

**KASSON CITY COUNCIL REGULAR MEETING MINUTES
October 12, 2011**

Pursuant to due call and notice thereof, a regular City Council meeting was held at City Hall on the 12th day of October, 2011 at 6:00 p.m.

THE FOLLOWING MEMBERS WERE PRESENT: Hopkins, Marti, Nelson, Tjosaas, Torkelson.

THE FOLLOWING MEMBERS WERE ABSENT: None.

THE FOLLOWING WERE ALSO PRESENT: City Administrator Lenth, Admin Assist Benfield, Community Dev Director Martin, Finance Director Zaworski, Neil Britton, Mike Bubany, Bruce Prescher, Earlene King, Fred & Lorraine Spading, Everett & April Paulson, Jon Tollefson, Randy Carlsen.

Mayor Tjosaas presided over the meeting.

COUNCIL

Agenda: Motion by Torkelson and second by Nelson, with all voting aye, to approve the October 12, 2011 agenda with the following amendments:

Add:	C.1.	Bruce Prescher
	K.3.	Union Negotiations (Closed Session)
	L.3.	Update on Levy Info

Consent Agenda: Motion by Marti and second by Hopkins to approve the October 12, 2011 consent items. Ayes: Hopkins, Marti, Nelson, Tjosaas, Torkelson. Nays: None.

1. **Minutes:** Approved the September 28, 2011 regular meeting minutes as submitted.
2. **Claims:** Approved all claims processed after the September 28, 2011 regular meeting, as audited for payment in the amount of \$191,280.37.
3. **Conferences/Training:** Acknowledged the following employee training/conference attendance for:
 - a. L. Rappe IT Symposium 12/6-8/11 St. Paul
4. **Pay Estimate:** Approved the following pay estimate for:
 - a. Swenke Co, Inc Sanitary Sewer Outfall Line Upgrade Est #2 \$209,304.96
5. **Resolution Amending Resolution #1.3-10 Appointing Kasson Police Reserve Unit Volunteers:** As part of the consent agenda, the resolution amending Resolution #1.3-10 appointing Kasson Police Reserve Unit volunteers was adopted. Ayes: Hopkins, Marti, Nelson, Tjosaas, Torkelson. Nays: None.

Resolution #10.1-11
Resolution Amending Resolution #1.3-10 Appointing
Kasson Police Reserve Unit Volunteers
(on file)

VISITORS TO THE COUNCIL

1. **Bruce Prescher**: Bruce Prescher, 302 West Main Street, representing KARE, presented another option for the council to consider regarding the Old Elementary School other than listing the school with a realtor. His suggestion is to give KARE control of the property and market it since KARE is a motivated seller and can network with preservation groups and developers. As a non-profit organization they could pursue small grants for clean-up of the building, etc.

OLD BUSINESS

1. **Resolution Providing for the Issuance and Sale of \$1,775,000 General Obligation Refunding Bonds, Series 2011A and Pledging for the Security Thereof Special Assessments, Revenues and Levying a Tax for the Payment Thereof**: Mike Bubany, David Drown Associates, Inc. informed council members that Standard & Poor's has assigned the City of Kasson a AA- rating. Bubany reviewed information and requirements for issuing and selling the general obligation refunding bonds, Series 2011A in the amount of \$1,775,000. Motion by Nelson and second by Marti to adopt the resolution providing for the issuance and sale of \$1,775,000 general obligation refunding bonds, Series 2011A and pledging for the security thereof special assessments, revenues and levying a tax for the payment thereof. Ayes: Hopkins, Marti, Nelson, Tjosaas, Torkelson. Nays: None.

Resolution #10.2-11
Resolution Providing for the Issuance and Sale of \$1,775,000 General Obligation
Refunding Bonds, Series 2011A and Pledging for the Security Thereof Special
Assessments, Revenues and Levying a Tax for the Payment Thereof
(on file)

2. **Real Estate Listing for OES**: The City received three proposals in response to Request for Proposals to list the Old Elementary School. Kathy O'Malley, Counselor Realty of Rochester, submitted a proposal prior to the closing date. Her commission rate is 5% and the term for listing is nine months. Staff recommends a shorter listing time. Motion by Hopkins and second by Nelson, with all voting aye, to authorize the Mayor and City Administrator to enter into a Listing Agreement with Kathy O'Malley, Counselor Realty of Rochester, for a period to run November 1, 2011 to January 31, 2012 at a listing price of \$400,000 and a commission of 5%, and, if O'Malley does not agree to this time period, allow staff to negotiate with other realtors with the same terms.

NEW BUSINESS

1. **Community Assessment Study Contract with Crescendo**: Crescendo Consulting, LLP of Winona, MN conducts community assessment studies to determine the willingness of the residents of the City and surrounding area to financially support a library. Crescendo is experienced in supervising charitable fundraising projects and proposes conclusion of the study for a new library by December 2011. Motion by Hopkins and second by Torkelson,

with all voting aye, to approve the Community Assessment Study Contract with Crescendo Consulting, LLP at a cost of \$20,000.

2. **Land Use Incentive Program:** The League of Minnesota Cities is offering on-line courses on Land Use. The incentive is a decreased insurance deductible for cities that meet certain training participation requirements. The courses relate to land use regulations/ground rules and the role a city plays in land use decisions and what authority the city has in these situations. All Planning Commission members and all Council Members agreed to take the on-line courses.

MAYOR'S REPORT

1. **Committee Updates:** Mayor Tjosaas reported that Crescendo Consulting, LLP will be meeting with the Library Building Committee on October 19th. The Pool Committee has met with U.S. Aquatics to go through the wants/needs for a new pool and will be meeting again on October 25th.

CLERK-ADMINISTRATOR'S REPORT

1. **Energy Contract Update:** Administrator Lenth reported that a vote was taken today at CMMPA for the City to go with Iberdrola Wind to receive two additional megawatts.
2. **Insurance Claim:** ServiceMASTER has substantially completed its work removing mold in the City Hall basement due to a sump pump failure.
3. **Possible Land Purchase:** City staff is looking at possibly purchasing land along Masten Creek, which is in a floodplain, for use as parkland and storm water management.

ENGINEER'S REPORT

1. Neil Britton, WSN, handed out the progress report on current projects within the City.

PERSONNEL

1. **Resolution Approving the Change in Health Benefits for 2012:** This resolution removes the \$695 limit per employee that the City pays and also changes all wording regarding "Cafeteria Plan" and removes any reference to a dollar amount from the employee handbook and replaces it with the wording "Section 125 Plan." Motion by Nelson and second by Torkelson to adopt the resolution approving the change in health benefits for 2012, removing the words "on a pre-tax basis" in the Be it Further Resolved paragraph. Ayes: Hopkins, Marti, Nelson, Tjosaas, Torkelson. Nays: None.

Resolution #10.3-11

Resolution Approving the Change in Health Benefits for 2012

(on file)

2. **Fire Department Resignation:** Motion by Nelson and second Marti, with all voting aye, to approve the resignation of Firefighter Dan Jensen.
3. **Union Negotiations Update - Closed Session:** The meeting was closed at 6:57 p.m. for the purpose of an update on the IBEW union negotiations. The meeting was re-opened at

7:07 p.m. **Outcome:** Administrator Lenth updated council members on the union negotiations.

CORRESPONDENCE: The following correspondence was reviewed:

1. CMMPA 2011 Agency Meeting & Dinner 10/25 Owatonna or 10/27 Springfield
2. **EAW Project Update from Pathfinder CRM, LLC:** Work is progressing on the Old Elementary School EAW. Initial inspection was conducted on September 13th and the EAW project is scheduled for completion in October.
3. **Update on Levy Information:** A correction to the preliminary 2011 tax levy figures brings the 9.46% total levy increase down to a 3.3% total overall levy increase.

ADJOURN: The meeting was adjourned at 7:11 p.m. Members were reminded of the Fire Department and Police Department Open Houses from 6:00 p.m. to 8:00 p.m.

ATTEST:

Randy D. Lenth, City Administrator

Tim Tjosaas, Mayor