



**MINUTES
CITY COUNCIL WORK SESSION
December 6, 2011**

CALL TO ORDER

The work session meeting was called to order by Mayor Hultmann at 5:35 p.m.

Present: Mayor: Tim Hultmann; Council: Brian Carpenter, Donny Chillstrom, Liz Olson and Tom Skjaret

Staff Present: City Administrator: Terrance Post; City Attorney: Jeff Carson

APPROVE AGENDA

A motion was made by Chillstrom, seconded by Carpenter, to approve the Agenda. Ayes: all.

BUSINESS ITEMS

Discuss 2012 Budget Update

Post referred to the budget information materials packet distributed at the meeting. Discussion included a revised lower payable 2012 levy from that submitted in September, the preliminary City tax rate increasing some 20% over 2011, a projected 2011 General Fund operating surplus, fund balance increasing in TIF District 1-6, and impacts of recommended rate increases in both the Sanitary Sewer and Recycling Utilities.

Discuss Draft Utility Agreements for Glendale Cove and Creekside Developments

Post referred to the discussion points overview summary distributed with the draft agreements. Attorney Carson indicated he had reviewed the documents and answered questions regarding the "continually supply" provision. Post indicated that the agreements include both connection and usage fee components that were comparable to existing Long Lake utility customers. He indicated that he would like to have Orono consider moving the effective date back retroactively to July 1, 2011 to coincide with the MCES wastewater flow year.

Discuss Draft GASB 54 Fund Balance Resolution

Tabled because of next regular meeting time constraints.

OTHER BUSINESS

Mayor Hultmann inquired about different uses for the Kenny's Market site, the entire Council wished to have a strategic planning session scheduled for early January, 2012, and Post indicated that he had supported a LLFD grant proposal to the "Save the Lakes" program for emergency ice rescue gear.

ADJOURN

Hearing no objection, Mayor Hultmann adjourned the work session meeting by general consent at 6:30 p.m.

Respectfully submitted,

Terrance Post, City Administrator