of-living type factor, it’s a good practice to select one and use it consistently from year to year. Many employers use the Consumer Price Index (CPI) established by the Bureau of Labor Statistics (BLS). The CPI is the most widely used measure of inflation (how much more goods and services cost today versus in the past).

The CPI reflects spending patterns for each of two population groups: all urban consumers, and urban wage earners and clerical workers. The all urban consumers group represents about 87 percent of the total U.S. population. It is based on the expenditures of almost all residents of

urban or metropolitan areas, including professionals, the self-employed, the poor, the unemployed, and retired persons as well as urban wage earners and clerical workers. Not included in the CPI are the spending patterns of persons living in rural nonmetropolitan areas, farm families, persons in the Armed Forces, and those in institutions such as prisons and mental hospitals. The price change experience of the all urban consumer group is measured by two indexes, namely the traditional Consumer Price Index for All Urban Consumers (CPI-U) and the newer Chained Consumer Price Index for All Urban Consumers (C-CPI-U).

The consumer price index for Urban Wage Earners and Clerical Workers (CPI-W) is based on the expenditures of households included in the CPI-U definition that also meet two requirements:

- More than one half of the household's income must come from clerical or wage occupations and at least one of the household's earners must have been employed for at least 37 weeks during the previous 12 months. The CPI-W's population represents about 32 percent of the total U.S. population and is a subset, or part, of the CPI-U's population.

- In addition to the national data, BLS publishes a CPI-U, C-CPI-U, and CPI-W for the Minneapolis-St. Paul metropolitan area twice per year.

Cities also sometimes use the CPI to make decisions about how much to adjust salary grades.