

**CLEARWATER CITY COUNCIL MEETING MINUTES
REGULAR CITY COUNCIL MEETING
DECEMBER 12, 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, December 12, 2022 at 7:00 p.m. in the Council Chambers. Members present were Mayor Lawrence, Council Members Crandall, Kruchten, and Luhmann. Member Lenz 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 Crandall, all voted aye. **MOTION CARRIED 4-0.**

3. Wright County Sheriff's Report

- Deputy Marschel gave the sheriff's update. He noted a call at the local clinic about a possible firearm was resolved peacefully. He stated that, in general, Clearwater does not have a lot of calls for service but does have a lot of traffic.
- Member Crandall asked about a call on Bluff Street. Deputy Marschel was not aware of specifics. Administrator Smythe stated that staff were contacted by the deputy on duty, and that situation had also been peacefully resolved.

4. Public Forum

- A local resident had a question about the new sewer surcharge and stated residents had not been notified of this change. Mayor Lawrence explained that it had been discussed at several public meetings during the summer months and was posted on the city's website before being implemented in October. Smythe explained that the surcharge was added by the Sewer Authority due to declining revenues as a result of low flows caused by the drought conditions the last two years. Mayor Lawrence noted that the surcharge is being charged to the cities by the Sewer Authority and is a direct pass-through to residents. The resident wanted to know what other cities are covered by the Sewer Authority. Smythe responded that the Sewer Authority includes the cities of Clearwater and Clear Lake operating under a Joint Powers Agreement.

5. Consent Agenda

- a. **Claims/Accounts Payable in the Amount of \$ 404,637.84**
- b. **Approval of Minutes from 11-14-2022 Regular City Council Meeting**
- c. **Res 2022-82 – Approving Step Increase**
- d. **Approving Re-allocation of Unused ARPA Funds**
- e. **Authorize Newly Elected Officials to Attend LMC Training**
- f. **2022 Year-end Review**
- g. **Res 2022-86 – Accepting Donations to Fire Department**
- **MOTION** by Kruchten to approve Consent Agenda as presented, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

6. Old Business

a. Recognize Council Members Crandall, Kruchten, and Lenz.

- Mayor Lawrence recognized the outgoing Council Members Crandall, Kruchten, and Lenz and thanked them for the service to the city. She also presented certificates of appreciation.

b. Bryan Kelly Code Enforcement

- Pursuant to the discussion at the last meeting, staff outlined in a memo the actions taken by Mr. Kelly to address city code violations following authorization by the City Council to pursue litigation. Mr. Kelly does not want litigation and has taken steps towards addressing the issues.
- Members discussed the actions taken to date but want to make sure the issues ultimately get resolved.
- **MOTION** by Lawrence to pause litigation while Mr. Kelly works with staff, but to require a monthly update until the violations are resolved, seconded by Crandall, all voted aye. **MOTION CARRIED 4-0.**

7. New Business

a. Truth in Taxation Public Meeting

- Smythe gave an overview of the proposed levy and budget and reviewed the slides included in the agenda packet. Several residents were present with questions. The following topics were discussed:
 - Question on the drivers of the \$80,000 increase shown in the summary budget report from Wright County. These were explained in the staff's memo at the front of the budget packet.
 - Questions about the open book meeting process and how valuations are determined. Smythe explained that these meetings are held in the spring and valuations are set based on recent sales and other factors. Residents can contact the local assessor at Wright County for more information.
 - Discussion of the city's overall tax rate and the city's share of total taxes. Members explained how increases to the city's commercial base results in overall declines to the city's total tax rate. Comparisons to other nearby cities were shown. Smythe explained that the current goal is to move towards a 50% tax rate while still meeting the needs of a growing city.
 - Questions about whether the city does any lobbying to try to get a share of the state's surplus. Smythe explained that cities do already receive aid from the state and that the city is a member of several organizations that lobby on behalf of small cities. Mayor Lawrence explained that she and other Members regularly attend legislative meetings each spring with our local legislators to push for more assistance in areas critical to the city's needs.
 - A representative from Mathison Motors would like the excise tax repealed. She stated that they are the only city business impacted and wanted to know the process for repeal. Members explained that this is state law and were not sure what the process would be. She was asked to work with staff outside of the meeting, as this question is not related to the budget and levy process.

b. Res 2022-83 – Approval of 2023 Levy and Budget

- **MOTION** by Crandall to approve Resolution 2022-83, seconded by Kruchten, all voted aye. **MOTION CARRIED 4-0.**

c. Res 2022-84 – Approval of 2023 Step Compensation Scale

- Smythe explained that the new step compensation scale includes changes for several items, as discussed at the budget workshop. It adjusts staff wages closer to market rates as a result of inflation, it adds new positions, it includes a new staff structure to address a pending retirement, and it makes adjustments to comply with pay equity laws.
- Member Kruchten asked if staff automatically receive step increases. Smythe stated that staff must obtain a “meets” or “exceeds” expectations on their performance review to be eligible for a step increase, and all step increases are approved by the City Council.
- **MOTION** by Kruchten to approve Resolution 2022-84, seconded by Crandall, all voted aye. **MOTION CARRIED 4-0.**

- Member Kruchten asked a side question about how the roofing costs included in the claims will be covered. There were three invoices for roofing repairs. Smythe explained that these were to repair losses caused by hail damage, so the majority of the costs will be reimbursed by the city’s insurer.

d. Ord 2023-01 – Approval of 2023 Fee Schedule Ordinance

- **MOTION** by Crandall to approve Ordinance 2023-01, seconded by Kruchten.
- **DISCUSSION ON THE MOTION** – Accountant Sarah Johnson noted that the cost for recycling had been stricken in the schedule without a new amount shown. This was cross-out by mistake, as the recycling fee will not change for 2023.
- Members Crandall and Kruchten both accepted this **AMENDMENT** to the **MOTION**.
- **VOTE ON THE AMENDED MOTION** – All voted aye. **MOTION CARRIED 4-0.**

e. Ord 2022-10 – Amending Parking After Snowfall Ordinance

- Staff explained that this modification is intended to remove confusion, as the current ordinance has conflicting language. Deputy Marschel agreed that the current ordinance did cause some confusion for deputies.
- **MOTION** by Kruchten to approve Ordinance 2022-10, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

f. Approval of Contract Amendment for Waste Hauler

- Staff explained the waste hauler’s route streamlining plan, which will result in moving the city’s trash and recycling pick-up date to Thursday beginning January 1, 2023.
- **MOTION** by Lawrence to approve contract amendment, seconded by Crandall, all voted aye. **MOTION CARRIED 4-0.**

g. Consider Software Quotes for New Accounting System

- Smythe and Johnson explained the need for a new accounting system and the process of reviewing alternatives. Member Luhmann assisted with the process and also attended the software demonstrations. After consideration, staff recommend BS&A as the preferred option. Their package is cloud-based, is an integrated system rather than separate modules, and includes a community development application that would help move the city’s permitting platform to a digital method.
- Member Kruchten asked about the budget. Smythe explained that the cost exceeds the amount allocated in the capital improvement plan. The city will need to utilize general fund surplus of just under \$17,000.
- **MOTION** by Luhmann to approve pursuing an agreement with BS&A software per the recommendation, seconded by Kruchten, all voted aye. **MOTION CARRIED 4-0.**

h. Authorization to Post Community Development Specialist Position

- Smythe reported that this position was included in the 2023 budget as a staff add and would be shared with the EDA. It has been discussed at the last several meetings where the budget was discussed. Member Kruchten asked if there would be cost savings as part of the re-organization. Smythe explained that it would depend on the experience level and hiring salary of the person hired, and any savings wouldn't begin until after Deputy Clerk Petty's retirement. This position is intended to manage several areas of new responsibility, along with other duties that existing staff have absorbed, but are on the back burner.
- **MOTION** by Crandall to approve posting the new position, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

i. Closed Session – City Administrator Annual Performance Review

- Meeting was closed at 8:27 p.m. to conduct the City Administrator's annual performance review. The public meeting re-opened at 9:00 p.m. Mayor Lawrence reported that the City Administrator was meeting or exceeding expectations.

j. Res 2022-85 – Approving Step Increase

- **MOTION** by Crandall to approve Resolution 2022-85, seconded by Luhmann, all voted aye. **MOTION CARRIED 4-0.**

8. Committee Reports

a. Mayor and Council

- Mayor Lawrence attended the WCMA meeting in December. It was the group's year-end social meeting and was well-attended, as people wished farewell to outgoing elected officials and met several new ones.
- Mayor Lawrence noted that there will be a farewell happy hour for Member Crandall at the American Legion on December 28, 2022 at 4:30 p.m. Member Crandall is leaving the City Council after over 17 years of service.

b. Boards

- Park Commission – Luhmann explained that the Park Commission has recommended some changes to the Community Center survey. City Council Members had no objection to referring them to the EDA for consideration. Luhmann also reported that the concrete at Veterans Memorial Park has been completed. Smythe reported that the Public Works staff had built a portable warming house for the hockey rink at El Dorado Park similar to the one at Lions Park. She also noted that the two outgoing Park Commissioners Dufour and Schindele would like to be considered for re-appointment.
- Sewer Authority – The Sewer Authority Board met December 8, 2022. They approved the annual budget for 2023. They also extended the job posting for the vacant Plant Operator position.
- EDA – EDA meets December 20, 2022 at 8:00 a.m.
- Fire Relief Association – FRA meets December 19, 2022 at 7:00 p.m.

c. Staff

- Smythe noted that final budget reports for the Smith Street Overlay and I94 Water Main Loop projects were included in the agenda packet for the Council's review.
- Smythe explained that the city had received several written complaints from a resident who is in the midst of active litigation with the city. Given that they were filed the day prior to a court hearing, the staff believe these are retaliatory in nature and asked for the Council's direction on how to handle them. Members' consensus was to set aside and take no action on complaints received before the court hearing on January 9, 2023. Any complaints received after the court date should be brought back to the Council for further consideration.

- Smythe noted that the staff have been experiencing a lot of absences recently due to illness, so are working through shortages as best we can.

9. Other Business

a. Next Regular Meeting – January 9, 2023 at 7:00 p.m.

- The next regular meeting will be January 9, 2023 at 7:00 p.m.

10. Adjournment

- **MOTION** to adjourn by Crandall, seconded by Kruchten, all voted aye. **MOTION CARRIED 4-0.**
- Meeting adjourned at 9:30 p.m.

ATTEST



Annita M. Smythe, City Administrator

APPROVED



Andrea Lawrence Wheeler, Mayor