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KASSON CITY COUNCIL REGULAR MEETING MINUTES
April 24, 2019

Pursuant to due call and notice thereof, a regular City Council meeting was held at City Hall on the 10th day of April, 2019 at 6:00 P.M.

THE FOLLOWING MEMBERS WERE PRESENT: Burton, Egger, Ferris, McKern and Zelinske

THE FOLLOWING MEMBERS WERE ABSENT: None

THE FOLLOWING WERE ALSO PRESENT: City Administrator Coleman, City Clerk Rappe, City Attorney Leth, Finance Director Nancy Zaworski, Mike Marti, Everett Paulson, Ben Kall, Adam VanOort, Dirk Erickson, Kraig Durst, Trevor Lampland, Candy McKern, Tim O'Morro, Mike Bubany, Collin Tinsley, Alex Malm and Tony Bigelow

PLEDGE OF ALLIEGENCE

APPROVE AGENDA

Motion to Approve the Agenda made by Councilperson Burton, second by Councilperson Egger with All Voting Aye.

CONSENT AGENDA

Minutes from April 10, 2019

Claims processed after the March 13, 2019 regular meeting, as audited for payment in the amount of \$434,882.48

Conferences:

Jesse Kasel 2019 Dare Conference Walker, MN Aug 12-14 \$225 + travel

Approve Abbreviated Publication of Fee Schedule (Approved at April 10 Mtg)

Acknowledgment of Committee Minutes:

Park Board March 26, 2019

Planning Commission March 11, 2019

EDA March 5, 2019

Motion to Approve the Consent Agenda as presented made by Councilperson Zelinske, second by Councilperson Ferris with All Voting Aye.

VISITORS TO THE COUNCIL

Ben Kall – Potential Development - Ben Kall and his team, Dirk Erickson and Adam Van Oort, presented their idea for a multi-housing opportunity that would be located to the east of the post office. The first phase would be a 3 story building of one and two bedroom apartments with in-unit laundry and detached garage stalls. Phase 2 would be implemented once they have 90% occupancy in the first building. They have an architect, an engineer and an aggressive timeline.

Mike Bubany, David Drown & Assoc – Bond refunding – We periodically look at the bonds to see what can be done or paid. Mr. Bubany gave the Council a couple of options and suggested that the City wait until the bond call date.

PUBLIC FORUM

PUBLIC HEARING

Tax Abatement – Public Hearing Opened – Mr. Bubany stated the City has been approached by a developer who has platted and subdivided land that requires soil corrections. The developer asked the City for some assistance and tax abatement made the most sense. Mr. Bubany stated that the new taxes that are generated would go back into the project. With tax abatement, each taxing district can make a decision whether they want to participate, the county is not participating and the school was not asked so only the City is participating. The developer is asking for an upfront payment. The development agreement is designed with all of the homes being built by October 1 of 2023; if they are not built by that date, the developer will sign a petition and waiver agreement for the remaining lots. The amount asked for is up to \$200,000. This is for 20 years but we fully expect to get the entire amount plus 5% before 20 years is up. Mayor McKern asked where the \$200,000 will come from. Finance Director Zaworski stated from the revolving loan fund. Mr. Bubany stated that the City is well under the abatement capacity in case another project comes along. Tony Bigelow – stated that they got new bids and he understands how this works and thanked the council for considering this.

Public Hearing Closed

Motion to Approve the Resolution made by Mayor McKern, second by Councilperson Zelinske with All Voting Aye.

Resolution #4.7-19

Resolution Approving Property Tax Abatement Related to Bigelow-Voigt Land Development, LLC (on file)

COMMITTEE REPORT

OLD BUSINESS

Appendix to CMPAS Agreement – Administrator Coleman stated that these are appendixes to the CMPAS Agreement. **Motion to Approve made by Councilperson Burton, second by Councilperson Ferris with All Voting Aye.**

Resolution for Zumbro Water Trail – Administrator Coleman stated that the City of Oronoco has been spearheading this project and since we are also a tributary to the Zumbro River the City of Kasson decided we would participate. **Motion to Approve the Resolution made by Councilperson Egger, second by Councilperson Burton with All Voting Aye.**

Resolution #4.8-19

Resolution Supporting Regional Park or Trail Designation Application for the Zumbro Water Trail (on file)

NEW BUSINESS

Fund 384 Closeout – Finance Director Zaworski stated that we have a debt service fund that has come to the end of its life for City purposes. The proposal is to use the \$30,000 remainder of the 384 Fund to pay toward the Water Fund debt portion; and that the Water Fund to pay the same

amount to the 423 Fund (the 2017 Street Construction Fund for which we need additional financing). The impact on the Water Fund would be \$0 and the budget impact overall would be \$0.

Motion to Approve the Proposal made by Councilperson Burton, second by Councilperson Zelinske with All Voting Aye.

MAYOR'S REPORT

Arbor Day Proclamation – April 26, 2019 – The Mayor read a Proclamation for Arbor Day April 26, 2019

The Mayor thanked Director Zaworski for her help during the power outage in securing shelter for those without power.

The KM School Thank you breakfast is at 6:45 AM tomorrow morning.

Monday they had a meeting with Kranthi Realty, owners of the Shopko property. Mayor McKern stated that they had a positive conversation. They would like to sell or lease. The building is 36,000 sf and we have contact information.

Tree planting at Lion's Park is at 10AM Friday Morning.

ADMINISTRATORS REPORT

ENGINEER'S REPORT

PERSONNEL

Hire Administrative Assistant – Administrator Coleman stated that over a year and a half ago we had an opening for an Administrative Assistant. We have contracted with Manpower to be able to vet out an employee. Amy Johnson has filled this position for a year. Coleman is recommending Amy Johnson for hire by the City. **Motion to Approve made by Councilperson Burton, second by Councilperson Ferris with All Voting Aye.**

ATTORNEY

Development Agreements

Bigelow-Voigt Tax Abatement Agreement – Motion by Mayor McKern, second by Councilperson Egger to Approve the Development Agreement. All Ayes.

Thompson Addition – Attorney Leth does not have this one done yet

Stone Ridge Second Addition – Attorney Leth stated that this one is done and sent to Mr. Marti but did not get in the packet. This is very similar to the previous developments and it deals with the storm water issues. The storm water agreement is referenced in the development agreement.

Mike Marti has an issue with wording on a regional pond and he was under the impression that the City was going to take the lead. The minutes from the March 13 meeting where David Martin and Mike Marti asked the City to take the lead on this project were read. There was no conclusion to whom would take the lead. The Council would like to wait until the City Engineer is back and we can get something ironed out.

Closed session for Real Estate and Litigation Update

Meeting Closed at 6:55 PM

Meeting Re-opened at 7:27 PM

Summary – The Council discussed a real estate issue and received a litigation update on current litigation.

CORRESPONDENCE

Correspondence was reviewed

ADJOURN 7:28PM

Motion to Adjourn made by Councilperson Zelinske, second by Councilperson Egler with all voting Aye to Adjourn.

ATTEST:

Linda Rappe, City Clerk

Chris McKern, Mayor