



AGENDA
CLEARWATER CITY COUNCIL MEETING
MONDAY, FEBRUARY 10, 2020

1. Call to Order and Pledge of Allegiance: 7:00 p.m.
2. Approval of Agenda
3. Public Comment Period
 - a. Snowmobile Issues
4. Consent Agenda
 - a. Claims/Accounts Payable in the Amount of \$71,963.17
 - b. Approval of 01-27-20 City Council Workshop Meeting Minutes
 - c. Approval of 01-27-20 Regular City Council Meeting Minutes
 - d. Res 2020-11 – Approving Temporary Gambling Permit
5. Wright County Sheriff Deputy Report
6. Old Business
 - a. Discussion of Utility Rates
 - b. Consider Proposal for Concrete Repairs - El Dorado Park
 - c. Authorize Negotiations with MnDot for I94 Pedestrian Crossing
 - d. Authorize Desktop Hydrogeologic Study
 - e. Discussion - Blaine Brothers Reimbursement Request
 - f. Res 2020-02 – Approving Purchase of Fire Engine
 - g. Res 2020-12 – Approving Purchase of Used Fire Engine
 - h. Res 2020-13 – Approving Reimbursement Resolution
 - i. 2019 Contract Payment from Lynden Township
7. New Business
 - a. Consider Fire Relief Association Pension Increase
 - b. Discussion of City Facility Needs
 - c. Authorize 2020 Clean-up Day
 - d. Complaint – Request for a Stop Sign
8. Committee Reports
 - a. Mayor and Council
 - i. Authorize Member Crandall to attend LMC Program in Baxter, MN
 - ii. CVBC – Upcoming Events
 - b. Boards
 - c. Staff
9. Other Business
 - a. Next Meeting Date
10. Adjournment



To: Honorable Mayor Lawrence and Members of the Clearwater City Council

From: Annita Smythe, City Administrator

Date: February 10, 2020

Re: City Council Meeting February 10, 2020

1. Call to Order and Pledge of Allegiance: 7:00 p.m.

2. Approval of Agenda

3. Public Comment Period

a. Snowmobile Issues

A resident in town has been having issues with snowmobiles trespassing on her property. She is concerned about her children's safety. She plans to attend the meeting to address the Council about her issues. Staff have advised her to talk with the Sheriff. She stated that they would not do anything. She has had her property surveyed, and it is staked to show the property lines.

4. Consent Agenda

- a. Claims/Accounts Payable in the Amount of \$71,963.17**
- b. Approval of 01-27-20 City Council Workshop Meeting Minutes**
- c. Approval of 01-27-20 Regular City Council Meeting Minutes**
- d. Res 2020-11 – Approving Temporary Gambling Permit**

5. Wright County Sheriff Deputy Report

6. Old Business

a. Discussion of Utility Rates

Please see attached summary of current utility rate projections. Based on the current cash position and planned projects, staff are recommending that the Council consider a rate increase for 2020. Finance Director Lindrud will be at the meeting to answer questions on this summary.

b. Consider Proposal for Concrete Repairs - El Dorado Park

The City Engineer will provide an overview of his proposal to move this project forward. The proposal also includes releasing some of the invoiced costs to the contractor. The proposal seems like a possible way to complete this project without completely starting over and engaging in expensive litigation. The contractor may attend the meeting to share his thoughts on the proposal.

c. Authorize Negotiations with MnDOT for I94 Pedestrian Crossing

The City Engineer will provide some background on the possible location options for this project and the current status. See his attached summary.

d. Authorize Desktop Hydrogeologic Study

We are requesting authorization to move forward with completing a desktop analysis to determine if there are feasible alternate locations for the city's wells. The outline of this proposal is included in your materials. The city's wellhead protection plan has determined that the geology of the current well locations puts them in a higher risk category. Relocation, if feasible, may address this concern and lower the risk. The desktop analysis will determine the feasibility of relocation. The estimated cost for the desktop analysis is \$6,500 which would be paid from the Water Fund.

e. Discussion - Blaine Brothers Reimbursement Request

The City Engineer will provide background on the attached memo written by his predecessor. It is my understanding that, during the Blaine Brothers construction project, there were some infrastructure improvements made to facilitate requests by the city to prepare for possible future expansion of the city's storm sewer system. Blaine Brothers believes they are owed some sort of credit for these improvements. It is unclear to me why they believe this or if the city actually owes them anything on this project. Council needs to make a determination on whether or not anything is owed, and if so, how it would be credited.

f. Res 2020-02 – Approving Purchase of Fire Engine

This is the resolution that has been on previous agendas to approve the purchase of a new fire engine per the specifications and terms as previously discussed. The City Council should consider this item in conjunction with the next two agenda items.

g. Res 2020-12 – Approving Purchase of Used Fire Engine

This resolution authorizes the purchase of a used fire engine instead of the new engine (above). Member Kruchten did some research and located a used vehicle that may meet the Fire Department's requirements. It is expected that FD staff will look at the vehicle on Monday prior to the meeting and provide a report. The price quote and terms are attached. I also checked with our insurer to see if they would cover the vehicle, as it is a salvaged vehicle. Their response is also attached. The vehicle was salvaged from Texas, where it had water damage up to the top of the wheel wells, presumably due to flooding. The vehicle was brought to Minnesota and re-habilitated. It met the state's required inspection process to get a new title issued.

h. Res 2020-13 – Approving Reimbursement Resolution

If the Council chooses to purchase the used vehicle, we will need to adopt this resolution to cover any costs incurred for the purchase prior to the availability of funds. I will hand this out Monday. If the Council decides against the used vehicle, this item can be pulled from the agenda.

i. 2019 Contract Payment from Lynden Township

The city has been holding a check that we received from Lynden Township for a 2019 fire contract payment. Based on the information I have received, it appears that there was a dispute over the number of calls that was used to calculate the payment. The city received the attached memo from the township's attorney, explaining why they think the calls issue was resolved, and issuing a check for the amount that they believe is correct. I don't have Kevin's message that is referenced in the letter, so I'm not certain if Kevin would agree with this calculation or not. However, I can tell you that the dispute is over \$286.55. We have already spent more than that on attorney's fees and meeting time debating this issue. It is my recommendation that we accept the payment that was submitted and consider this matter closed.

7. New Business

a. Consider Fire Relief Association Pension Increase

At the annual Fire Relief Association meeting, the FRA Board of Trustees approved a request to the City Council to increase the pension funding amount from the current \$1,650 to \$1,750. The current funding amount is below the amount of other similarly-situated departments, and the FRA has steps in place to manage the pension fund so as to minimize required contributions from the city.

b. Discussion of City Facility Needs

Member Kruchten would like the Council to have a discussion about the city's future facility needs. Although I have been hearing a lot of discussion from both staff and Council members that there is plenty of need to go around, I have not heard if there have been any planning steps taken to measure the need, propose possible options, explore potential costs of those options, and consider methods of funding the choices. My recommendation is that the Council establish a committee to work with staff to put together broad proposals for consideration, with a goal of building some options into the city's CIP starting with the 2021 budget cycle. I am not aware that the city has set aside any funds in the current budget to address building needs in 2020.

c. Authorize 2020 Clean-up Day

Please see attached memo from our provider offering potential dates and pricing for a spring clean-up. Lynden Township had initially requested to join us, but then decided to do their own due to safety concerns about traffic on County Road 75. So, it will just be city residents.

d. Complaint – Request for a Stop Sign

City hall has received a traffic complaint about the lack of a stop sign at the exit to Blaine Brothers' facility. The complaint requests that the city place a stop sign at this parking lot exit for safety reasons, citing accidents in the area and potential for future accidents due to the traffic volume of large trucks and minimal traffic control.

8. Committee Reports

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

9. Other Business

- a. Next Meeting Date**

10. Adjournment

CITY OF CLEARWATER

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*Check Summary Register©

January 2020 to February 2020

Name	Check Date	Check Amt	
10100 LAKE CENTRAL BANK			
Paid Chk# 022294	ANNITA SMYTHE	2/10/2020	\$22.14 MILEAGE REIMBURSEMENT
Paid Chk# 022295	BOLTON & MENK, INC.	2/10/2020	\$9,885.00 ENGINEERING SVCS TELCOM PLAN R
Paid Chk# 022296	CITIZEN TRIBUNE	2/10/2020	\$324.90 2020 SUMMARY BUDGET
Paid Chk# 022297	CITY OF CLEARWATER	2/10/2020	\$42.96 LIBRARY UTILITIES
Paid Chk# 022298	CLEARWATER FIRE RELIEF	2/10/2020	\$28,486.60 2019 STATE AID
Paid Chk# 022299	CLEARWATER PARTS CITY AUT	2/10/2020	\$210.00 FUEL/WATER/OIL FILTERS
Paid Chk# 022300	CORE & MAIN LP	2/10/2020	\$318.24 CURB STOP
Paid Chk# 022301	DVS RENEWAL	2/10/2020	\$134.75 MN REGISTRATION CARDS
Paid Chk# 022302	FIDELITY SECURITY LIFE	2/10/2020	\$45.57 VISION PREMIUM FEB
Paid Chk# 022303	GOPHER STATE ONE-CALL	2/10/2020	\$50.00 2020 ANNUAL FACILITY OPERATOR
Paid Chk# 022304	GOVOFFICE LLC	2/10/2020	\$975.00 GOV OFFICE EXTENDED STORAGE PL
Paid Chk# 022305	HAWKINS, INC	2/10/2020	\$857.14 CHLORINE CYLINDER RENTAL
Paid Chk# 022306	INTERSTATE AUTO	2/10/2020	\$20.00 STOCK RADIO
Paid Chk# 022307	LEADERSHIP GROWTH GROUP	2/10/2020	\$600.00 2020 LEADERSHIP GROWTH GROUP S
Paid Chk# 022308	LEAGUE OF MINNESOTA CITIES	2/10/2020	\$160.40 ACROBAT PROF ANNUAL PMNT
Paid Chk# 022309	BECKY MARKLOWITZ	2/10/2020	\$520.00 CLEANING SVC CITY HALL
Paid Chk# 022310	METRO WEST INSPECTION SVC	2/10/2020	\$17,215.99 FINALED PERMITS JANUARY 2020
Paid Chk# 022311	MINNESOTA DNR-OMB	2/10/2020	\$681.10 WATER USE
Paid Chk# 022312	OFFICE DEPOT (CATALOG)	2/10/2020	\$86.76 TAX FORMS 1099, W-2
Paid Chk# 022313	RUPP, ANDERSON,SQUIRES	2/10/2020	\$1,579.70 MISC ATTORNEY FEES
Paid Chk# 022314	WRIGHT COUNTY EDP	2/10/2020	\$822.00 2020 MEMEBERSHIP DUES
Paid Chk# 022315	ZIEGLER, INC	2/10/2020	\$316.40 CUTTING EDGE
		Total Checks	\$63,354.65

CITY OF CLEARWATER

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January 2020 to February 2020

Name	Check Date	Check Amt	
10100 LAKE CENTRAL BANK			
Paid Chk# 011359E MIDCO BUSINESS	1/27/2020	\$255.00	INTERNET SVC LIONS BLDG
Paid Chk# 011360E ANNANDALE STATE BANK	1/27/2020	\$470.08	PSN SERVICE FEES DEC
Paid Chk# 011361E UNITED STATES TREASURY	2/3/2020	\$3,966.16	941 PP03.2020
Paid Chk# 011362E MINNESOTA REVENUE	2/3/2020	\$712.07	STATE TAX WITHHOLDING PP03
Paid Chk# 011363E PUBLIC EMPLOYEES RETIREME	2/3/2020	\$2,188.21	PERA PP03.2020
Paid Chk# 011364E MINNESOTA REVENUE	2/5/2020	\$1,017.00	SALES AND USE TAX JANUARY
	Total Checks	\$8,608.52	

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January 2020 to February 2020

		Check Amt	Invoice	Comment
10100 LAKE CENTRAL BANK				
Paid Chk#	011359E 1/27/2020	MIDCO BUSINESS		
E 240-45300-321	Communications	\$255.00	171427601109	BUSINESS INTERNET LIONS JULY
Total MIDCO BUSINESS		\$255.00		
Paid Chk# 011360E 1/27/2020 ANNANDALE STATE BANK				
E 600-49400-182	Bank Fees	\$210.92	208642	PSN SERVICE FEES
E 601-49450-182	Bank Fees	\$210.92	208642	PSN SERVICE FEES
E 100-49000-182	Bank Fees	\$48.24	208647	PSN SERVICE FEES
Total ANNANDALE STATE BANK		\$470.08		
Paid Chk# 011361E 2/3/2020 IRS UNITED STATES TREASURY				
G 100-21703	FICA Tax Withholding	\$1,957.86	PP03.2020	SOCIAL SECURITY
G 100-21701	Federal Withholding	\$1,550.40	PP03.2020	FEDERAL
G 100-21709	Medicare	\$457.90	PP03.2020	MEDICARE
Total IRS UNITED STATES TREASURY		\$3,966.16		
Paid Chk# 011362E 2/3/2020 MINNESOTA REVENUE				
G 100-21702	State Withholding	\$712.07	PP03.2020	TAX WITH HOLDING
Total MINNESOTA REVENUE		\$712.07		
Paid Chk# 011363E 2/3/2020 PUBLIC EMPLOYEES RETIREMENT				
G 100-21704	PERA	\$2,188.21	PP03.2020	PERA
Total PUBLIC EMPLOYEES RETIREMENT		\$2,188.21		
Paid Chk# 011364E 2/5/2020 MINNESOTA REVENUE				
E 600-49400-345	Sales and Use Tax	\$248.00	JAN 2020	GENERAL WATER SALES TAX
E 603-43200-345	Sales and Use Tax	\$653.00	JAN 2020	RESIDENTIAL REFUSE SALES TAX
E 603-43200-345	Sales and Use Tax	\$12.00	JAN 2020	COMMERCIAL REFUSE SALES TAX
G 600-21715	Accrued Local Tax	\$52.00	JAN 2020	LOCAL SALES TAX
G 600-21715	Accrued Local Tax	\$52.00	JAN 2020	COUNTY SALES TAX
Total MINNESOTA REVENUE		\$1,017.00		
Paid Chk# 022294 2/10/2020 ANNITA SMYTHE				
E 100-41100-120	Reimbursement	\$22.14	JANUARY 202	MILEAGE REIMBURSEMENT
Total ANNITA SMYTHE		\$22.14		
Paid Chk# 022295 2/10/2020 BOLTON & MENK, INC.				
E 100-41700-303	Engineering Fees	\$800.00	0245370	ENGINEERING SVCS CDI PROPERTY
E 651-43100-303	Engineering Fees	\$2,865.00	0245372	ENGINEERING SVCS CR 75
E 100-41700-303	Engineering Fees	\$467.50	0245373	ENGINEERING SVCS LINN ST VACATION
E 600-49400-303	Engineering Fees	\$515.00	0245390	ENGINEERING SVCS TELCOM PLAN REVIEW
E 600-49400-303	Engineering Fees	\$5,237.50	0245393	ENGINEERING SVCS WATERMAIN CROSSING
Total BOLTON & MENK, INC.		\$9,885.00		
Paid Chk# 022296 2/10/2020 CITIZEN TRIBUNE				
E 100-41000-351	Legal Notices Publishing	\$324.90	134498	2020 SUMMARY BUDGET
Total CITIZEN TRIBUNE		\$324.90		
Paid Chk# 022297 2/10/2020 CITY OF CLEARWATER				
E 800-45200-382	Utilities	\$42.96	JAN 20	LIBRARY UTILITIES
Total CITY OF CLEARWATER		\$42.96		
Paid Chk# 022298 2/10/2020 CLEARWATER FIRE RELIEF				
E 230-42200-129	MN State Fire Relief 2% Aid	\$5,475.40	2019	2019 STATE AID
E 230-42200-130	MN State Fire Relief Supp Aid	\$23,011.20	2019	2019 STATE AID

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January 2020 to February 2020

		Check Amt	Invoice	Comment
Total CLEARWATER FIRE RELIEF		\$28,486.60		
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Paid Chk#	022299	2/10/2020	CLEARWATER PARTS CITY AUTO	
E	100-43200-123	Operating Supplies	\$59.28	62-437116 VINYL TUBE/MINERAL SPIRIT
E	100-43210-414	02 Sterling Plow Truck	\$32.11	62-437668 AIR FILTER
E	600-49400-307	Repair & Maintenance Charges	\$22.32	62-437681 NEW BOLTS FOR METER
E	100-43210-416	94 Dodge 1 Ton	\$96.29	62-437728 FUEL/WATER/OIL FILTERS
Total CLEARWATER PARTS CITY AUTO		\$210.00		
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Paid Chk#	022300	2/10/2020	CORE & MAIN LP	
E	600-49400-307	Repair & Maintenance Charges	\$318.24	L826669 CURB STOP
Total CORE & MAIN LP		\$318.24		
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Paid Chk#	022301	2/10/2020	DVS RENEWAL	
E	100-43210-418	05 Dodge 1/2 Ton	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-419	08 Dodge 1 Ton	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-414	02 Sterling Plow Truck	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-415	2004 CHEV	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-417	99 International Dump	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-416	94 Dodge 1 Ton	\$19.25	2020 CAB CA MN REGISTRATION CARDS
E	100-43210-424	Dura Patcher	\$19.25	2020 CAB CA MN REGISTRATION CARDS
Total DVS RENEWAL		\$134.75		
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Paid Chk#	022302	2/10/2020	FIDELITY SECURITY LIFE	
E	100-43200-131	Employer Paid Health	\$41.25	2469464 VISION PREMIUM FEB
E	100-41400-131	Employer Paid Health	\$4.32	2469464 VISION PREMIUM FEB
Total FIDELITY SECURITY LIFE		\$45.57		
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Paid Chk#	022303	2/10/2020	GOPHER STATE ONE-CALL	
E	600-49400-151	W/S Locates	\$25.00	293 2020 ANNUAL FACILITY OPERATOR FEE
E	601-49450-151	W/S Locates	\$25.00	293 2020 ANNUAL FACILITY OPERATOR FEE
Total GOPHER STATE ONE-CALL		\$50.00		
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Paid Chk#	022304	2/10/2020	GOVOFFICE LLC	
E	100-41000-323	Website	\$475.00	10877 GOV OFFICE 1YR WEBSITE HOSTING
E	100-41000-323	Website	\$500.00	10877 GOV OFFICE EXTENDED STORAGE PLAN
Total GOVOFFICE LLC		\$975.00		
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Paid Chk#	022305	2/10/2020	HAWKINS, INC	
E	600-49400-123	Operating Supplies	\$857.14	4650740 CHLORINE CYLINDER RENTAL
Total HAWKINS, INC		\$857.14		
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Paid Chk#	022306	2/10/2020	INTERSTATE AUTO	
E	100-43210-416	94 Dodge 1 Ton	\$20.00	998701 STOCK RADIO
Total INTERSTATE AUTO		\$20.00		
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Paid Chk#	022307	2/10/2020	LEADERSHIP GROWTH GROUP	
E	100-41100-208	Training and Instruction	\$600.00	20314 2020 LEADERSHIP GROWTH GROUP SERIES
Total LEADERSHIP GROWTH GROUP		\$600.00		
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Paid Chk#	022308	2/10/2020	LEAGUE OF MINNESOTA CITIES	
E	100-41000-150	Software & Support	\$160.40	314414 ACROBAT PROF ANNUAL PMNT
Total LEAGUE OF MINNESOTA CITIES		\$160.40		
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Paid Chk#	022309	2/10/2020	MARKLOWITZ, BECKY	
E	100-41000-125	Cleaning Service-Uniform	\$250.00	900860 CLEANING SVC CITY HALL
E	800-45200-125	Cleaning Service-Uniform	\$160.00	900860 CLEANING SVC LIBRARY

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January 2020 to February 2020

			Check Amt	Invoice	Comment
E 240-45300-125	Cleaning Service-Uniform		\$50.00	900860	CLEANING SVC PARKS
E 230-42200-125	Cleaning Service-Uniform		\$60.00	900860	CLEANING SVC FD
Total MARKLOWITZ, BECKY			\$520.00		
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Paid Chk# 022310	2/10/2020	METRO WEST INSPECTION SVCS INC			
E 100-42400-305	Contracted Services		\$17,215.99	2307	FINALED PERMITS JANUARY 2020
Total METRO WEST INSPECTION SVCS INC			\$17,215.99		
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Paid Chk# 022311	2/10/2020	MN DNR WATERS			
E 600-49400-306	MDS TEST FEE		\$240.61	1978-3140-20	WATER USE
E 600-49400-306	MDS TEST FEE		\$440.49	1978-3140-20	SUMMER SURCHARGE
Total MN DNR WATERS			\$681.10		
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Paid Chk# 022312	2/10/2020	OFFICE DEPOT (CATALOG)			
E 100-41000-200	Office Supplies		\$29.98	432166004001	W2 ENVELOPES
E 100-41000-200	Office Supplies		\$56.78	432167784001	TAX FORMS 1099, W-2
Total OFFICE DEPOT (CATALOG)			\$86.76		
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Paid Chk# 022313	2/10/2020	RUPP, ANDERSON,SQUIRES &WALDSP			
E 100-41600-304	Legal Fees		\$1,579.70	10465	MISC ATTORNEY FEES
Total RUPP, ANDERSON,SQUIRES &WALDSP			\$1,579.70		
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Paid Chk# 022314	2/10/2020	WRIGHT COUNTY EDP			
E 250-41200-433	Dues and Subscriptions		\$822.00	2020	2020 MEMEBERSHIP DUES
Total WRIGHT COUNTY EDP			\$822.00		
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Paid Chk# 022315	2/10/2020	ZIEGLER			
E 100-43210-417	99 International Dump		\$316.40	PC080575055	CUTTING EDGE
Total ZIEGLER			\$316.40		
10100 LAKE CENTRAL BANK			\$71,963.17		

Fund Summary

10100 LAKE CENTRAL BANK	
100 GENERAL FUND	\$30,101.47
230 FIRE AND RESCUE	\$28,546.60
240 PARKS AND RECREATION	\$305.00
250 ECONOMIC DEV. AUTHORITY	\$822.00
600 WATER FUND	\$8,219.22
601 SEWER FUND	\$235.92
603 REFUSE (GARBAGE) FUND	\$665.00
651 STORM SEWER	\$2,865.00
800 LIBRARY FUND	\$202.96
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	\$71,963.17

City of Clearwater, Minnesota
Unaudited Cash Balances by Fund
Cash Balance as of February 6th, 2020

Fund		Balance 12/31/2019	2/6/2020	YTD Change from 12/31/2019
100	General Fund	\$ 995,123.69	\$ 910,549.87	\$ (84,573.82)
200	Park Dedication Fee	227.71	227.71	-
230	Fire and Rescue	102,765.18	62,155.11	(40,610.07)
240	Parks and Recreation	2,901.97	(128.33)	(3,030.30)
250	Economic Dev. Authority	104,595.38	103,773.38	(822.00)
260	Small Cities Aid	32,549.65	32,549.65	-
270	Local Option Sales Tax	1,179,192.66	1,220,146.29	40,953.63
306	GO Imp Bond 2006-Refund 2012	1,262.29	1,262.29	-
309	GO Equip Certificates 2009	(36,466.92)	(36,466.92)	-
315	Bond Proceeds	153,972.04	159,177.02	5,204.98
415	Streets Curbs	0.25	0.25	-
416	SE Area Project	139,698.18	139,698.18	-
420	Fire Capital Fund	(52,675.75)	(52,675.75)	-
430	Public Works Reserve Fund	308,688.63	308,688.63	-
600	Water Fund	676,509.50	668,015.85	(8,493.65)
601	Sewer Fund	710,042.74	717,561.92	7,519.18
603	Refuse (Garbage) Fund	(4,064.68)	(2,666.90)	1,397.78
651	Storm Sewer	45,468.95	43,727.73	(1,741.22)
800	Library	(2,635.74)	(8,010.59)	(5,374.85)
Total		\$ 4,357,155.73	\$ 4,267,585.39	\$ (89,570.34)

**CLEARWATER CITY COUNCIL MEETING MINUTES
CITY COUNCIL WORKSHOP MEETING
JANUARY 27, 2020**

1. Call to Order: 6:00 p.m. Council Chambers

- Mayor Lawrence called the Clearwater City Council Workshop to order Monday, January 27th, 2020 at 6:00 p.m. in the council chambers. Members present were Mayor Lawrence, Council Members Petty, Scott, Kruchten, and Crandall. Also present were members of the Clearwater Township and Lynden Township Boards, the Public, Staff and Press.

2. Continued Discussion of Fire Protection Contract

- Consensus that all parties wish to continue to have a contract for service.
- Township primary issues are the cost of service compared to other departments, lack of details about the budget, concerns about the proposed split formula, and a lack of communication.
- City's primary concerns are the current contract split is based solely on calls, which excludes other fixed costs of the department, the fact that contract payments are in arrears, so city has to act as the bank, and concerns about arguments over the data.
- After detailed discussion back and forth, the following general consensus was reached:
 - o Clearwater to provide line item budget to townships.
 - o Townships will provide data on market values that splits out parcels with buildings from parcels without buildings.
 - o The three clerks will work together to split the budget into categories; operations, capital, debt.
 - o The three clerks will build a modified split formula that blends the old formula with some new data that includes a five year call history, market value data for parcels with buildings, and a true-up adjustment at the end of each year based on actual experience.
- There was a question about use of chemical foam, which will be discussed at the regular Council meeting.
- Next meeting date to be determined.

3. Adjournment

- Meeting adjourned at 6:56 pm by Mayor Lawrence.

ATTEST

APPROVED

Annita M. Smythe, City Administrator

Andrea Lawrence, Mayor

CLEARWATER CITY COUNCIL MEETING MINUTES
REGULAR CITY COUNCIL MEETING
JANUARY 27, 2020

1. Call to Order and Pledge of Allegiance: 7:00 p.m. Council Chambers

- Mayor Lawrence called the Clearwater City Council to order Monday, January 27th, 2020 at 7:00 p.m. in the council chambers. Members present were Mayor Lawrence, Council Members Petty, Scott, Kruchten, and Crandall. Also present were members of the Public, Staff and Press.

2. Approval of Agenda

- Staff requested addition of Res 2020-10 Appointing Election Judges as item 7.a.
- **MOTION** by Crandall to approve the agenda with the addition of item 7.a., seconded by Scott, all voted aye. **MOTION CARRIED.**

3. Public Comment

- None.

4. Consent Agenda

a. Claims/Accounts Payable

b. Approval of 01-13-20 Regular Council Meeting Minutes

- **MOTION** by Petty to approve the Consent Agenda as presented, seconded by Kruchten, all voted aye. **MOTION CARRIED.**

5. Wright County Sheriff Deputy Report

- None.

6. Old Business

a. Ord 2020-01 – Amending Chapter 117 of City Code

- **MOTION** by Kruchten to approve, seconded by Crandall. Voting aye – Kruchten, Crandall, Lawrence, Scott. Abstained - Petty. **MOTION CARRIED.**

b. Res 2020-03 – Approving Findings of Fact for Rezoning

- **MOTION** by Crandall to approve, seconded by Scott. Voting aye – Crandall, Scott, Lawrence, Kruchten. Abstained – Petty. **MOTION CARRIED.**

c. Res 2020-02 – Approving Purchase of Fire Engine

- Administrator Smythe reported that the vendor will honor the current price quote until February 14, 2020.
- Mayor Lawrence reported comments from Clearwater Township, opposed to the purchase of this vehicle due to cost concerns and a lack of an opportunity for Townships to provide feedback.
- Member Kruchten reported that he had been seeking possible used vehicle options that would meet our specifications. Mayor Lawrence cautioned Kruchten that he did not have authorization from the Council to take this action.
- Chief Pridgeon provided background on the lengthy process that the design committee conducted to get to this point. There was some back and forth with Township members over the use of chemical foam for putting out fires.
- There was discussion about plans for the new vehicle and how it would impact the existing fleet of vehicles. Member Scott pointed out that there is another vehicle nearing its time for replacement in 2022.

- Chief Pridgeon answered additional questions about the life expectancy of the vehicle, the size, and how it would be used for calls. This new vehicle will be the primary vehicle out the door for most calls. The warranty is spelled out in the proposed contract.
- Member Petty had questions about other cities along I94 and what equipment they have. Chief Pridgeon did not know but stated that I94 is the most dangerous place to work. This vehicle will provide additional protections for firefighters that we currently don't have.
- Member Petty asked about repair components, which are highly specialized. There could be added costs for repairs if needed.
- Member Petty asked how we prevent some of the past issues we have had with "cheap parts" being used. Pridgeon responded that we would have inspection visits during the build of the vehicle, which takes several months.
- Member Kruchten stated that he would like to have the results from his used vehicle search prior to making a decision on this.
- **MOTION** by Kruchten to table until the February 10, 2020 meeting, seconded by Scott. Voting aye – Kruchten, Scott, Crandall, Petty. Voting nay - Lawrence. **MOTION CARRIED 4-1.**

d. Discussion of Food Shelf Contract

- Members discussed the existing contract for rental of space in the city building in Lions Park. There was some discussion of the history and background on why the food shelf pays rent. It is actually rent charged to the Lions, but submitted via the food shelf, as the Lions can't directly lease the building. Both the Lions and the food shelf have exclusive use of parts of the buildings on the property. The Lions donate funds to the food shelf, which is then paid to the city by the food shelf to cover the rental fees.
- Additional discussion surrounded what other cities do and what our costs are for maintenance of the building. Consensus among members was that the users of the building should help cover the maintenance costs of the building. Additionally, members thought a new contract that more clearly explained the terms should be drafted/negotiated.
- Member Scott offered to consult with the Lions and report back at the February meeting.

7. New Business

a. Res 2020-10 – Appointing Election Judges for 2020 Elections

- **MOTION** by Crandall to approve, seconded by Kruchten. Voting aye – Crandall, Kruchten, Lawrence, Petty. Abstained - Scott. **MOTION CARRIED.**

8. Reports

a. Mayor and Council

- None.

b. Boards

- Park Commission meets 01/30/20. Some discussion of I94 Pedestrian Bridge and a list of needs for meetings with legislators in March.
- Sewer Authority had a special meeting to address a personnel issue.

c. Staff

- None.

9. Other

- Members asked for an update on establishing EDA. Staff has not yet had time to follow-up.
- Members would like to discuss in the future re-adoption of a Rental Ordinance and a Business License Ordinance.
- Member Crandall is interested in attending the LMC Advanced Academy if still possible. Staff will check dates.

10. Adjournment

- **MOTION** to adjourn by Lawrence, seconded by Crandall, all voted aye.
- Meeting adjourned at 8:28 pm

ATTEST

APPROVED

Annita M. Smythe, City Administrator

Andrea Lawrence, Mayor

DRAFT

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

A regular meeting of the City Council of the City of Clearwater, Minnesota, was called to order by Mayor Lawrence at 7:00 p.m. in the Council Chambers at City Hall on Monday, February 10th, 2020.

The following Council Members were present: Lawrence, Petty, Crandall, Kruchten, and Scott.

The following Council Members were absent: None.

A motion to adopt the following resolution was made by _____ and seconded by _____

.....

**RESOLUTION 2020-11
AUTHORIZATION OF TAX EXEMPT TEMPORARY GAMBLING PERMIT FOR
CLEARWATER/CLEAR LAKE DUCKS UNLIMITED ON APRIL 2, 2020**

BE IT RESOLVED the Clearwater/Clear Lake Ducks Unlimited Chap #288 has requested of the City of Clearwater authorization for tax exempt temporary gambling to hold a raffle on April 2nd, 2020.

BE IT FURTHER RESOLVED the Clearwater City Council has the authority to grant authorization for tax exempt temporary gambling within Clearwater city limits.

BE IT FURTHER RESOLVED the Clearwater City Council desires to encourage the ongoing work of non-profit and community-service organizations in the immediate region.

BE IT FURTHER RESOLVED the Clearwater City Council grants authorization to Clearwater/Clear Lake Ducks Unlimited Chap #288 for tax exempt temporary gambling on April 2nd, 2020.

Adopted by the City Council of the City of Clearwater on this 10th day of February, 2020.

Council members voting in favor:

Abstained:

Adopted by the City Council this 10th day of February, 2020.

ATTEST:

APPROVED BY:

Annita M. Smythe, City Administrator

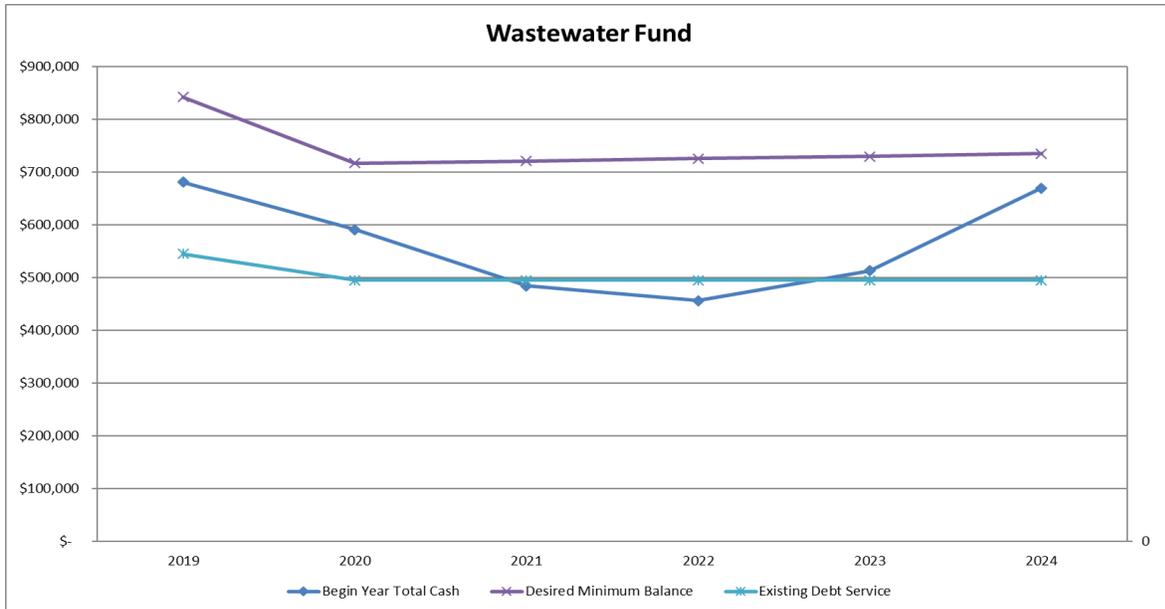
Andrea Lawrence, Mayor

Wastewater Fund Analysis

Assumptions:

Water Rate Inflations: 10%

Inflation for Expenses: 3%



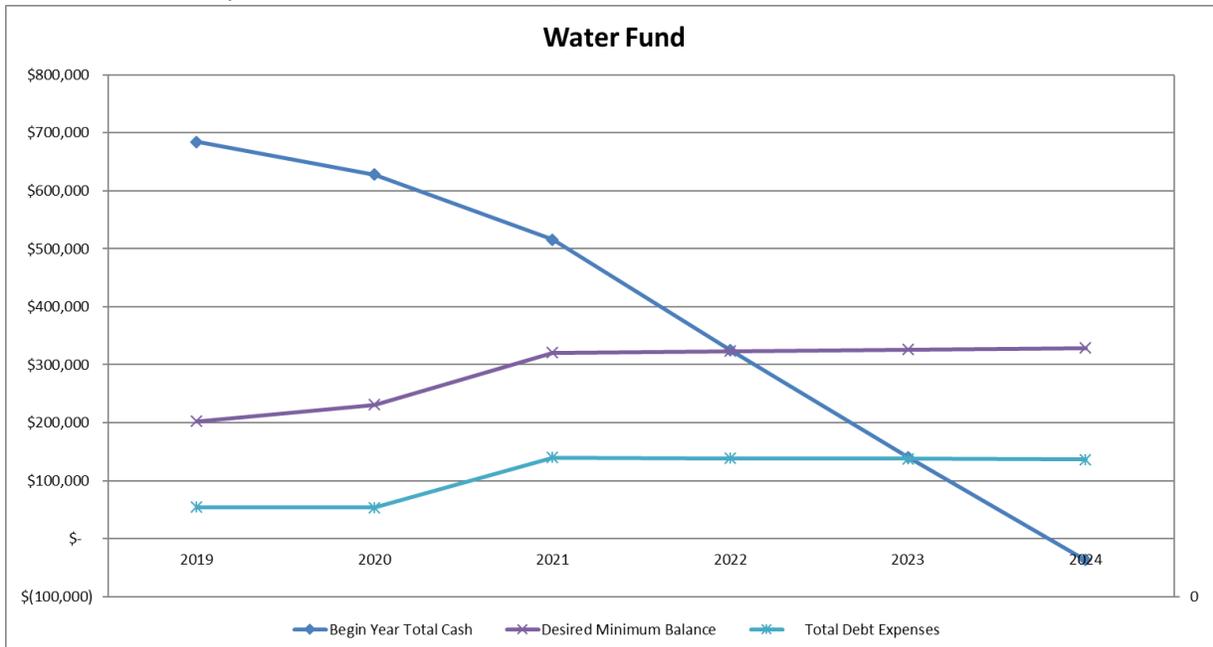
Water Fund Analysis

Assumptions:

Water Rate Inflations: 10%

Inflation for Expenses: 3%

I94 Watermain loop bond in the amount of \$1,500,000





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MEMORANDUM

Date: January 6, 2020
To: Honorable Mayor Lawrence-Wheeler and Members of the City Council
City of Clearwater, Minnesota
From: Justin L. Kannas, Engineer
Joseph D. Pelawa, Engineer
Subject: Eldorado Park Concrete Court
City of Clearwater
Project No.: R16.114094

This memo addresses the random concrete cracks that have occurred after the Eldorado Park Basketball Concrete Court was poured on July 2, 2019.

Excessive random concrete cracking, wider than hairline cracks, can be caused by one or more of the following construction deficiencies in a slab of this nature:

- Placement of the concrete with excessive amounts of water, which increase shrinkage rates and decrease concrete strength
- Inadequate concrete mixture, not correctly designed for intended use
- Improper and inconsistent curing of the concrete after placement
- Improper placement of reinforcement, not providing proper benefits to control crack widths
- Improper support of reinforcement, allowing reinforcements to be pushed toward the bottom of the slab
- Inadequate compaction of the aggregate base under the concrete slab

Summary:

For rebar reinforcement to be effective in controlling cracking of the concrete courts, it must be placed at the center of or slightly above the center of the slab thickness. On September 6th Braun Intertec performed tests on the Eldorado Park concrete courts installed July 2nd, 2019 to verify location of the reinforcement within the concrete slab. Results of this testing show the reinforcing is at the bottom or in the bottom 1/3 of the slab.

Based upon our review and analysis and discussions with the contractor and City staff of what occurred during construction, the following items are causes for the concrete court cracking:

- The reinforcement was placed near the bottom of the concrete slab as shown in the Braun Intertec test results. As indicated above, placement of rebar below the middle of the slab is not effective in controlling cracking.
- Improper curing of the concrete slab. It was witnessed that the curing materials (blanket) that was placed on the slab was not properly maintained. The materials were allowed to dry out and had substantially blown off of the slab multiple times during the 30 day curing period. This would have caused improper curing of the concrete causing additional cracking.
- Improper compaction of the aggregate base under the concrete slab. The contractor indicated that a portion of the granular aggregate base was saturated with water when they were pouring the slab. The contractor indicated that they shoveled out some of the wet material and threw in sand in place of the wet

material. The combination of a saturated unstable base and placement of new material without being properly compacted could be a cause for additional cracking.

Options for Council Consideration:

We have researched some options for sealing of the cracks that are present in the concrete court. A sealant product called Court Flex made by Sport Court is available for applications similar to this. The sealant is 100% acrylic and has elastomeric properties keeping it flexible during freeze-thaw conditions. The product is intended for narrow cracks up to 1/2" wide. The need for re-application varies based upon conditions but is anticipated every 5 to 6 years. The cost of the material is approximately \$100-\$150 for coverage of all present cracks. It would be my recommendation that this product be purchased and applied this spring.

If the color matching properties of the crack sealant does not match well with the concrete and is considered un-acceptable, an option is to place a color re-surfacing system over the entire court area after crack sealing is completed. The material cost for this system is about \$6,000 and has a life expectancy of 15 years.

An option for the City Council to consider is to release partial payment at this time to the contractor for work completed less the expected cost of sealant and re-surfacing costs for a 40-year life expectancy of the concrete courts. Upon further evaluation of the cracks this spring and placement of the crack sealant, additional payment could be considered if it is determined that a color re-surfacing system would not be needed.

R&D Concrete Invoice = \$56,240
Less Crack Sealant Costs (\$150/application x 8 applications) = \$1,200
Less Color Re-Surfacing System (\$6,000/application x 3 applications) = \$18,000
Recommended Partial Payment Release to R&D Concrete = \$37,040

If you have any questions, please feel free to contact Justin Kannas at (320) 905-2704 or justin.kannas@bolton-menk.com or Joseph Pelawa at (218) 830-2636 or joseph.pelawa@bolton-menk.com.

JLK/jk



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MEMORANDUM

Date: February 5, 2020
To: Honorable Mayor Lawrence-Wheeler and Members of the City Council
City of Clearwater, Minnesota
From: Justin L. Kannas, P.E.
City Engineer
Subject: I-94 Pedestrian Improvements
City of Clearwater
Project No.: W13.119129

On July 15, 2019 a meeting was held with representatives from the City of Clearwater and MnDOT regarding possible pedestrian crossing improvements over I-94. MnDOT informed the City of a planned bridge replacement project on TH 24 across I-94 in the year 2025. MnDOT indicated that pedestrian facilities could be included on the bridge as part of the project costs, if the City requests. We are verifying with MnDOT if the City of Clearwater would be responsible for any portion of these costs.

The City of Clearwater's Transportation Plan from 2018 identifies I-94 pedestrian crossings at TH 24 and near Eldorado Park/Authority Fence (see attached figure).

Recently, the City had discussed further exploring a pedestrian bridge near the Eldorado Park/Authority Fence location. With the additional information regarding MnDOT's plans to replace the TH 24 bridge and potential to add pedestrian facilities to that project, the City Council should discuss which of these two options is a priority for the City.

A detailed analysis of the two options has not been completed. However, following are some initial observations on the two options:

Hwy 24 Bridge Option

- Pros –
 - MnDOT constructs the trail on new bridge and across access ramps (2025)
 - Reduced or no cost to the City for the bridge crossing
 - Future trail connections along TH 24 would benefit existing and future development along the TH 24 corridor
- Cons –
 - Congestion north of interstate
 - Costs of trail connections north and south of I-94
 - Less direct route between Cedar South and city trail system north of I-94

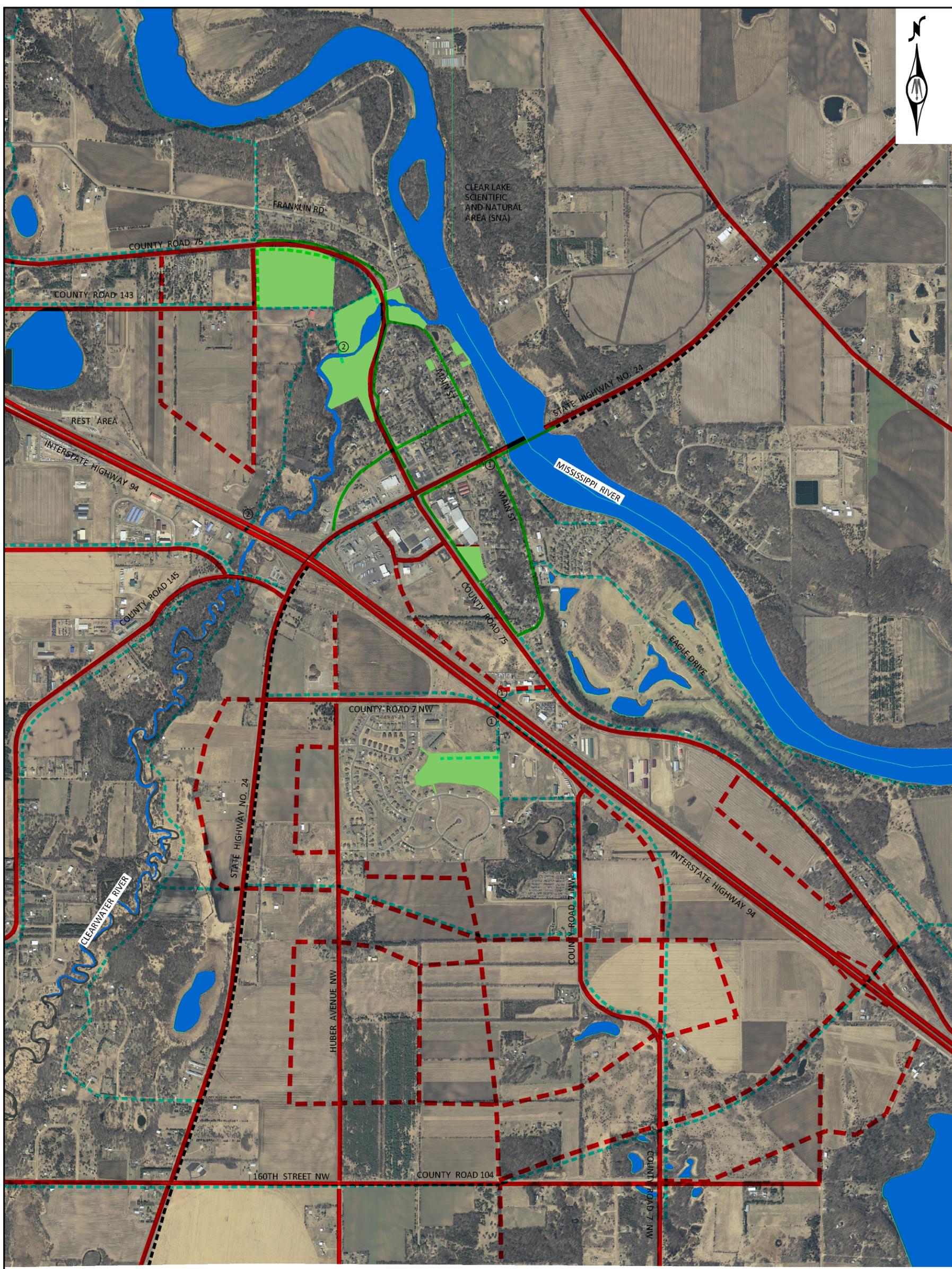
Eldorado Park/Authority Fence Crossing Option

- Pros –
 - More direct connection to the Main Street trail and to the planned route for the Great River Regional Trail
 - Avoid congestion of Hwy 24 north of I-94
- Cons –
 - Cost for new trail & bridge crossing

I would recommend that the City Council authorize City staff to submit a formal request to MnDOT to include pedestrian facilities on the TH 24 replacement bridge.

If you have any questions, please feel free to contact me.

JLK/jk



TRAIL & ROAD CONCEPT MAP

LEGEND

- EXISTING TRAIL
- PROPOSED TRAIL
- EXISTING ROAD
- PROPOSED ROAD

- PROPOSED TRAIL SPIRAL RAMP
- PROPOSED TRAIL CROSSING

DISCLAIMER:
 THIS DRAWING IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS ONE. THIS DRAWING IS A COMPILATION OF RECORDS, INFORMATION, AND DATA LOCATED IN VARIOUS CITY, COUNTY, AND STATE OFFICES, AND OTHER SOURCES AFFECTING THE AREA SHOWN, AND IS TO BE USED FOR REFERENCE PURPOSES ONLY. THE CITY OF ZIMMERMAN IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED.

0 800 1600
 HORZ. SCALE FEET

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BOLTON & MENK

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 Phone: (763) 433-2851
 Email: Ramsey@bolton-menk.com
 www.bolton-menk.com

CITY OF CLEARWATER, MINNESOTA
 TRAILS & PARKS
 PROPOSED CONNECTION ROUTES
 FEBRUARY, 2018 FIGURE NO.



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MEMORANDUM

Date: February 5, 2020
To: Honorable Mayor Lawrence-Wheeler and Members of the City Council
City of Clearwater, Minnesota
From: Justin L. Kannas, P.E.
City Engineer
Subject: CR75 Trunk Storm Sewer Project – Desktop Hydrogeologic Assessment
City of Clearwater
Project No.: R16.117733

We have reviewed the possibility of further exploring other aquifers near the City of Clearwater in search of a low vulnerability site for a new well field, which would not limit storm water infiltration practices. Based upon a review of the available geologic cross sections in the City's Wellhead Protection Plan, there is no indication of additional aquifers within the existing Drinking Water Supply Management Area (DWSMA) which would have a low vulnerability. Therefore, we would not recommend further studies or exploration for low vulnerability aquifers within the current DWSMA.

We obtained a proposal to further study an area outside of the existing DWSMA. The study would search for possible aquifers with low vulnerability. Attached is a proposal from Leonard Rice Engineers to complete a Desktop Hydrogeologic Assessment within an area south and east of the existing DWSMA as shown on Figure 1 in the proposal. The cost of the study is \$6,500. This work would be completed prior to additional feasibility work on the trunk storm sewer option.

I would recommend that the City Council approve the attached proposal.

If you have any questions, please feel free to contact me.

JLK/jk

January 7, 2020

Justin Kannas, P.E.
Principal Engineer
Bolton & Menk, Inc.
2040 Highway 12 East
Wilmar, MN 56201-5818

RE: Proposal for Desktop Hydrogeologic Assessment
City of Clearwater
Clearwater, MN

Dear Justin,

The purpose of this correspondence is to provide Bolton & Menk, Inc. (BMI) with Leonard Rice Engineers, Inc.'s (LRE) proposal for conducting a desktop hydrogeologic assessment (Assessment) for the City of Clearwater, Minnesota (City). The area of the Assessment, referred to as the Study Area and shown on Figure 1, includes an area adjacent to, and east-southeast of the City's 2007 and 2020 (in progress) Part 1 Wellhead Protection (WHP) Plan DWSMA that was delineated by the Minnesota Department of Health (MDH).

BACKGROUND AND OBJECTIVES

LRE understands BMI and the City are in the process evaluating alternatives and proposed locations(s) for a large stormwater infiltration basin. Guidance from the Minnesota Pollution Control Agency (MPCA) requires that such a structure cannot be built in DWSMAs that overlie highly vulnerable aquifers, which is the case for the area of the City's DWSMA where the basin could potentially be located. This vulnerability was determined by the MDH per the procedures described in Minnesota Rules, Part 4720.5210, subpart 3. The information from this Assessment will assist BMI and the City in determining if there are any areas within the Study Area where the underlying aquifer is not considered highly vulnerable, which is beneficial for siting the basin, or possibly relocating the City's well field outside of the current DWSMA.

The two primary objectives of the Assessment are as follows:

1. Evaluate the aquifer vulnerability that underlies the Study Area; and,
2. Assess the hydrogeology in the Study Area to determine if the aquifer has the potential to be developed into a new well field.

SCOPE OF SERVICES

The following tasks will be completed to meet the objectives of this Assessment.

Task 1: Vulnerability Assessment

- Review the City's existing WHP Plan.
- Obtain and review available well logs and other relevant data from existing wells within the Study Area from the MDH's Minnesota Well Index (MWI) Database.
- Obtain and review available groundwater chemistry data for the existing City wells from the City or MDH. Specifically review chloride and bromide ratios and tritium concentrations in groundwater from the City wells to assist in determining aquifer vulnerability.
- Complete a vulnerability analysis for all wells across the Study Area that have available geologic logs. The analysis will follow the method used by the MDH for completing these analyses as part of the Part 1 WHP planning process per Minnesota Rules noted above.

Task 2: Aquifer Mapping

- Draft two (2) hydrogeologic cross sections through the Study Area east-southeast of the existing DWSMA. These cross sections will be combined with the original cross sections in the WHP Plan to better characterize the hydrogeology and extent of the aquifer across the Study Area.
- Utilize the well logs from the MWI and existing studies obtained in Task 1 to map the thickness and approximate extent of the aquifer in the Study Area.
- Complete a preliminary evaluation of the aquifer in the Study Area to determine if it has the characteristics to potentially support a new well field, and identify general data gaps.

Task 3: Analysis and Reporting

- Complete a letter report summarizing the findings of the work completed. The report will provide an understanding of the aquifer vulnerability across the Study Area based on the existing 2007 and 2020 (in progress) Part 1 WHP Plan, available geologic logs, and other relevant hydrogeologic studies.
- Include the results from the aquifer mapping and potential well field development assessment for the Study Area, and provide a summary of data gaps and recommendations.

COST ESTIMATE

The estimated cost to complete this Assessment is time and materials not-to-exceed \$6,500. This Assessment is to be based on readily available data provided by the sources listed above and shall not include any verification through test hole drilling, aquifer testing or other field investigation activities unless approved by BMI under a separate scope of work. If the project requires LRE services to go beyond our scope or in excess of the cost provided, these services will not be completed without your authorization.

Thank you for the opportunity to provide this proposal to BMI. If you have any questions, please contact me at (651) 341-8199.

Sincerely,

LEONARD RICE ENGINEERS, INC.

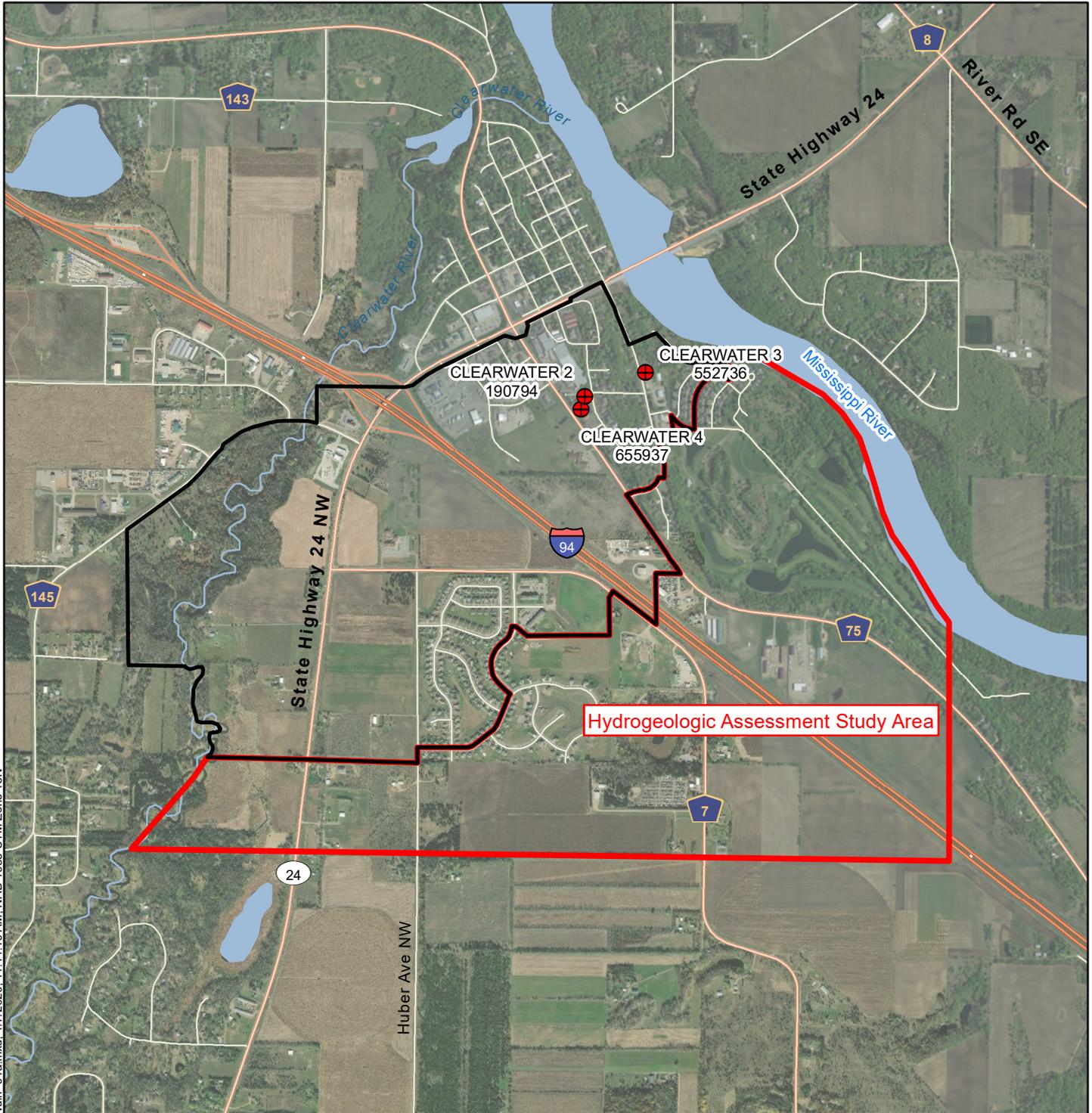


Roscoe F. Sopiwnik, GISP
Senior Environmental Scientist



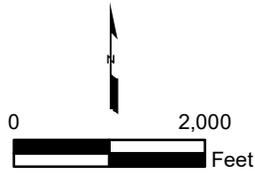
David S. Hume, PG
Vice President of Midwest Operations

Enclosure:



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-  City Well
 -  Study Area
 -  Drinking Water Supply Management Area (2007 and 2020 WHP Plan Part 1)
- Clearwater 2 — City Well Number
 190794 — Unique MWI Number



Service Layer Credits: Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the
 Copyright: © 2013 National Geographic Society

	Prepared By: LEONARD RICE ENGINEERS, INC. Integrated Water Resource Solutions 1221 Auraria Parkway Denver, Colorado 80204 (303) 455-9589	CITY OF CLEARWATER CLEARWATER, MINNESOTA	
	HYDROGEOLOGIC ASSESSMENT STUDY AREA		
		FILE: clearwater_vuln_01a.MXD	DATE: 1/7/2020
		FIGURE: 1	

MEMORANDUM

Date: November 7, 2019
To: Kevin Kress, City Administrator
From: Joseph D. Pelawa, P.E.
Subject: Proposed Blaine Brothers – Extra Cost Items
Clearwater, Minnesota
Project No.: R16.117597

We have reviewed the submitted Extra Cost Items dated October 28, 2019 and have the following comments and attached Opinion of Additional Project Costs (attached):

1. Trunk Storm:
 - a. Looking over the site pipe network I would split the storm sewer needed to convey the storm water from the site into two pipe sizes, 604 LF of 18” and 267 LF of 24”.
 - b. Increased structure size due to the larger pipe diameter, 3 structures increased from 48 inch to 60 inch.
 - c. Extra depth to avoid watermain. Upon excavation the existing watermain was installed in 2002 deeper than expected. This conflict required lowering of the storm trunk line for clearance and increasing the structure depths accordingly.
 - d. We do agree some of the extra trunk line cost is justified for oversizing the pipe. Based upon the above items we come up with \$77,150.00 for the Additional Extra Costs for the Trunk Storm Sewer Line, see attached cost breakdown sheet.

2. Trunk Watermain
 - a. A requirement for development sites in the City is that utilities are extended to the property line to provide service to adjacent parcels.
 - b. A basic 8 inch watermain extended to the property line with hydrant would be required.
 - c. We requested that a 12 inch watermain for looping be installed and oversizing costs amount to the extra cost above placement of a 8 inch line.
 - d. We do agree some of the extra trunk line cost is justified for oversizing the pipe. Based upon the above items we come up with \$6,450.00 for the Additional Extra Costs for the Trunk Watermain Line, see attached cost breakdown sheet.

3. Stormwater Basin Modifications:
 - a. The City did make a concession to allow use of this basin area in the interim, such that the site improvements could proceed this year and not be placed on hold till the storm trunk line and facilities were constructed (targeted for 2021).
 - b. This basin modification is for accommodating additional stormwater generated from your site in the interim, until the trunk line connection is constructed.
 - c. The cost submitted do appear much higher than what would be expected to perform the minor excavation work to enlarge the basin volume as outlined by your engineer’s drawings.

- d. The Truck Center went thru determinations in 2011 to verify that the existing basin was sufficiently sized.
 - e. If the Owner feels this is from actions of previous owners for filling the basin they can pursue this privately.
 - f. We do not agree this extra cost claimed by the Contractor and Owner should be burdened by the City.
4. Watermain:
- a. This was the Utility Contractor's decision to not test against the valve.
 - b. We do acknowledge that this valve may not have been operated as frequently as desired over the past 17 years.
 - c. We do place new valves on projects in scenarios like this to be assured that waterline testing is accurate.
 - d. We agree that this cost is justified for installing a valve adequate to test against. Based upon the above items we come up with \$4,015.00 for the Additional Extra Costs, see attached cost breakdown sheet.
5. Hydrant Relocation Entrance:
- a. The existing hydrant lead did not have a valve. When this trunk line was constructed in 2002-2003 the City should have installed a valve at that time.
 - b. We agree that this cost is justified for cutting in a valve. Based upon the above items we come up with \$9,625.00 for the Additional Extra Costs, see attached cost breakdown sheet.

Additional Extra Cost:

- 1. \$77,150.00
- 2. \$ 6,450.00
- 3. \$ 0.00
- 4. \$ 4,015.00
- 5. \$ 9,625.00

Total **\$97,240.00** for City consideration, see attached Opinion of Additional Project Costs for breakdown.

OPINION OF ADDITIONAL PROJECT COST

BLAINE BROTHERS, CLEARWATER, MN
 CITY OF CLEARWATER, MINNESOTA
 BMI PROJECT NO. R16.117597

DATE: 11/7/2019

ITEM NO.	ITEM	QTY	UNIT	UNIT PRICE	TOTAL COST	OWNER PROJECT COST	COST TO OVERSIZE ADDITIONAL WORK	ADDITIONAL EXTRA COST	TOTAL ADDITIONAL EXTRA COST	
					TOTAL	QTY	COST	QTY	COST	COST
TRUNK STORM SEWER LINE: Oversize Trunk Line										
1	18" RC PIPE SEWER CLASS III	604	LIN FT	\$55.00	\$33,220.00	604	\$33,220.00			
1	24" RC PIPE SEWER CLASS III	267	LIN FT	\$65.00	\$17,355.00	267	\$17,355.00			
1	36" RC PIPE SEWER CLASS III	871	LIN FT	\$120.00	\$104,520.00			871	\$104,520.00	\$53,945.00
2	CONSTRUCT DRAINAGE STRUCTURE DESIGN 4020-48	3	EACH	\$2,400.00	\$7,200.00	3	\$7,200.00			
2	CONSTRUCT DRAINAGE STRUCTURE DESIGN 4020-60	3	EACH	\$5,835.00	\$17,505.00			3	\$17,505.00	\$10,305.00
3	EXTRA DEPTH TO AVOID WATERMAIN CONFLICT	1	LUMP SUM	\$9,000.00	\$9,000.00			1	\$9,000.00	\$9,000.00
4	CONSTRUCT DRAINAGE STRUCTURE EXTRA DEPTH	12	VERT FEET	\$325.00	\$3,900.00			12	\$3,900.00	\$3,900.00
5	INLET ROCK PROTECTION ON 36 INCH STORM TRUNK LINE	1	LUMP SUM	\$930.00	\$930.00	1	\$930.00			
6	COMPACTOR FOR TRENCH	3	HOURS	\$150.00	\$375.00	2.5	\$375.00			
										\$77,150.00

TRUNK WATER LINE: Oversize Trunk Line										
1	8" C900 PVC WATERMAIN	430	LIN FT	\$25.00	\$10,750.00	430	\$10,750.00			
1	12" C900 PVC WATERMAIN	430	LIN FT	\$40.00	\$17,200.00			430	\$17,200.00	\$6,450.00
2	HYDRANT/VALVE ASSEMBLY	1	EACH	\$6,250.00	\$6,250.00	1	\$6,250.00			
3	HYDRANT EXTENSION	3	FOOT	\$454.00	\$1,362.00	3	\$1,362.00			
										\$6,450.00

STORMWATER BASIN MODIFICATION										
1	STORMWATER VOLUME EXCAVATIONS	1	LUMP SUM	\$17,570.00	\$17,570.00	1	\$17,570.00			

WATER VAVLE REPLACEMENT										
1	12" GATE VALVE & BOX	1	EACH	\$4,015.00	\$4,015.00			1	\$4,015.00	\$4,015.00
										\$4,015.00

HYDRANT RELOCATION										
1	INSERTION VALVE & BOX	1	EACH	\$9,625.00	\$9,625.00			1	\$9,625.00	\$9,625.00
										\$9,625.00

TOTAL ADDITIONAL EXTRA COST \$97,240.00

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

A regular meeting of the City Council of the City of Clearwater, Minnesota, was called to order by Mayor Lawrence at 7:00 p.m. in the Council Chambers at City Hall on Monday, January 13, 2020.

The following Council Members were present:

The following Council Members were absent:

A motion to adopt the following resolution was made by _____ and seconded by _____.

.....

**RESOLUTION 2020-02
APPROVING THE PURCHASE OF A FIRE ENGINE**

WHEREAS, the Fire Department requests permission to replace the current Fire Engine 12 with a new Fire Engine; and

WHEREAS, the Fire Department spent two years researching the replacement Fire Engine; and

WHEREAS, a quote was obtained from Pierce for \$771,714 for a 2019 Pierce Velocity TME pumper; and

WHEREAS, the purchase will be funded by an Equipment Certificate; and

WHEREAS, the amount of the Equipment Certificate exceeds the .25 percent of the estimated market value of the taxable property in the city; and

WHEREAS, the City shall not issue the Equipment Certificate for at least ten days (December 31st, after publication in the official newspaper of Resolution 2019-55; and

WHEREAS, the Fire Department shall not order the Fire Engine until at least ten days (December 31st, 2019) after the publication in the official newspaper of Resolution 2019-55.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Clearwater hereby approves the purchase of the \$771,714.00 2019 Peirce Velocity TME pumper to be ordered after December 31st, 2019.

Council members voting in favor:

Opposed or Abstained:

Adopted by the City Council this 13th day of January, 2020.

ATTEST:

APPROVED BY:

Annita M. Smythe, City Administrator

Andrea Lawrence, Mayor

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

A regular meeting of the City Council of the City of Clearwater, Minnesota, was called to order by Mayor Lawrence at 7:00 p.m. in the Council Chambers at City Hall on Monday, February 10, 2020.

The following Council Members were present:

The following Council Members were absent:

A motion to adopt the following resolution was made by _____ and seconded by _____.

.....

**RESOLUTION 2020-12
APPROVING THE PURCHASE OF A USED FIRE ENGINE**

WHEREAS, the Fire Department requests permission to replace the current Fire Engine 12 with a new Fire Engine; and

WHEREAS, Council Member Kruchten researched used vehicle options that were similar to the vehicle proposed by the Fire Department; and

WHEREAS, a quote was obtained from Carco Trucks for a salvaged/refurbished 2015 Spartan for the price of \$380,000 with a one-year warranty; and

WHEREAS, information regarding the vehicle is attached; and

WHEREAS, staff looked at the vehicle on _____ and believes it **meets/does not meet** the specifications submitted by the Fire Department.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Clearwater hereby approves the purchase of the 2015 Spartan for the price of \$380,000.

BE IT FURTHER RESOLVED that the Mayor and City Administrator are hereby authorized to take such actions as necessary to execute a purchase contract and coordinate delivery for the vehicle as soon as bond funds are available for the purchase.

Council members voting in favor:

Opposed or Abstained:

Adopted by the City Council this 10th day of February, 2020.

ATTEST:

APPROVED BY:

Annita M. Smythe, City Administrator

Andrea Lawrence, Mayor

Purchase Agreement

Seller: CARCO AUTOMOTIVE INC
Address: 13289 25TH AVENUE NW PO BOX 298 RICE MN, 56367
Ph: (320) 393-3687 Fax:(320) 393-4789

Date : 02/05/2020
Sales Person:
Dealer#: DLR25561

Buyer: CITY OF CLEARWATER DL #:
Address: 605 COUNTY RD 75 / PO BOX 9 CLEARWATER MN 55320
County: WRIGHT
Birthday:
Home: Business: (320) 588-2428
Email:

Co-Buyer: DL #:
Address:
County:
Birthday:
Home: Business:
Email:

Vehicle: 15 SPARTAN FIRETRUCK Color: RED Stock#: FC080162
VIN : 4S7CU2D91FC080162 Mileage: EXEMPT Actual Exempt

Trade 1: Vehicle: _____ Color: _____ Allowance: \$ N/A
VIN : _____ Mileage: _____ Payoff: \$ N/A
Net Trade: \$ N/A
Owed to: N/A

Trade 2: Vehicle: _____ Color: _____ Allowance: \$ N/A
VIN : _____ Mileage: _____ Payoff: \$ N/A
Net Trade: \$ N/A
Owed to: N/A

APR 0.000	Amount Finance 380777.50	Finance Charge 0.00	Total Payments 380777.50
----------------------------	---	--------------------------------------	---

Selling Price	\$ 380000.00
Net Trade	\$ N/A
Balance	\$ 380000.00
Aftermarket***	\$ N/A
Doc fee	\$ 75.00
Warranty	\$ N/A
**Gap	\$ N/A
Sub Total	\$ 380075.00
Total Tax May not include all the above items	
Sales Tax	\$ N/A
Title / Tag / MV & Fees	\$ 702.50
Misc Fees (Smog,Inspect ,etc.)	\$ N/A
Total Sale Price	\$ 380777.50
Cash Paid	\$ N/A
Rebate	\$ N/A
Deferred Down Payment	\$ N/A
Balance to be Financed	\$ 380777.50

Lien Holder: NONE

THIS VEHICLE HAD A MN SALVAGE TITLE, A MN PASSED INSPECTION WAS SUBMITTED AND IT NOW HAS A MN CLEAR TITLE; DAMAGE HISTORY ON FILE.

THIS VEHICLE IS BEING SOLD WITH A 12 MONTH DRIVE TRAIN PARTS ONLY WARRANTY; MUST HAVE PRIOR AUTHORIZATION THRU CARCO.

For "AS-IS" Sale Only:
I UNDERSTAND THAT THIS VEHICLE IS BEING SOLD "AS IS" WITH ALL FAULTS AND IS NOT COVERED BY ANY DEALER WARRANTY. I UNDERSTAND THAT THE DEALER IS NOT REQUIRED TO MAKE ANY REPAIRS AFTER I BUY THIS VEHICLE. I WILL HAVE TO PAY FOR ANY REPAIRS THIS VEHICLE WILL NEED. "AS IS" - No warranty either implied or express.

CITY OF CLEARWATER/WAYNE Buyer & Co-Buyer Name
 _____ Buyer & Co-Buyer Initials
 _____ Date **02/05/2020**

DEALER MAY RECEIVE A FEE, COMMISSION, OR OTHER COMPENSATION FOR PROVIDING, PROCURING, OR ARRANGING FINANCING FOR THE RETAIL PURCHASE OR LEASE OF A MOTOR VEHICLE, FOR WHICH THE CUSTOMER MAY BE RESPONSIBLE.

NO LIABILITY INSURANCE INCLUDED

*** The Doc Fee represents costs and profit to the dealer for items such as inspecting, cleaning, adjusting vehicles, and preparing documents related to the sale.**
**** GAP, Credit Life, and Disability Insurances.**
***** Aftermarket represents items purchased in addition to the vehicle.**
******Misc fees Could include Smog and other charges**

ALL PRIOR ORAL STATEMENTS, NEGOTIATIONS, COMMUNICATIONS, OR REPRESENTATIONS ABOUT THE PRODUCTS SOLD HEREUNDER ARE SUPERSEDED BY THIS BILL OF SALE/BUYER'S ORDER, AND, IF NOT EXPRESSLY STATED HEREIN, ARE NOT BINDING.

By signing below, you acknowledge that you have read all pages of this contract. You also acknowledge receipt of: (1) A true and completely filled in copy of all pages of this contract at the time you sign it and (2) if Arbitration is agreed upon, a copy of the arbitration agreement pertaining to this contract. Purchaser certifies he/she is of legal age to purchase a motor vehicle. If this transaction is to be a retail installment sale, this contract is not effective unless financing is obtained on terms satisfactory to all parties.


 _____ **CITY OF CLEARWATER**
 Buyer Signature Buyer Printed Name

 Co-Buyer Signature Co-Buyer Printed Name

02/05/2020 Date
02/05/2020 Date

Dealership: **CARCO AUTOMOTIVE INC** **02/05/2020** Date
 Name: 

It is further understood that the purchase or order on page one (pg 1) is subject to the following terms and conditions:

1. Unless this agreement expressly provides otherwise, the Vehicle's purchase price does not include any taxes, registration, or fees imposed by governmental authority with respect to such Vehicle prior to or at time of delivery of such Vehicle to buyer. Buyer assumes and agrees to pay any and all such taxes imposed on or incidental to the transaction covered by this agreement, regardless of who may have the primary tax liability.
2. Unless this agreement has been cancelled by Buyer in accordance with the terms of this agreement, Dealer shall have the right, upon failure or refusal of Buyer to accept delivery of the Vehicle or to comply with any of the terms of this agreement, to retain as liquidated damages any cash deposit or Trade-in, if any, tendered by Buyer. Dealer may sell the Trade-in. The liquidated damages shall be applied to any expenses and losses Dealer may have suffered as a result of Buyer's failure or refusal to complete the purchase.
3. Dealer shall not be liable for any delay or failure to deliver the Vehicle if such delay or failure is due, in whole or in part, to circumstances or causes beyond Dealer's control, or is not caused by negligence of the dealer.
4. Buyer agrees to deliver to Dealer satisfactory evidence of title to the Trade-in at the time of delivery of the Trade-in, which shall constitute part of the consideration for the Vehicle. Buyer Warrants that he/she has good and marketable title to the Trade-in and that it is free and clear of all liens and encumbrances.
5. Any motor vehicle sold to the Buyer by Dealer under this Agreement is sold WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE as to its condition or the condition of any part thereof except as specifically provided in a separate writing furnished to Buyer by Dealer. TO THE EXTENT ALLOWED BY LAW, BUYER SHALL NOT BE ENTITLED TO RECOVER FROM THE DEALER ANY CONSEQUENTIAL DAMAGES TO PROPERTY, DAMAGES FOR LOSS OF USE, LOSS OF TIME, LOSS OF PROFITS OR INCOME OR ANY OTHER INCIDENTAL DAMAGES. The Dealer neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of such Vehicle.
6. In the case of a cash transaction, title to the Vehicle shall not pass to the Buyer until Dealer has received in immediately available funds, the full amount of the balance due. In the event that the transaction covered by this Agreement is not a cash transaction, Buyer agrees to execute prior to the delivery of the Vehicle, an installment sales contract, conditional sales contract and/or other instrument to finance the purchase of the vehicle.
7. Minnesota Statute 325F.6644, Subd.2 does not allow branding of titles with either prior salvage or rebuilt on commercial vehicles with a GVRW of 16,000 pounds or greater. Any vehicle sold that is 16,000 pounds and above will receive a clean MN title following a passed MN Department of Public Safety Motor Vehicle Inspection. It is the Buyer's responsibility to ensure that this type of title is transferrable to the state in which they will be licensing the Vehicle. Dealer will not be held liable for any titling issues relating to a clean title with damage history.
8. There is no right to return on this vehicle. The Dealer has the option to repair an unknown defect at your expense. This is treated on an individual case by case.
9. Any warranties expressed on page one (pg 1) are only redeemable through the dealer. The warranty does not cover repairs made at another repair facility, towing charges and incidental charges due to the failure of the engine and or transmission. If the vehicle is not returned to the dealer for inspection and repair, and/or if the repairs were made without prior authorization from dealer, the warranty is treated as an "AS-IS", where there is no warranty. The dealer has at his option to repair or replace the defective warranted part. Under no circumstance can the Buyer refuse to accept the vehicle once the repairs are completed. ANY\ALL WARRANTIES STATED EXCLUDE LABOR.

Buyer Signature:  _____ Date: 02/05/2020

Buyer Signature: _____ Date: 02/05/2020

From: [Smith, Chris](#)
To: [Annita Smythe](#)
Cc: [Emukah, Emmanuel](#)
Subject: RE: Research Question Submission
Date: Thursday, February 6, 2020 9:56:58 AM

Anita,

Your online Research question was forwarded to my attention.

The used fire truck would be covered by the city's LMCIT automobile liability coverage just like any other city vehicle.

LMCIT's auto liability coverage provides coverage for sums members are legally obligated to pay as damages because of bodily injury or property damage arising out of the ownership, maintenance, or use of any automobile. Generally, an automobile is defined as a land motor vehicle, trailer, or semi-trailer designed for travel on public roads, which would include a fire truck. The fact that the fire truck once had a salvage title would not have any effect on the city's coverage.

The fire truck would also be covered by the city's LMCIT automobile physical damage coverage.

The city's auto physical damage coverage applies automatically on a blanket basis to all vehicles the city owns, leases, rents, or borrows.

The default coverage is that LMCIT would pay for physical damage to the fire truck up to its actual cash value.

Cities can purchase replacement cost coverage. Generally, replacement cost coverage is available for vehicles that are less than 10 years old. LMCIT may also consider older vehicles that have been well-maintained, overhauled, or updated as needed.

In this case, since the fire truck had a salvage title at one time, I'm not sure if the city can purchase replacement cost coverage. If the city wants that option, we'd need to get the city's LMCIT underwriter involved.

I would note that even with replacement cost coverage, LMCIT would not pay more than 200% percent of the actual cash value of the fire truck. Because of the former salvage title, I'd guess that 200% of the firetruck's actual cash value is less than the cost of a new firetruck.

If you have any questions or need additional information, please let me know.

Chris

Christopher Smith | Risk Management Attorney
Phone: (651) 281-1269 | Fax: (651) 281-1296
csmith@lmc.org



Please note, this response is intended to convey general information and should not be taken as legal advice or as a substitute for competent legal guidance. Consult your attorney concerning specific legal situations.

Research Question Submission

Thank you for submitting a research question to the League of Minnesota Cities. The League's Research Staff will begin working on it as soon as possible.

You submitted the following information:

First Name: Annita
Last Name: Smythe
Position: City Administrator
City: Clearwater
Phone: 320-558-2428
Email: asmyme@clearwatercity.com
Date Submitted: Thursday, February 6, 2020

Question submitted:

Hello. My city is considering the purchase of a used fire truck. It had a MN Salvage title, but repairs were made and it has now passed inspection for a "clear" title. Are there any insurance considerations we need to be aware of with this? Will LMC insure the vehicle for full value and beyond liability only? Thanks for your assistance.

COURI & RUPPE, P.L.L.P

Michael C. Couri*
Robert T. Ruppe**

Attorneys at law
705 Central Avenue East
PO Box 369
St. Michael, MN 55376-0369
(763) 497-1930
(763) 497-2599 (FAX)
www.couriruppe.com

**Also Licensed in Illinois*
***Also Licensed in California*

November 14, 2019

Mr. Kevin Kress
City Administrator
City of Clearwater
605 Co. Rd. 75
Clearwater, MN 55320

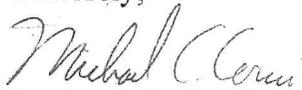
Re: Lynden Township; Payment for Fire Services, 2019.

Dear Mr. Kress:

Attached are Lynden Township's calculations of the amount that will be due to the City in December under the fire contract. These calculations are based on your findings as set out in your July 29th email to Jay Squires and myself. The Township had 168 fire department responses in 2015-2017 out of a total of 746 calls, or 22.52% of the total calls over that period of time. Multiplying this 22.52% times \$182,604.48, the 67% portion of the fire budget that is allocated based on usage, yields \$41,122.72. Adding this number to Lynden's share of 33% of the Fire budget yields a total of \$71,102.56 in fire payments due in 2019 from Lynden Township. To date, Lynden has paid Clearwater \$36,408.00, leaving \$34,694.56 remaining.

Lynden Township will cut a check for the remaining \$34,694.56 at its December meeting and forward that amount to the City. Please adjust the City's invoice on this matter and issue a new invoice to the Township prior to its December 2, 2019 meeting. If you have any questions regarding this issue, please feel free to contact me. Thank you.

Sincerely,



Michael C. Couri
Couri & Ruppe, P.L.L.P.

Cc: Jay Squires
Lynden Township Clerk

From: [David Pikkaraine](#)
To: [Deb Petty](#); [Wesley Dreher](#)
Cc: [Annita Smythe](#)
Subject: RE: Spring Clean-up Day
Date: Wednesday, February 5, 2020 11:20:36 AM
Attachments: [image001.png](#)
[image002.png](#)
[2020 Clearwater Cleanup Pricing.pdf](#)

Good morning Deb,

We are available to do your spring clean-up on Saturday April 25th or May 9th. The recycle rates went up in 2020 for Refrigerated Appliances, E-Waste, and Tires. I've attached the current rates for the accepted items. If you have any questions or when you choose a date please reach out to Wes or myself.

Thank you, Dave

David Pikkaraine | Route Supervisor



Service First. Safety Always.

2355 12TH ST SE | ST CLOUD | MN 56304

T: 320-251-6726 | **F:** 320-251-7113 | **M:** 320-248-5581 | **E:** David.Pikkaraine@advanceddisposal.com

Connect with us: [AdvancedDisposal.com](#) [Facebook](#) [Youtube](#)

Clean & Green: Please consider the environment before printing this e-mail

2020 CLEARWATER CLEANUP PRICING

REFRIGERATOR	\$28.00
FREEZER	\$28.00
AIR CONDITIONER	\$26.00
DEHUMIDIFIER	\$26.00
WATER HEATER	\$15.00
WASHER / DRYER	\$10.00
STOVE / OVEN	\$10.00
MICROWAVE	\$8.00
E-WASTE (ELECTRONICS)	\$0.65 / lb. (no bare or broken TV tubes accepted)
TIRES	
- Passenger Tire	\$4.50
- ATV / Motorcycle Tire	\$4.50
- Light Truck Tire	\$6.00
- Semi-Truck Tire	\$15.00
- Front Tractor Tire	\$15.00
- Rear Tractor Tire	\$75.00
ALL RIMS (Regardless of Size)	\$8.00

****TRASH:** \$100.00/hr. per truck/driver (minimum 4hours)

ie. 2 trucks/drivers x \$100.00/hr x 4 hours = \$800.00 +Tonnage



Wes Dreher – Site Manager

From: [Liz Lindrud](#)
To: [Annita Smythe](#)
Subject: FW: CVBC/ local events taking place
Date: Thursday, February 6, 2020 7:54:27 AM
Attachments: [Annual Fish Fry - CW Legion - 2020.pdf](#)

From: Jenny Massmann <JennyM@logbank.com>
Sent: Wednesday, February 5, 2020 10:57 AM
Subject: CVBC/ local events taking place

Hello CVBC members!

Couple happenings in the local area that I would like to inform you about:

- The **Clearwater American Legion** is holding their annual all-you-can-eat fish fry on **Sunday, February 23rd**. The event takes place from *11:00 am -6:00 pm*. There will be pull tabs, meat raffles, a live auction and a silent auction happening throughout the day. Bring your family and friends to support your local Legion!
- The Clearwater **COBORN'S** will be hosting a ribbon-cutting event for their re-grand opening taking place on **Thursday, March 5th**. They will have events starting at 3:00 and the ribbon-cutting will be held at 4:00. We invite all of you to be there for this exciting event to celebrate their remodel and new Caribou!

Thank you,

Jenny Massmann

Branch Manager/Universal Banker



"Building Relationships is Our Tradition - Earning Yours is Our Mission."



63rd Annual Fish Fry
February 23rd, 2020
American Legion Post 323

505 Pine Street Clearwater, MN 55320

(320) 558-6627

All You Can Eat from 11:00 a.m. to 6:00 p.m.

\$10.00 for Adults \$5.00 Kids 12 and under

Silent Auction 11:00 a.m. – 3:30 p.m.

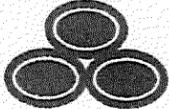
Live Auction 4:00 p.m.

Sponsored by:

**Pull Tabs,
Meat Raffles,
And
Prize
Drawings
All Day!**

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David K. Nelson, Agent



Assessor's Office
10 2nd St. NW Rm 100
Buffalo, MN 55313

Ph: (763) 682-7367
Fax: (763) 684-4553

www.co.wright.mn.us

To: Clearwater City
From: Keith Triplett, Wright County
Keith.Triplett@co.wright.mn.us
Date: January 10, 2020
Re: 2020 Open Book Meeting

Thursday
Day of the Week

April 9th
Date

Minnesota Law requires that the County Assessor set the date for your Local Board of Appeal and Equalization or Open Book Meeting. The 2020 Open Book Meeting has been tentatively set for April 9th, from 3 pm to 7 pm. If turnout is larger than expected, we will stay open until all appeals are heard. If there are concerns with this date and time please contact Keith at 763-682-8957 or 1-800-362-3667 ext. 8957 prior to February 15, 2020.

Jurisdictions which have chosen the Open Book meeting do not need to be concerned with having a trained and certified member or having a Local Board of Appeal and Equalization meeting in 2020.

Your early completion and return of the attached tear off slip will be appreciated and we will send your official notice for posting as required by law. Please return to Keith Triplett, Wright County Assessor Office, at the above address, email or fax to our office at 763-684-4553

CONFIRMATION

Municipality: City of Clearwater

Date/Time: April 9, 2020; 3 pm to 7 pm

Location: Wright County Government Center, Assessor's Office, Rm 100

Location Address: 10 2nd Street NW, Buffalo, MN 55313



505 Nicollet Mall
P.O. Box 59038
Minneapolis, MN 55459-0038

January 10, 2020

Dear Community Leader:

On October 28, 2019, CenterPoint Energy filed a request with the Minnesota Public Utilities Commission (MPUC) for an increase in natural gas rates of \$62.0 million or approximately 6.8 percent per year. On December 5, 2019, the MPUC accepted our filing as complete and approved an interim (temporary) rate increase of \$52.7 million or about 5.8 percent more than current rates. This interim rate increase for CenterPoint Energy customers takes effect January 1, 2020, and continues until the MPUC issues a final order and the company implements new rates in 2021.

State law requires us to distribute a Notice of Application for Rate Increase and Notice of and Order for Hearing to all counties and municipalities in our service area (enclosed). We will send you the public hearing notices with details of the public hearing dates, times, and locations once they are scheduled. That information will also be advertised in the newspaper of record for each county seat in our service area and in the communities where hearings are to be held.

If you have questions or comments, please contact me or visit our Web site at www.CenterPointEnergy.com/RateCase.

Sincerely,

CenterPoint Energy

Enclosures: Notice of Application for Rate Increase
Notice of and Order for Hearing

FOR CENTERPOINT ENERGY CUSTOMERS
Notice to Counties and Municipalities
Under Minn. Stat. §216B.16, Subd. 1

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION – STATE OF MINNESOTA

In the Matter of an Application by
CenterPoint Energy Minnesota Gas for
Authority to Increase Natural Gas Rates in
Minnesota.

NOTICE OF APPLICATION FOR RATE
INCREASE
MPUC Docket No. G-008/GR-19-524

NEW INTERIM RATES EFFECTIVE JANUARY 1, 2020

CenterPoint Energy Minnesota Gas has asked the Minnesota Public Utilities Commission (MPUC) to approve a rate increase for natural gas distribution service. The requested increase is for 6.8 percent or about \$62.0 million per year. If approved the requested increase would add about \$4.79 to a typical residential customer’s monthly bill.

State law allows CenterPoint Energy Minnesota Gas to collect a temporary, higher rate on an interim basis while the MPUC considers the request. The interim rate increase is about 5.8 percent more than your current rate, or \$52.7 million. The temporary increase shows on your bill as “Interim Rate Adjustment.”

The MPUC will likely decide on the requested rate increase by early 2021. If final rates are lower than interim rates, we will refund customers the difference with interest. If final rates are higher than interim rates, we will not charge customers the difference.

Why is CenterPoint Energy Minnesota Gas asking for an increase?

We continue to make significant investments to maintain the safety and integrity of our natural gas distribution system to benefit our customers and communities. These ongoing investments include infrastructure projects to replace or upgrade existing pipelines in order to prevent leaks, ensure safe and reliable service, and comply with federal pipeline regulations. We are requesting this rate increase for increased operating, maintenance and distribution expenses, and to allow an opportunity for a higher rate of return on our investments.

Here’s how the rate change will affect monthly bills:

Customers’ bills contain three parts: Basic Charge, Delivery Charge and Cost of Gas. The proposed Basic Charges and Delivery Charges cover the cost of delivering natural gas service to our customers and is about 50 percent of the bill, while the Cost of Gas itself is the other 50 percent of the bill. The Cost of Gas is billed directly to customers without mark-up. This rate increase does not affect the Cost of Gas. The proposed rate changes will affect individual monthly bills differently depending on natural gas use and customer type. Bills will also vary because the wholesale cost of natural gas changes each month.

The chart below shows an example of the current and proposed rates for each customer type:

Rate Type (usage in therms)	Average monthl y usage in therms	Average monthly bill: current rates	Average monthly bill: interim rates	Average monthly bill: proposed
Residential	75	\$55	\$59	\$60
Commercial/Industrial				
- up to 1,499/year	69	\$57	\$61	\$63
- 1,500 to 4,999/year	249	\$164	\$172	\$174
- 5,000 or more/year	1,519	\$891	\$929	\$919
Small Volume Dual Fuel				
- up to 119,999/year	3,896	\$1,709	\$1,783	\$1,752
- 120,000 or more/year	13,901	\$5,861	\$6,092	\$6,092
Large Volume Dual Fuel	38,836	\$15,298	\$15,796	\$15,968
Large General Firm Sales Service	53,808	\$24,796	\$25,644	\$25,804

What is the process for reviewing the request by CenterPoint Energy Minnesota Gas?

The MPUC, the Minnesota Department of Commerce, the Office of the Attorney General – Residential Utilities and Antitrust Division, public interest groups and customers have the opportunity to review and comment on our proposal.

The MPUC will hold public hearings for customers to speak and will ask for customers’ written comments about our rate increase request. You may add verbal comments or written comments, or both, to the record. When scheduled, a notice of the public hearing will give dates and locations. The notice will be published in local newspapers, in bill inserts and at CenterPointEnergy.com/RateCase.

HOW TO LEARN MORE

Current and proposed rate schedules for CenterPoint Energy Minnesota Gas are available at:

CenterPoint Energy

505 Nicollet Mall
 Minneapolis MN 55402
 Phone: 612-372-4727 or 1-800-245-2377
 Web: CenterPointEnergy.com/RateCase

Minnesota Department of Commerce

85 7th Place East, Suite 500
 St. Paul MN 55101
 Phone: 651-539-1534
 Web: <https://www.edockets.state.mn.us/EFiling/search.jsp> Select 19 in the year field, type 524 in the number field, select Search, and the list of documents will appear on the next page.

Questions about the Minnesota Public Utilities Commission's review process?

Minnesota Public Utilities Commission

121 7th Place East, Suite 350

St. Paul MN 55101

Phone: 651-296-0406 or 1-800-657-3782

Email: consumer.puc@state.mn.us

Persons with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Dan Lipschultz	Commissioner
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John A. Tuma	Commissioner

In the Matter of the Application by
CenterPoint Energy Resources Corp., d/b/a
CenterPoint Energy Minnesota Gas, for
Authority to Increase Natural Gas Rates in
Minnesota

ISSUE DATE: December 18, 2019

DOCKET NO. G-008/GR-19-524

NOTICE OF AND ORDER FOR
HEARING

PROCEDURAL HISTORY

On October 28, 2019, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint or the Company) filed a general rate case seeking an annual rate increase of approximately \$62.302 million, or 6.8%, together with a proposed interim-rate schedule.

On October 31, 2019, the Commission issued a notice requesting comment on whether the Commission should accept the filing as substantially complete and whether it should refer the case to the Office of Administrative Hearings for contested-case proceedings.

On November 7, 2019, the Minnesota Department of Commerce, Division of Energy Resources (the Department), filed comments concluding that CenterPoint's application complies with the filing requirements and recommending that the Commission refer the case for contested-case proceedings.

On December 5, 2019, the Commission met to consider this matter. By separate order, the Commission has accepted the filing and suspended the proposed rate change, and has set interim rates.¹ In this order, the Commission refers the general rate case to the Office of Administrative Hearings for contested-case proceedings.

¹ See Order Accepting Filing, Suspending Rates, and Extending Timeline; and Order Setting Interim Rates, both entered in this docket on this date.

FINDINGS AND CONCLUSIONS

I. Jurisdiction and Referral for Contested-Case Proceedings

The Commission has jurisdiction over the proposed rate changes of public utilities under Minn. Stat. § 216B.16. If the Commission is unable to resolve all significant issues regarding the reasonableness of the proposed rates based on the filing alone, the Commission is to refer the matter to the Office of Administrative Hearings for contested-case proceedings.²

The Commission finds that it cannot satisfactorily resolve all questions regarding the reasonableness of the proposed rates on the basis of the Company's filing. The Commission will therefore refer the matter to the Office of Administrative Hearings for contested-case proceedings.

II. Issues to be Addressed

In the course of this case, the Commission expects the parties will thoroughly develop a full record addressing, at a minimum, the following issues:

1. Whether the test year revenue increase sought by the Company is reasonable or will result in unreasonable or excessive earnings;
2. Whether the Company's proposed capital structure and return-on-equity are reasonable;
3. Whether the rate design proposed by the Company is reasonable;
4. Whether the base cost of gas proposed in Docket No. G-008/MR-19-525 needs to be updated;
5. Prudence of all costs related to the 2018 and 2019 Metro Beltline Replacement Project construction services contract with Minnesota Limited and determine which costs are eligible for recovery;
6. Whether it is appropriate to use the proposed hypothetical capital structure or whether an alternative capital structure or other ratepayer protection mechanisms should be adopted;
7. Reasons for the significant changes of the following costs since the last rate case:
 - a. 100% reduction in Gas Storage Maps & Recs (FERC Account 8150);
 - b. 150% reduction in Compressor Station Expense (FERC Account 8180);
 - c. 92% reduction in Ops Fuel (FERC Account 8421);
 - d. \$1.6 million (107%) increase in Oper Superv & Engine (FERC Account 8701);
 - e. \$2.1 million increase in Mains & Services (FERC Account 8740);
 - f. \$1.6 million increase in Customer Install Expense (FERC Account 8790);
 - g. Sales Expense 63% decrease;
 - h. Administrative & General Expense \$5.96 million (20.0%) increase;

² Minn. Stat. § 216B.16, subd. 2.

- i. Maintenance Expense \$3.93 million (15.7%) increase; and
- j. 100% reduction in Gas Storage Maps & Recs (FERC Account 8150);
- 8. What interest rate should be applied to any prospective interim rate refunds;
- 9. Prudence of all original and subsequent costs related to the construction of the Shakopee regulator station;
- 10. Accuracy and adequacy of CenterPoint energy's billing system and the prudence of costs associated with the operation of the customer billing system; and
- 11. Appropriateness of CenterPoint Energy's application of customer bill payments to regulated and non-regulated services that appear on the same customer bill.

The Commission will also direct CenterPoint to file supplemental direct testimony on certain safety-related issues, as described in the ordering paragraphs. Although this information is likely to be discussed in the contested-case proceeding, the Commission prefers to receive the filing and be able to review the information earlier in the process.

III. Procedural Outline

A. Administrative Law Judge

The Administrative Law Judge (ALJ) assigned to this case is Eric Lipman. His address is as follows: Office of Administrative Hearings, 600 North Robert Street, St. Paul, Minnesota. His mailing address is P.O. Box 64620, St. Paul, Minnesota 55164-0620. He can be reached through his legal assistant, Andrew Hart, at 651-361-7900 or andrew.hart@state.mn.us.

B. Hearing Procedure

- *Controlling Statutes and Rules*

Hearings in this matter will be conducted in accordance with the Minnesota Administrative Procedure Act, Minn. Stat. §§ 14.57–14.62; the rules of the Office of Administrative Hearings, Minn. R. 1400.5100–1400.8400; and, to the extent that they are not superseded by those rules, the Commission's Rules of Practice and Procedure, Minn. R. 7829.0100–7829.4000.

These rules and statutes can be accessed free of charge through the State of Minnesota's website at www.revisor.mn.gov/pubs. Copies of these rules and statutes may also be purchased from the Print Communications Division of the Department of Administration, 660 Olive Street, St. Paul, Minnesota 55155; (651) 297-3000.

The Office of Administrative Hearings conducts contested-case proceedings in accordance with the Minnesota Rules of Professional Conduct and the Professionalism Aspirations adopted by the Minnesota State Bar Association.

- *Right to Counsel and to Present Evidence*

In these proceedings, parties may be represented by counsel, may appear on their own behalf, or may be represented by another person of their choice, unless otherwise prohibited as the unauthorized practice of law. They have the right to present evidence, conduct cross-examination, and make written and oral argument. Under Minn. R. 1400.7000, they may obtain subpoenas to compel the attendance of witnesses and the production of documents.

Parties should bring to the hearing all documents, records, and witnesses necessary to support their positions.

- *Discovery and Informal Disposition*

Any questions regarding discovery under Minn. R. 1400.6700–1400.6800 or informal disposition under Minn. R. 1400.5900 should be directed to Jorge Alonso at (651) 201-2258, jorge.alonso@state.mn.us, or Minnesota Public Utilities Commission, 121 7th Place East, Suite 350, St. Paul, Minnesota 55101-2147.

- *Protecting Not-Public Data*

State agencies are required by law to keep some data not public. Parties must advise the ALJ if not-public data is offered into the record. They should take note that any not-public data admitted into evidence may become public unless a party objects and requests relief under Minn. Stat. § 14.60, subd. 2.

- *Accommodations for Disabilities; Interpreter Services*

At the request of any individual, this agency will make accommodations to ensure that the hearing in this case is accessible. The agency will appoint a qualified interpreter if necessary. Persons must promptly notify the ALJ if an interpreter is needed.

- *Scheduling Issues*

The times, dates, and places of public and evidentiary hearings in this matter will be set by order of the ALJ after consultation with the Commission and intervening parties.

- *Notice of Appearance*

Any party intending to appear at the hearing must file a notice of appearance (Attachment A) with the ALJ within 20 days of the date of this Notice of and Order for Hearing.

- *Sanctions for Non-Compliance*

Failure to appear at a prehearing conference, a settlement conference, or the hearing, or failure to comply with any order of the ALJ, may result in facts or issues being resolved against the party who fails to appear or comply.

C. Parties and Intervention

The current parties to this case are the Company and the Department. Other persons wishing to become formal parties shall promptly file petitions to intervene with the ALJ. They shall serve copies of such petitions on all current parties and on the Commission.³

D. Prehearing Conference

A prehearing conference will be held on Tuesday, January 14, 2020, at 10:00 a.m., in the Large Hearing Room at the offices of the Public Utilities Commission, 121 Seventh Place East, Suite 350, St. Paul, Minnesota 55101-2147.

Persons participating in the prehearing conference should be prepared to discuss time frames, scheduling, discovery procedures, and similar issues. Potential parties are invited to attend the pre-hearing conference and to file their petitions to intervene as soon as possible.

E. Time Constraints

The Commission is required to act on substantially complete rate case filings within ten months, although this ten-month period can be extended under certain circumstances. In this proceeding, the ten-month period will be extended by 90 days under Minn. Stat. § 216B.16, subd. 2(f). Additionally, CenterPoint has agreed to waive its right to a decision within the statutory timeline and the Commission will extend the ten-month period an additional two months.⁴

The Commission therefore asks the Office of Administrative Hearings to conduct contested-case proceedings in light of these time constraints and requests that the ALJ submit his final report on or before October 12, 2020, to permit adequate consideration of the case by the Commission.

IV. Application of Ethics in Government Act

The lobbying provisions of the Ethics in Government Act, Minn. Stat. § 10A.01 *et seq.*, apply to general rate cases. Persons appearing in this proceeding may be subject to registration, reporting, and other requirements set forth in that Act. All persons appearing in this case are urged to refer to the Act and to contact the Campaign Finance and Public Disclosure Board, telephone number (651) 539-1190, with any questions.

V. Ex Parte Communications

Restrictions on ex parte communications with Commissioners and reporting requirements regarding such communications with Commission staff apply to this proceeding from the date of this order. Those restrictions and reporting requirements are set forth at Minn. R. 7845.7300–7845.7400, which all parties are urged to consult.

³ Minn. R. 1400.6200.

⁴ See Order Accepting Filing, Suspending Rates, and Extending Timeline, entered in this docket on this date.

VI. Notices Required; Delegation of Authority

Finally, the rate case statute and the Commission's rules require comprehensive notice of proposed general rate increases. Those notices are required in the ordering paragraphs below. To promote administrative efficiency, the Commission will delegate to the Executive Secretary the authority to approve notices, bill inserts, and bill format for the duration of this proceeding.

ORDER

1. The Commission hereby refers this case to the Office of Administrative Hearings for contested-case proceedings, as set forth above.
2. This Order will be served on the Company, which shall mail copies of the Order to all municipalities, counties, and local governing bodies in its Minnesota service area.
3. Public Hearings shall be held in this matter at locations within the service area of the Company.
4. The Company shall give the following notices of the evidentiary and public hearings:
 - a. Individual written notice to each customer, which may be in the form of a bill insert, and shall be served at least ten days before the first day of hearings;
 - b. Written notice to the governing bodies of all municipalities, counties, and local governing bodies in the area affected and to all parties in the Company's last two rate cases. These notices shall be mailed at least ten days before the first day of hearings.
 - c. Display advertisements in legal newspapers of affected counties and other newspapers of general circulation within the Company's Minnesota service area. These advertisements shall appear at least ten days before the first day of hearings. They shall include the heading **RATE INCREASE NOTICE**, which shall appear in bold face type no smaller than 30 points.
 - d. The Company shall submit proposed notices for Commission approval prior to publication or service.
5. Within 30 days, the Company shall file supplemental direct testimony on the adequacy of the Company's supervision of contractors and construction oversight practices to ensure the work they do is done correctly and whether it is prudent from a cost recovery standpoint for CenterPoint to use the contractors they have selected. This testimony must include the safety-related terms, conditions, and performance guarantees that are included in the Company's construction contracts with affiliated and non-affiliated vendors, and may include information on any performance-related outage payments to customers.

6. The Commission delegates to the Executive Secretary the authority to approve notices, bill inserts, and bill format for the duration of this proceeding.
7. This order shall become effective immediately.

BY ORDER OF THE COMMISSION

Daniel P. Wolf
Executive Secretary



This document can be made available in alternative formats (e.g., large print or audio) by calling 651.296.0406 (voice). Persons with hearing or speech impairment may call using their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Application by
CenterPoint Energy Resources Corp., d/b/a
CenterPoint Energy Minnesota Gas, for
Authority to Increase Natural Gas Rates in
Minnesota

NOTICE OF APPEARANCE

PLEASE TAKE NOTICE that:

1. The party/agency named below (Party/Agency) will appear at the prehearing conference and all subsequent proceedings in the above-entitled matter.

2. By providing its email address below, the Party/Agency acknowledges that it has read and agrees to the terms of the Office of Administrative Hearings' e-Filing policy and chooses to opt into receiving electronic notice from the Office of Administrative Hearings in this matter. **Note: Provision of an email address DOES NOT constitute consent to electronic service from any opposing party or agency in this proceeding.**¹

3. The Party/Agency agrees to use best efforts to provide the Office of Administrative Hearings with the email address(es) for opposing parties and their legal counsel.

Party's/Agency's Name: _____

Email: _____ Telephone: _____

Mailing Address: _____

Party's/Agency's Attorney: _____

Firm Name: _____

Email: _____ Telephone: _____

Mailing Address: _____

Respondent's/Opposing Party's Name: _____

Email: _____ Telephone: _____

Mailing Address: _____

Dated: _____

Signature of Party/Agency or Attorney

¹ In order to opt in to electronic notice, this form must be emailed to OAH.efiling.support@state.mn.us. If the party does not wish to opt in to electronic notice, this form may be filed with the Office of Administrative Hearings via facsimile, U.S. Mail, or personal service. See Minn. Stat. § 14.58, Minn. R. 1400.5550, subps. 2-5.

Note: This form must be served upon the opposing party/agency. Counsel may not withdraw from representation without written notice.

Maximum Levy Change - Fire Truck Purchase

	<u>New Vehicle - 5 Yr Financing</u>			
	<u>2020 Levy</u>	<u>2021 Levy</u>	<u>Total</u>	<u>Chg</u>
General	\$ 513,388			
Fire	\$ 147,105			
Parks	\$ 90,021			
Debt	\$ 158,231	\$ 178,218	\$ 336,449	113%
Capital	\$ 170,000			
EDA	\$ 83,759			
Total	\$ 1,162,504	\$ 178,218	\$ 1,340,722	15%

	<u>Used Vehicle - 5 Yr Financing</u>			
	<u>2020 Levy</u>	<u>2021 Levy</u>	<u>Total</u>	<u>Chg</u>
General	\$ 513,388			
Fire	\$ 147,105			
Parks	\$ 90,021			
Debt	\$ 158,231	\$ 87,990	\$ 246,221	56%
Capital	\$ 170,000			
EDA	\$ 83,759			
Total	\$ 1,162,504	\$ 87,990	\$ 1,250,494	8%

	<u>New Vehicle - 10 Yr Financing</u>			
	<u>2020 Levy</u>	<u>2021 Levy</u>	<u>Total</u>	<u>Chg</u>
General	\$ 513,388			
Fire	\$ 147,105			
Parks	\$ 90,021			
Debt	\$ 158,231	\$ 104,907	\$ 263,138	66%
Capital	\$ 170,000			
EDA	\$ 83,759			
Total	\$ 1,162,504	\$ 104,907	\$ 1,267,411	9%

	<u>Used Vehicle - 10 Yr Financing</u>			
	<u>2020 Levy</u>	<u>2021 Levy</u>	<u>Total</u>	<u>Chg</u>
General	\$ 513,388			
Fire	\$ 147,105			
Parks	\$ 90,021			
Debt	\$ 158,231	\$ 51,844	\$ 210,075	33%
Capital	\$ 170,000			
EDA	\$ 83,759			
Total	\$ 1,162,504	\$ 51,844	\$ 1,214,348	4%

City of Clearwater, Minnesota

\$400,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

5 yr

Table of Contents

Report

Sources & Uses	1
Debt Service Schedule	2
105% Levy	3

City of Clearwater, Minnesota

\$400,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

5 yr

Sources & Uses

Dated 05/01/2020 | Delivered 05/01/2020

Sources Of Funds

Par Amount of Bonds	\$400,000.00
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Total Sources	\$400,000.00
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Uses Of Funds

Deposit to Project Construction Fund	380,000.00
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Costs of Issuance	15,750.00
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Deposit to Capitalized Interest (CIF) Fund	4,231.11
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Rounding Amount	18.89
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Total Uses	\$400,000.00
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City of Clearwater, Minnesota

\$400,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

5 yr

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/01/2020	-	-	-	-	-
12/15/2020	-	-	4,231.11	4,231.11	4,231.11
06/15/2021	-	-	3,400.00	3,400.00	-
12/15/2021	77,000.00	1.700%	3,400.00	80,400.00	83,800.00
06/15/2022	-	-	2,745.50	2,745.50	-
12/15/2022	79,000.00	1.700%	2,745.50	81,745.50	84,491.00
06/15/2023	-	-	2,074.00	2,074.00	-
12/15/2023	80,000.00	1.700%	2,074.00	82,074.00	84,148.00
06/15/2024	-	-	1,394.00	1,394.00	-
12/15/2024	81,000.00	1.700%	1,394.00	82,394.00	83,788.00
06/15/2025	-	-	705.50	705.50	-
12/15/2025	83,000.00	1.700%	705.50	83,705.50	84,411.00
Total	\$400,000.00	-	\$24,869.11	\$424,869.11	-

Date And Term Structure

Dated	5/01/2020
Delivery Date	5/01/2020
First available call date	
Call Price	-

Yield Statistics

Bond Year Dollars	\$1,462.89
Average Life	3.657 Years
Average Coupon	1.6999999%
Net Interest Cost (NIC)	1.6999999%
True Interest Cost (TIC)	1.6996913%
All Inclusive Cost (AIC)	2.8492657%

IRS Form 8038

Net Interest Cost (NIC)	1.6999999%
Weighted Average Maturity	3.657 Years
Bond Yield for Arbitrage Purposes	1.6996913%

City of Clearwater, Minnesota

\$400,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

5 yr

105% Levy

Date	Total P+I	CIF	105% Levy	Levy Year	Collection Year
12/15/2020	4,231.11	(4,231.11)	-		
12/15/2021	83,800.00	-	87,990.00	2020	2021
12/15/2022	84,491.00	-	88,715.55	2021	2022
12/15/2023	84,148.00	-	88,355.40	2022	2023
12/15/2024	83,788.00	-	87,977.40	2023	2024
12/15/2025	84,411.00	-	88,631.55	2024	2025
Total	\$424,869.11	(4,231.11)	\$441,669.90		

City of Clearwater, Minnesota

\$401,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

10 yr

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City of Clearwater, Minnesota

\$401,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

10 yr

Sources & Uses

Dated 05/01/2020 | Delivered 05/01/2020

Sources Of Funds

Par Amount of Bonds	\$401,000.00
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Total Sources	\$401,000.00
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Uses Of Funds

Deposit to Project Construction Fund	380,000.00
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Costs of Issuance	15,750.00
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Deposit to Capitalized Interest (CIF) Fund	4,588.89
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Rounding Amount	661.11
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Total Uses	\$401,000.00
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City of Clearwater, Minnesota

\$401,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

10 yr

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/01/2020	-	-	-	-	-
12/15/2020	-	-	4,588.89	4,588.89	4,588.89
06/15/2021	-	-	3,687.50	3,687.50	-
12/15/2021	42,000.00	1.700%	3,687.50	45,687.50	49,375.00
06/15/2022	-	-	3,330.50	3,330.50	-
12/15/2022	42,000.00	1.700%	3,330.50	45,330.50	48,661.00
06/15/2023	-	-	2,973.50	2,973.50	-
12/15/2023	43,000.00	1.700%	2,973.50	45,973.50	48,947.00
06/15/2024	-	-	2,608.00	2,608.00	-
12/15/2024	44,000.00	1.700%	2,608.00	46,608.00	49,216.00
06/15/2025	-	-	2,234.00	2,234.00	-
12/15/2025	44,000.00	1.700%	2,234.00	46,234.00	48,468.00
06/15/2026	-	-	1,860.00	1,860.00	-
12/15/2026	45,000.00	2.000%	1,860.00	46,860.00	48,720.00
06/15/2027	-	-	1,410.00	1,410.00	-
12/15/2027	46,000.00	2.000%	1,410.00	47,410.00	48,820.00
06/15/2028	-	-	950.00	950.00	-
12/15/2028	47,000.00	2.000%	950.00	47,950.00	48,900.00
06/15/2029	-	-	480.00	480.00	-
12/15/2029	48,000.00	2.000%	480.00	48,480.00	48,960.00
Total	\$401,000.00	-	\$43,655.89	\$444,655.89	-

Date And Term Structure

Dated	5/01/2020
Delivery Date	5/01/2020
First available call date	
Call Price	-

Yield Statistics

Bond Year Dollars	\$2,300.51
Average Life	5.737 Years
Average Coupon	1.8976605%
Net Interest Cost (NIC)	1.8976605%
True Interest Cost (TIC)	1.8948409%
All Inclusive Cost (AIC)	2.6468893%

IRS Form 8038

Net Interest Cost (NIC)	1.8976605%
Weighted Average Maturity	5.737 Years
Bond Yield for Arbitrage Purposes	1.8948409%

City of Clearwater, Minnesota

\$401,000.00 G.O. Equipment Certificates of Indebtedness, Series 2020A

NR Rates as of 2/7/20

10 yr

105% Levy

Date	Total P+I	CIF	105% Levy	Levy Year	Collection Year
12/15/2020	4,588.89	(4,588.89)	-		
12/15/2021	49,375.00	-	51,843.75	2020	2021
12/15/2022	48,661.00	-	51,094.05	2021	2022
12/15/2023	48,947.00	-	51,394.35	2022	2023
12/15/2024	49,216.00	-	51,676.80	2023	2024
12/15/2025	48,468.00	-	50,891.40	2024	2025
12/15/2026	48,720.00	-	51,156.00	2025	2026
12/15/2027	48,820.00	-	51,261.00	2026	2027
12/15/2028	48,900.00	-	51,345.00	2027	2028
12/15/2029	48,960.00	-	51,408.00	2028	2029
Total	\$444,655.89	(4,588.89)	\$462,070.35		

CITY OF CLEARWATER, MINNESOTA

RESOLUTION NO. _____

**DECLARING THE OFFICIAL INTENT OF THE
CITY OF CLEARWATER TO REIMBURSE
CERTAIN EXPENDITURES FROM THE PROCEEDS
OF BONDS TO BE ISSUED BY THE CITY**

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Clearwater, Minnesota (the “City”) expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the City has determined to make this declaration of official intent (the “Declaration”) to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLEARWATER, MINNESOTA AS FOLLOWS:

1. The City proposes to purchase a Fire Truck (the “Project”).
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$425,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.
4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the City’s budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City’s budget or financial policies to pay such Project expenditures.
5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the City Council of the City of Clearwater, Minnesota this ___ day of _____, 2020.

Mayor

Attest:

City Clerk