



**MINUTES  
CITY COUNCIL WORK SESSION  
August 7, 2019**

**CALL TO ORDER**

The meeting was called to order at 5:31 pm.

**Present:** Mayor: Charlie Miner; Council: Tom Skjaret, Jahn Dyvik, Michelle Jerde, and Deirdre Kvale

**Staff Present:** City Administrator: Scott Weske; Public Works Director: Sean Diercks

**Absent:** None

**PLEDGE OF ALLEGIANCE**

**APPROVE AGENDA**

*A motion was made by Skjaret, seconded by Jerde, to approve the agenda as presented. Ayes: all.*

**OPEN CORRESPONDENCE**

No one was in attendance to address the City Council during Open Correspondence.

**BUSINESS ITEMS**

**Continued Discussion of Preliminary 2020 Budget Considerations**

- **Sewer Fund**
- **Street Reconstruction**
- **Rough Draft 2020 Budget**
- **Capital Improvements**

City Administrator Weske gave a brief overview of the budget information he had included in the packet. He noted that when he was adding new information for salaries, some of his columns and cell formulas got off, so he will need to go back and correct some of the calculations so they are accurate.

The Council compared the 2019 and 2020 budget numbers.

Council member Skjaret asked if there was enough money in the budget for the additional staff person that the Fire Department has requested.

Weske indicated that as of right now, the Fire Advisory Board was not supportive of the proposed position.

Council member Dyvik added that the Fire Advisory Board hadn't given a complete no, but did want to form a subcommittee and look at the options more closely.

Weske noted that for it to be included in the 2020 budget the Board will need to have made a decision by September 30, 2019.

Council member Skjaret asked if the Council could put a placeholder in the budget for this possible position.

Weske stated that the Council could do that, however, the different options come with very different price tags.

Council members voiced support for including some type of placeholder for the City's portion of the costs for this position.

Weske noted that even with the increase in the levy, the City is \$17,000 short for operations costs, so the Council may need to look closer at the line items.

Council member Dyvik asked if all sources of revenue had been included, such as cell tower income.

Weske stated that had not all been included and explained the 406 Fund and the CSAH 112 Fund. He noted that the signing bonus for the cell tower was used in the General Fund for 2019.

Council member Skjaret stated that he thought that \$50,000 was sort of sacred and would be set aside since it was a one-time sum of money coming into the City. He stated that he is disappointed that the former Mayor advocated for lumping it into the General Fund.

Weske stated that he can go back and make sure that is what happened.

The Council discussed the 406 Fund and possible ways that money can be utilized.

Weske stated that new money going into the 406 Fund is from the cell tower rent, and could go to offset the CSAH 112 bond.

Council member Dyvik asked if the City could put that money in the Sewer Fund because it is woefully under-funded.

Weske stated that they have talked about doing a sewer fund for collections and a sewer fund for treatment in order to separate out the Metropolitan Council portion.

The Council discussed a rate increase and an equitable way to charge for sewer treatment, as well as ways to invoice Orono for sewer.

Council member Skjaret explained that the City of Edina, when they are doing street projects, will test homeowners sewer lines and if it needs repair or lining, they will do it and lump that into their assessment for the road project. He asked if City Administrator Weske could run some numbers of some of the different scenarios that have been discussed.

Public Works Director Diercks asked if the Council wanted to run calculations for base rate plus usage or some other method such as entirely usage.

Council member Skjaret stated that base rate did not go over very well.

Weske stated that may change if the Metropolitan Council portion is broken out.

Council member Skjaret stated that people need to realize that there is a social cost of living in the community and people have to pay their fair share.

Council member Dyvik asked about the TIF revenue that was pulled out for the former BP station.

Weske explained the funds were pulled from TIF 1-6 and noted that there is still revenue going into the fund until the bond is paid.

Council member Dyvik clarified that these funds are restricted for Economic Development.

Council member Kvale asked what projects are attributable to TIF districts 1-5 and 1-6.

Weske explained that 1-6 is the Caribou strip mall and 1-5 is the former Art Loosen property.

The Council discussed the benefits of creating TIF districts.

Mayor Miner stated that he wanted to be cognizant of time and make sure there was enough time to discuss the other items on the agenda.

Council member Skjaret asked about capital projects.

Weske noted that he had not included anything under capital improvements because he assumed streets would be more important.

Council member Skjaret asked if the water tower cleaning would be considered a capital project.

Weske stated that it would be but there should be enough money in the 601 Fund to cover those costs.

Council member Dyvik asked for examples of what would be considered a capital improvement project.

Weske stated that it could be anything from re-roofing the building, installing solar panels, and things like new lighting at Public Works.

Council member Skjaret expressed his concern about cleaning the water tower because he knows it will be much more expensive if it needs to be sandblasted and painted.

Weske responded that the City could have the water tower's condition inspected.

Public Works Director Diercks stated that the life span of cleaning and painting a water tower should be about 20 to 25 years depending on its location and environment.

Council member Dyvik asked when the water tower was last painted.

Weske stated that he believes the inside of the water tower was done in 2014 or 2015.

Council member Skjaret stated that he would like the outside to be cleaned and noted that perhaps with some patching and preventative work the City may be able to extend the life of the water tower.

Public Works Director Diercks was familiar with a company that handles water tower cleaning and he could obtain a quote from the company.

Mayor Miner asked if WSB was working on a proposal for the street reconstruction projects.

Public Works Director Diercks stated that they are working on a new and improved pavement management plan and he is hoping to receive it from WSB in the next four weeks or so.

The Council discussed street maintenance such as pothole patching; and the need for street reconstruction in some areas as well as bonding possibilities. The Council noted that they do not think any projects could feasibly be completed until 2021 because of the necessary design work, engineering, as well as the public hearing and assessment process involved in street reconstruction projects. The Council discussed Grand Avenue and Lakeview Avenue as streets that need attention.

**OTHER BUSINESS**

None.

**ADJOURN**

*Mayor Miner adjourned the meeting at 6:28 pm.*

Respectfully submitted,

Scott Weske  
City Administrator