



**MINUTES
CITY COUNCIL WORK SESSION
August 21, 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

Discuss Preliminary 2013 General Fund Budget

Post referred to the meeting budget handouts and highlighted the following points: the payable 2013 debt service levy will be increasing \$15,708 - so even with a 0.0% operating levy increase, the total payable 2013 levy would rise by 1.56%; 2012 estimates include unexpected revenue sources from property taxes (stronger collection activity) and LGA (\$26,410 will be received in 2012 when \$0 was budgeted); a recommendation to pull the 2013 skid steer replacement CIP item into 2012 because of favorable pricing and higher pre-season trade-in value; and preliminary 2013 utility rates showing a possible 10% reduction for sanitary sewer and a 12% reduction for residential recycling. After discussion, Council directed staff to obtain written quotes for the replacement skid steer to be considered at the 09/04/12 regular meeting. Councilmember Olson also pointed out that the preliminary 2013 City Hall facility department budget was showing a decrease. Review indicated that this was in error because of the omission of any budget dollars for natural gas expense.

Discuss MnDOT Reconveyance Virginia Avenue Parcel

Post briefed the Council on on-going Phase I and possible Phase II environmental activity being funded by Hennepin County on the City's behalf. Discussion ensued regarding the requirement the City own the property before applying for any county brownfield clean-up (if necessary) grant money, the potential to buy the property with environmental unknowns and sell the property with those unknowns removed, a probable purchase funding source being the Economic Development Fund No. 105, and the desirability of both informing the current Virginia Avenue property owners and, if acquired, selling the property in a very open and transparent manner.

Other Business

Councilmember Skjaret noted that he will be absent at the 09/04/12 council meetings.

ADJOURN

The work session was adjourned by general consent at 6:34 p.m.

Respectfully submitted,
Terrance Post, City Administrator