

MINUTES OF COUNCIL MEETING
April 5, 2010

A regular council meeting was duly called to order by Mayor Robert Roesler on Monday, April 5, 2010 at 7:00 p.m. with members Carroll Behne, Robert Roesler, Jim Poirot, Kurt Olson and Brad Ringnell present. Absent, none.

Motion by Poirot to approve the updated agenda, second by Olson, carried.

Motion by Ringnell to approve the minutes as written and sent to each council member for study, second by Poirot, carried.

Consent agenda including payment of bills was declared approved.

Joel Stencil of the auditing firm EideBailly appeared before the council to present the 2009 audit, explaining the various statements required by GASB. The audit was accompanied by a comparative graph including statements of net assets, cash and cash equivalents, and tracking interest revenues and expenditures of the various funds. Mr. Stencil informed the council that the City of Sherburn is in sound financial condition.

Public Works Foreman Travis Schuett was present to report that 4200 sq ft of streets have been identified for patching, and the list will grow as alligatored areas continue to appear. The seal coating schedule will be suspended for those streets where patching is necessary, and only scheduled crack-filled streets will be seal coated. Because mill and overlay is not feasible or affordable, he will be categorizing those streets with newer infrastructure that have patching needs. Final measurements will be taken at a later date, with patching to occur as early as possible.

Kelly Yahnke of Bolton & Menk came before the council to present the wastewater treatment plant bids: Magney Construction, Inc. \$809,800; KHC Construction, Inc. \$819,000; Rice Lake Construction Group \$910,000; and Gridor Construction, Inc. \$986,371. Motion by Ringnell to approve Resolution 2010-07 Receiving the Bids and Awarding the Contract on the WWTP Improvement Project to Magney Construction, Inc in the amount of \$809,800 as recommended by Bolton & Menk, second by Behne. Behne, yea; Poirot, yea; Olson, yea; Ringnell, yea; Roesler, yea; Resolution 2010-07 approved. Work will begin early in June 2010.

Motion by Ringnell to approve Resolution 2010-08 Ordering Preparation of Feasibility Study for First Street and Osborne Street Sanitary Sewer and Water Main Improvements, second by Poirot. Poirot, yea; Behne, nay; Olson, yea; Ringnell, yea; Roesler, yea; Resolution 2010-08 approved 4-1.

At this time Greg Mitchell of Bolton & Menk presented the feasibility report for the West First and North Osborne Street project. The proposed project narrows the street from 39' to 36' and includes the option with or without sidewalks. The grade on the North Prairie Street intersection will be lowered, and storm sewer will be added to West First Street, with catch basins and underdrains. In conjunction with this project, several manholes throughout the community will also be repaired in order to further reduce inflow and infiltration. Discussion was held regarding the necessity of sidewalks and the League of MN Cities' recommendation to eliminate sidewalks for liability reasons as well as costs to the individual and cities. After further discussion regarding the assessment policy, motion by Ringnell to approve Resolution 2010-09 Accepting Feasibility Report for First Street and Osborne Street Sanitary Sewer and Watermain Improvements and Setting Improvement Hearing Date on April 20, 2010 (subsequently rescheduled for Wednesday, April 28, 2010) at 6:00 p.m., second by Poirot. Olson, yea; Ringnell, yea; Poirot, yea; Behne, nay; Roesler, yea; Resolution 2010-09 approved 4-1.

Continuing discussion on optional sidewalks, Mayor Roesler commented that he would prefer sidewalks be installed only at the discretion of the property owner; other councilors referred to lowered costs to the property owners. Councilor Behne distributed calculations he had made to illustrate why he believes North Osborne Street should be reconstructed an additional four blocks to West Fifth Street. His figures showed a 10% per year increase in construction costs. Mayor Roesler stated that there was no guarantee of costs increasing at that rate, and council consensus was that the citizens cannot afford the tax levy and increased bond payments that would be necessary to fund the additional four blocks.

Mike Bubany of David Drown Associates spoke to the council about financing options available for the West First/North Osborne Street project, which included Build America bonds that yield higher interest, but are taxable and reimbursable by the federal government, MN Rural Water bonds that are smaller and short-term, or non-competitive local bond issue. Mr. Bubany stated that the City of Sherburn is very well positioned financially and he encouraged the council to consider the use of reserves over borrowing. Mayor Roesler thanked Councilor Behne for his research and healthy discussion and Mr. Bubany for his financial advice, and reminded him of the many upcoming projects and streets in need of repair, for which reserves must remain available.

Motion by Behne to approve Resolution 2010-10 Accepting Monetary Donations from the Sherburn Area Task Force and the Fox Lake Conservation League for the Community Hall Restroom Project, second by Olson. Olson, yea; Ringnell, yea; Poirot, yea; Behne, yea; Roesler, yea; Resolution 2010-10 approved. Contributions total \$2,250 from FLCL and \$8,600 from the Task Force.

Motion by Ringnell to approve Resolution 2010-11 Statement of Interest in the Multi-Jurisdictional Martin County All-Hazard Mitigation Planning, second by Poirot. Behne, yea; Poirot, yea; Ringnell, yea; Olson, yea; Roesler, yea; Resolution 2010-11 approved.

Following an informational update on outsourcing payroll, reviewing additional proposals and hearing comments and recommendations of other communities, motion by Ringnell to outsource City payroll and all reports and duties to Professional Tax Advisors of Fairmont, Minnesota commencing July 1, 2010, second by Poirot, carried. Outsourcing also allows for the implementation of flexible spending account employee benefits.

Mayor Roesler and Councilor Ringnell inquired about the possibility of quarterly water billing rather than monthly, and asked that this be researched; Councilor Olson brought up street light repairs; Councilor Ringnell asked about the County ditch project. Public Works Foreman Travis Schuett stated that the project is in place for this summer during a dry season.

Administrator report:

- Community Hall restroom project is complete with total costs to date in the amount of \$19,708.92. Donations of \$10,850 will be paired with the city budgeted amount of \$2,000.
- All sidewalk joints in front of the Community Hall will be sealed as a possible remedy for rain water issues; another consultation had suggested more intrusive and expensive steps to alleviate the problem.
- City Hall will be closed on April 6 while staff attends a League meeting in Springfield.
- Open Book meeting with the Martin County Assessor will be Monday, April 19th at 5:00 pm

Admin report, cont'd:

- City-wide leaf pick up will be April 28th and city-wide junk day will be May 5th. Citizens are reminded that this will be the last curb-side collection for junk; next year a centralized location will be selected and local groups will be contacted to assist residents.
- Appliance pick up has not yet been scheduled, more information will be available at a later date.

Motion to adjourn by Ringnell, second by Poirot, carried. Meeting declared adjourned at 9:30 p.m.

Irene Schlaphoff, Deputy Clerk