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**KASSON CITY COUNCIL REGULAR MEETING MINUTES
May 10, 2017**

Pursuant to due call and notice thereof, a regular City Council meeting was held at City Hall on the 10th day of May, 2017 at 6:00 P.M.

THE FOLLOWING MEMBERS WERE PRESENT: Borgstrom, Buck, Egger, McKern and Zelinske

THE FOLLOWING MEMBERS WERE ABSENT: None

THE FOLLOWING WERE ALSO PRESENT: City Administrator Theresa Coleman, City Clerk Linda Rappe, City Engineer Brandon Theobald, City Attorney Melanie Leth, Finance Director Nancy Zaworski, Mike Bubany – David Drown and AssociateS, Candy McKern, Ronald Eidem, Judy Zelinske, Everett Paulson, Darin Steffl – MN Wifi, Tyler Baumbach – WHKS, Steve Jurens and Chris Seljan

Mayor McKern called the meeting to order at 6:00 P.M.

PLEDGE OF ALLIANCE

COUNCIL

Add: Old Business F.2 MN Wifi Agreement

Motion to Approve the Amended Agenda made by Councilperson Buck, second by Councilperson Egger with all voting Aye

CONSENT AGENDA

April 26, 2017 Regular Meeting Minutes

April 13, 2017 Special Assessment Hearing Minutes

Claims processed after the April 26, 2017 regular meeting, as audited for payment in the amount of \$452,817.38

Acknowledgement of Committee Meeting Minutes:

Park Board Minutes – April Draft

March Planning Commission Meeting

Draft April Planning Commission Meeting

March EDA Meeting

April EDA Meeting

Conferences - Theresa Coleman Land Use Workshops - Owatonna 6/8/17 and 7/17/17 \$300
Resolution Accepting Donation

Resolution #5.1-17

***Resolution Accepting Donation for the Kasson Fire Department
(on file)***

Pay Request WWTP DN Tanks #5 \$362,489.69

Motion to Approve the Consent Agenda made by Councilperson Egger, second by Councilperson Zelinske with all voting Aye.

VISITORS TO THE COUNCIL

Mike Bubany – David Drown & Associates – Mr. Bubany explained the structure and sales method to fund the 2017 Improvement Project. Mr. Bubany explained that we are downsizing the bonds by over \$800K. This is not being included this year because the city has applied for \$3.25M from the State in the form of a PFA loan. If we issue bonds more than \$10M a year they are non bank qualified and this means a higher interest rate. Mayor McKern stated that he had brought up using funds from the liquor store to lower assessments but that is not a possibility as these need to be kept for the City use. Mr. Bubany stated that the term of the bonds would be 15 years to mirror the assessments. The call option is at 7 years. In the issuance cost is a rating fee for a credit rating. There is an underwriter’s discount of 1%. Mr. Bubany suggests doing this competitively and bidding it out. At the June 14 City Council meeting Mr. Bubany would bring a recommendation for award. Mayor McKern asked about people paying their assessment up front. Mr. Bubany stated that the Finance Director will have two funds a construction fund and a debt assessment fund. **Motion to Approve the Resolution made by Councilperson Egger, second by Councilperson Borgstrom with all voting Aye.**

Resolution 5.2-17

***Resolution Providing for the Competitive Negotiated Sale of \$6,780,000 General Obligation Improvement and Utility Revenue Bonds, Series 2017A
(on file)***

PUBLIC FORUM - None

PUBLIC HEARING - None

COMMITTEE REPORT - None

OLD BUSINESS

Fire Department Uniforms – Steve Jurens presented more detailed information on Class A uniforms, these will average approximately \$718 per uniform with a total project cost of \$14,343.65. The fire department is asking for \$10K and the fire department will finance the balance. Councilperson Egger asked if the uniforms will belong to the City, Mr. Jurens stated that when they develop the SOP’s and SOG’s relative to the uniforms they would be issued by the City to the firefighter. There was discussion on the matter regarding need and budget. Mayor McKern made a recommendation that they don’t make a decision tonight and the Council could look at this during budget time.

MN Wifi Agreement – Darin Steffl had questions on sections of the contract and those were discussed.

Motion to Approve the Agreement with the changes of: Section One Term: to give an option to renew, Section Two Rent: \$100 a month plus electric costs, and up to five locations for the free wifi, Section Four Equipment: it won’t be a whole structural analysis, Section Five Access – give Mr. Steffl a key to the water tower, Section Seven Insurance – change to \$2 million dollars, Section Ten Termination – change to 180 day notice to end the lease made by made by Councilperson Buck, second by Councilperson Borgstrom with all voting Aye.

NEW BUSINESS

Write offs - Finance Director Zaworski stated this has two pieces and she would like the council to consider each separately. First one is delinquent utility amounts that the City has been unable to collect after utilizing all of the City’s resources and they have reached the statute of limitations. **Motion to Approve the write offs of the Accounts Deemed Uncollectable, made by Councilperson Egger, second by Councilperson Buck with all voting Aye.**

The second is too the write off of the additional property or determine to re-assess in the future. This property has moved into forfeiture. When a property goes into forfeiture the amount owed against it is zeroed out but the City has an opportunity to assess the future buyer. The county is going to force the new buyer to demolish the house. Mayor McKern asked if the City can reserve the right to reassess. Director Zaworski stated that we can take it off the books and still assess it later. **Councilperson Zelinske made the motion to write it off and be done with it, second by Councilperson Buck with all voting Aye.**

MAYOR'S REPORT

Mayor McKern attended the preconstruction meeting last week for the 2017 street project and anytime anyone calls with questions refer them to Tyler Baumbach.

ADMINISTRATORS REPORT

Administrator Coleman stated that we are still working with Buxton and they have gotten back to us on businesses that have responded.

Rebecca Charles from CEDA starts on the 23rd of May and will start working with the businesses.

ENGINEER'S REPORT

2017 Assessment project – Engineer Theobald stated that the preconstruction meeting was held and construction will be starting on the 22nd of May. The gas company will be starting earlier. Theobald also stated that the homeowner kickoff meeting will be held on May 11 at 1PM and 6PM. They will send out weekly updates and those will be posted on Kasson's social media and website. The first point of contact should be Tyler Baumbach and his phone number is listed in the letter to the homeowners. The gas company is doing their own project within this project and they will be trying to enter into every home to locate the sanitary sewer lateral and televising that.

PERSONNEL

Request for special leave from Library Board – The Library Board meeting was cancelled so there is no information.

Jeremy Casey – Achieved Journeyman Lineman Status – Inc. to Grade 10 Step 7 \$29.84 – **Motion to Approve the increase made by Councilperson Egger, second by Councilperson Borgstrom with all voting Aye.**

Accept Resignation of Training Officer for Fire Department – **Motion to accept the resignation of training officer Chris Meyers effective May 1 made by Councilperson Buck, second by Councilperson Borgstrom with all voting Aye.** The Council thanked Mr. Meyers for his service.

ATTORNEY

Closed Session for Personnel Evaluation – Administrator Coleman would like to keep the meeting open. Attorney Leth sent the Council all of the evaluations and the Administrator's self-evaluation. The summary has been handed out. Attorney Leth stated that the contract renewal is November of 2017. Discussion ensued by the Council. Mayor McKern would like to encourage more communication from everyone if they have concerns. Mayor McKern stated that we would like to be more open and if there are things you would like to see different then let's discuss it, reasonable people can agree to disagree. Mayor McKern stated that going forward he would like to have something like this quarterly. Councilperson Egger suggested having the Administrator send out a weekly or biweekly summary on what is going on Fridays between council meetings. Mayor Mckern would like to see more open

dialogue going forward. Councilperson Borgstrom would like to review the contract and table this to the next meeting.

Closed session for Attorney/Client privilege to discuss a property purchase at 7:32 PM.

Meeting opened at 8:17 PM – Mayor McKern stated that there is a follow up question from Joel Bigelow regarding the South Fork Subdivisions. Attorney Leth stated that she needs an additional review as to who owns the infrastructure and the initial documents indicate that it is a homeowners association and there is some later correspondence that muddied the waters. Attorney Leth stated that this all stemmed from Bigelow’s request to extend the 4 year assessment to a 5 year assessment. In response Councilperson Buck asked if we could get them to fix some of the infrastructure. But it is unclear as to who owns it. Councilperson Borgstrom stated that they have come to the city to have the city take it over but the streets and the infrastructure is not up to city code.

CORRESPONDENCE

Correspondence was reviewed.

ADJOURN 8:29PM

ATTEST:

Linda Rappe, City Clerk

Chris McKern, Mayor