



**MINUTES
CITY COUNCIL WORK SESSION
July 3, 2012**

CALL TO ORDER

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

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

Staff Present: City Administrator: Terrance Post

APPROVE AGENDA

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

BUSINESS ITEMS

LMC Annual Conference Observations

Mayor Hultmann briefed the Council on the recent League of Minnesota Cities (LMC) annual Conference he attended in Duluth last week. He indicated he was particularly interested in what other cities were experiencing in dealing with lifecycle housing opportunities for the upcoming "grey tsunami" as baby boomers retire and still wish to live in the community. He also commented that communities will likely be seeing increased numbers of non-owner occupied rental housing of what used to be owner occupied single family detached housing stock; senior housing being not for seniors only, but a mix of young and old living under one roof; and asking the Council if the Virginia Avenue MNDOT reconveyance parcel could somehow be viable for workforce rental housing. Although the MnDOT conveyance offer expired July 2, 2012, staff and Attorney Carson were directed to seek an offer date extension from the agency.

2013 Preliminary Budget Discussion

Post referred to three handouts on the topic: 1) a debt service pro-forma for 2013-2016 indicating the bond issues of 2005 and 2009 being paid off in 2015 and 2016 respectively and debt service levy requirements increasing in 2014 if the 2013 reconstruction project (Brimhall/Tamarack) proceeds; 2) a 2013 budget baseline indicating a \$21,861 operating loss with a 0% operating levy increase and a seal coating project; and 3) a balanced budget with a 0%, or less operating levy increase, and no 2013 seal coating project. Council direction was to construct with a 2013 budget with a 2%, or less, total levy increase. Olson also expressed concern for funding the City's "local share" in regards to future CSAH 112 Turnback Project costs.

Other Business

Brief discussion ensued regarding the "rolling three year" nature of the police contract.

ADJOURN

The work session was adjourned by general consent at 6:35 p.m.

Respectfully submitted,
Terrance Post, City Administrator