

CLEARWATER CITY COUNCIL MEETING MINUTES
REGULAR CITY COUNCIL MEETING
OCTOBER 10, 2022

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

- Mayor Lawrence called the Clearwater City Council to order Monday, October 10, 2022 at 7:00 p.m. in the Council Chambers. Members present were Mayor Lawrence, Council Members Luhmann, Crandall, and Lenz. Member Kruchten was absent. Also present were members of the staff, sheriff's department, and guests.

2. Approval of Agenda

- **MOTION** by Luhmann to approve the agenda as presented, seconded by Lenz.
- Staff requested three additions: 1) Consent Agenda - Res 2022-67 – Accepting Donation from Clearwater Lions Club, 2) Consent Agenda - Res 2022-68 – Authorizing Purchases for FD, Amending Budget for FD Purchase, and Authorizing Transfer of Funds for Purchase, and 3) New Business – Consider Fall Street Sweeping Project.
- Luhmann agreed to **AMEND** her **MOTION** to approve, Lenz accepted the amendment. All voted aye on the **AMENDED MOTION**. **MOTION CARRIED 4-0.**

3. Wright County Sheriff's Report

- Deputy Marschel gave the sheriff's update. Member Lenz asked if there was any update on the issue of dogs running loose. Marschel responded that there were no recent reports since citations were last issued.

4. Public Forum

a. Code Enforcement Hearing – Bryan Kelly

- Administrator Smythe gave a brief overview of the history of the code violations at this property and noted that the city is acting on a written complaint.
- Mr. Kelly stated the following:
 - He disputes the city's ownership of the property adjacent to him.
 - He stated the city doesn't have jurisdiction over him or his property.
 - He requested a copy of the city's title to the property.
 - He stated that he has a permit for a garage along with a variance and disputes that the city has provided documentation showing otherwise.
 - He stated that the new shed that was built did not require a permit and was a replacement of an old shed, so was "grandfathered". He also disputed that the city's building inspector issued a stop-work order.
 - He stated that he paid the Administrative Fines with a money order, but that it was applied to his water bill.
- Mayor Lawrence noted that most of these issues had been previously addressed at prior Council meetings and documentation was provided to all parties. She stated that Mr. Kelly is not addressing the issues, but is disputing everything even though evidence to the contrary has been provided. She stated that it is not productive to argue these points.
- Mayor Lawrence reiterated the staff recommendations from the summary memo. Smythe noted that these options were suggested by the City Attorney and that the Council is not obligated to do any of them. Mayor Lawrence deferred action on this to the New Business section of the meeting so Members can consider Mr. Kelly's statements and the options available.

b. Other Public Forum

- Resident Sarah Tasa expressed the following concerns about the proposed Central Minnesota Cold Storage project:
 - She stated that some residents are still against the project, with traffic safety and noise being the primary concerns.
 - She stated that residents have concerns about the use of TIF financing for the project.
 - She stated that multiple local business owners were shocked by the TIF financing being considered for projects in the city and thought it was excessive.
 - She stated that there are multiple City Council seats up for election in a couple of weeks.

5. Consent Agenda

- a. Claims/Accounts Payable in the Amount of \$ 348,336.67**
- b. Approval of Minutes from 09-12-2022 Regular City Council Meeting**
- c. Approval of Minutes from 09-29-2022 Special City Council Meeting**
- d. Res 2022-66 – Approving Budget Amendment**
- e. Res 2022-61 – Authorizing Budgeted Transfers**
- f. Res 2022-62 – Approving New Hires for Fire Department**
- g. Res 2022-63 – Approving Temporary Gambling Permit**
- h. Q2-2022 Financial Report**
- i. Res 2022-67 – Accepting Donation from Clearwater Lions Club**
- j. Res 2022-68 – Authorizing Purchases for Fire Department**
- **MOTION** by Luhmann to approve Consent Agenda as amended, seconded by Crandall, all voted aye. **MOTION CARRIED 4-0.**

6. Old Business

- None.

7. New Business

- a. Public Hearing – Modification of Tax Increment Financing (TIF) District 3-1 – Central Minnesota Cold Storage**
 - Mayor Lawrence opened the public hearing at 7:16 p.m.
 - The city’s Financial Advisor, Jessica Green from Northland Securities, gave an overview of the proposed modification to TIF District 3-1. The primary changes noted are 1) to the boundaries of the district to account for access moving to County Road 7, and 2) to the estimated valuation of the proposed development project based on a revised estimate from the assessor following review of the site plan materials. Ms. Green noted that the city is still waiting for a commitment for project financing from the developer’s lender and that a development agreement also needs to be executed before the district is certified. She also noted that the dollar amount of TIF assistance has not changed, just the total valuation of the project.
 - Member Crandall asked if the length of the TIF term has changed. Ms. Green explained that the term of the district is set in Minnesota Statutes and remains a total of 9 years. She also noted that because of the increased valuation, the district may de-certify earlier if the financial terms have been met.
 - There were no other questions from the Council or public.
 - The public hearing was closed at 7:25 p.m.
- b. Res 2022-64 – Approving Modification to TIF District 3-1 – Central Minnesota Cold Storage**
 - **MOTION** to approve by Crandall, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

c. Res 2022-65 – Certifying Past Due Accounts to County

- **MOTION** to approve by Crandall, seconded by Lenz, all voted aye. **MOTION CARRIED 4-0.**

d. Approving Project Payments – Smith Street Overlay

- **MOTION** to approve by Lenz, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

e. Consider Striping Quote – Smith Street Overlay

- Smythe explained that the street striping was not part of the Smith Street project, but that the attached quote was received if the City Council would like it striped.
- Members discussed whether striping was necessary. Member Crandall stated he would like to see the right-turn only striping at the intersection on T.H. 24. Member Lenz stated he would like to see the right-turn only striping at other spots. Member Luhmann asked if the contractor could just do the one intersection and not the rest of the project quoted. Staff's response was that it would require a new quote. Mayor Lawrence asked if staff could do the striping. Smythe explained that this service is contracted out.
- Members declined to conduct the striping per the quote attached.
- Members requested that staff obtain quotes to stripe all city intersections with T.H. 24 as right-turn only.

f. Authorize Replacement/Move of Hydrant – Lions Park

- Smythe explained that as part of a larger parking lot project at Lions Park, staff would like to move the hydrant nearest the parking lot. It regularly sustains damage from being hit by vehicles. T.O. Plastics has offered to cover the installation costs of the hydrant move, which amounts to about ½ of the total cost. The cost quote is \$16,575.
- **MOTION** to approve by Lawrence, seconded by Crandall, all voted aye. **MOTION CARRIED 4-0.**

g. Consider Fall Street Sweeping

- Staff received a cost estimate of \$2,000 from Pearson Brothers to conduct fall street sweeping. The city generally conducts sweeping once a year in the spring.
- Members discussed the need. Members Crandall and Luhmann stated that sweeping the leaves this fall will clear storm sewers and may help prevent spring flooding in some areas. Member Lenz noted that the flooding this past spring was due to the ground being frozen and not due to leaves.
- **MOTION** by Luhmann to proceed with fall street sweeping, seconded by Crandall. Voting aye – Lawrence, Crandall, Luhmann. Voting nay – Lenz. **MOTION CARRIED 3-1.**

h. Bryan Kelly

- The Council revisited the code enforcement options for Mr. Kelly's property. Mr. Kelly asked what the citations in the Administrative Fines letters refer to. Smythe explained that those are the City Code sections that have been violated and that the City Code can be found on the city's website. Mr. Kelly again expressed his position that he is a "sovereign citizen" and not subject to the City Council's authority. Mayor Lawrence interjected that the public forum portion of the meeting is passed and that this is the Council's opportunity to consider their options.
- **MOTION** by Luhmann to proceed with all four options recommended by staff in the summary memo:
 - 1) Certification to the property taxes of 105 Elm Street for the unpaid Administrative Citations.
 - 2) Direct staff to survey the city property, physically remove the encroachments, and place barricades at the end of the roadway to deter future encroachments/trespassing.
 - 3) Refer future trespassing to the sheriff for citations and/or prosecution.
 - 4) Refer the other city code violations to the city attorney to pursue a court order for removal of illegal structure and other violations.

MOTION seconded by Lenz, all voted aye. **MOTION CARRIED 4-0.**

i. Closed Session – Develop Offer to Purchase Property

- The meeting was closed at approximately 7:43 p.m. pursuant to Mn Statutes 13D.05 Subd. 3(c)(3) to develop an offer to purchase property identified as Lot 3, Block 1 on the Central Minnesota Cold Storage plat, located along Huber Ave south of County Road 7 in the City of Clearwater.
- The open meeting reconvened at 7:59 p.m. Mayor Lawrence stated for the record that staff were authorized to negotiate for a purchase of the property pursuant to the parameters discussed in the closed session.

8. Committee Reports

a. Mayor and Council

- None.

b. Boards

- Sewer Authority – Sewer Authority meets October 20, 2022 at 5:30 p.m. at Clear Lake City Hall.
- EDA – EDA meets October 18, 2022 at 8:00 a.m.
- Planning Commission – Planning Commission meets October 11, 2022 at 7:00 p.m.
- Park Commission
 - Park Commission is recommending install of lighting at El Dorado Park for the basketball/hockey rink area. The low quote was \$14,618.79 from Hubbard Electric. **MOTION** by Crandall to approve the installation of lighting per the low quote from Hubbard Electric, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**
 - Member Luhmann reported that she is working with the school to complete the second mural at Spring Street Park.
 - The Park Commission is also awaiting irrigation quotes for the new rugby field at El Dorado Park and possibly the small ballfield at El Dorado Park.
 - The EDA is working on a community survey related to the Community Center project.
 - The grading at Veterans Memorial Park is completed and concrete installation is in progress.
- EDA – Member Crandall provided an overview of the new direction of the signs project and showed concept plans for the new proposal from RHL, Inc. The EDA Board wanted to get input from the City Council before proceeding further. The new proposal is about half the cost of the proposal from Indigo Signs and seems to better meet the needs of the city. Members expressed support for moving forward with the RHL, Inc. proposal.

c. Staff

- Johnson reported that the number of building permits issued to date are about double the amount the city sees in a normal year. Most are due to roofing permits from hail damage earlier in the year. New home permits are down for the year.
- The Fire Department has made solid progress in adding new hires this year.
- Smythe reported that Sewer Authority Plant Operator Notch has given his notice, so there will be a vacant position.
- Member Lenz asked if new hires can attend the City Council meeting when hired just so Members can meet them. Mayor Lawrence noted that Council Members can stop by the city offices to meet people as well.

9. Other Business


a. Request for Special Meeting – October 24, 2022

- Members agreed to hold a Special Meeting, if needed, on October 24, 2022 at 7:00 p.m. to consider development projects that are going before the Planning Commission on October 11, 2022.
- b. Reminder – General Election – November 8, 2022**
 - A reminder was given that the General Election is on November 8, 2022.
- c. Next Regular Meeting – November 14, 2022 at 7:00 p.m.**
 - The next regular meeting will be November 14, 2022 at 7:00 p.m.

10. Adjournment

- **MOTION** to adjourn by Lenz, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**
- Meeting adjourned at 8:18 p.m.

ATTEST



Annita M. Smythe, City Administrator

APPROVED



Andrea Lawrence Wheeler, Mayor