

Special City Council Meeting
Thursday, December 7, 2006
7:00PM

I. CALL TO ORDER

Mayor Joy Bertsinger opened the meeting at 7:02PM

II. ROLL CALL

All Council present, City Clerk Cheryl Nymann, City Engineer Joe Palen, Carl Stolp and Gwen Holt, 1st Responder Director.

III. UNPAID BILLS

Unpaid bills and special funds payment. Mayor Joy Bertsinger motioned to pay, Councilor Jackie Hall second; Mayor Joy Bertsinger motioned to pay for Iron out of Parks SF , and WAK out of CC Fund, Councilor Kevin McDermott second; all in favor, motion carried.

IV. CAPITAL IMPROVEMENT PLAN (CIP) - MIKE BUBANY

This is an interactive program presented by Mr. Bubany. In summary, the City's tax rate is at 37% (quite well state wide and regional). City is gaining in population and commercial/industrial is small in comparison to other cities. City is 1/3 as much in debt in comparison to other cities. The City also has a healthy General Fund Balance (10 months worth). Mayor Joy Bertsinger suggested having a meeting with the general public next year. Clarification that the CIP is for large projects only, not for general fund expenditures. Suggested creating a separate fund for a capital project fund, and make an annual contribution to the fund.

Brian Breider arrived at 7:30PM.

Discussion on base tax rates, assumptions on developments and the impacts on the CIP.

Katie Dudley arrived at 7:45PM

Projects include, Street projects (all streets in town would get attention every eight years (assuming there were no assessments), seal coating, city trails (\$200,000 will build 2 miles of trail and use of enhancement funds), Lake Shady (half would be funded by grants, donations, etc.), Fire Truck, Ambulance, Parks, EOC Sirens, Emergency facility. Historical look back at CIP's to compare accuracy of everything. City rating's discussed. Minnesota Rural Water Association discussed. Discussion on deferred assessments on the frontage road. City Engineer Joe Palen recommended Council consider the deferred assessments on the frontage road (assume 80%). Mike will work on the spreadsheets with that. Mike wanted to get a consensus from the Council. Convincing the current landowner of that property that he is not responsible for the assessment, it's tied to the property when it changes hands. That money will then drop into the CIP plan. Best scenario is to enter into an agreement with the current property owner. What about the businesses that are already there? If you're not adjacent to it, then it would be tough to assess that business. Discussion on 3rd Avenue SW, when the property is annexed, then

the City can assess them. Hold public improvement hearing, and tell them when the improvement happens, they could be assessed.

Council Break called for at 8:40PM.

Councilor Scott Keigley left at 8:45PM

Council Reconvened at 8:50PM

Mr. Bubany summarized the plan. 2007 Frontage road 1M, with deferred assessments, 2015 1st phase of seal coating paying cash every 8 years, \$600,000 Trails in 2011, grant, LS 1M 50/50 split, plow truck, local police dept. 2012, 2020 ft, 2018 ambulance, ems 2012, parkland \$40,000 2022. Tax rate will be higher, but remain less than the comparable average, \$35-\$40 per month increase. This doesn't commit to anything, and can always come back and rework the assumptions. Negotiate terms with landowner, and have Bonestroo do feasibility study on the road. \$130,000 payment per year for the frontage road. Buy down \$15,000 for 10 years, or \$30,000 for 4 years if using the \$125,000 to buy down the levy instead of going with the \$125,000 initial shot into the capital improvement plan.

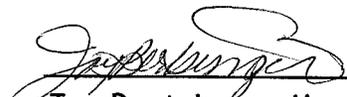
Is the City ready to present it to the public? Mike will prepare a final report and send to the City in a pdf file to be distributed to Council. LGA allotment could also change, growth commercially will help increase that. Project dates and tax base figures can be moved around. Model assumes LGA will continue as a proportion of the spending now.

Take to Council at the December 18th meeting. Go through one more time. Do the graph of what it does in taxes for the years.

V. ADJOURNMENT

Mayor Joy Bertsinger motioned to adjourn at 9:15PM, second; all in favor, Councilor Kevin McDermott motion carried.

Respectfully Submitted:


Joy Bertsinger, Mayor


Cheryl Nymann, City Clerk / Treasurer