

MINUTES OF COUNCIL MEETING

June 4, 2012

A regular council meeting was duly called to order by Mayor Robert Roesler at 5:05 p.m. on Monday, June 4, 2012 with members Robert Roesler, Carroll Behne, Kurt Olson and Brad Ringnell present. Absent, Jeff Ross. Also present, City Admin/EDA Director Jamie Letzring, Deputy Clerk Irene Schlaphoff and Financial Advisor Shannon Sweeney of David Drown Associates.

Motion by Ringnell to approve the agenda, second by Olson, carried.

Motion by Behne to approve the minutes of the May 21 and May 25 council meetings, second by Ringnell, carried.

Consent agenda including payment of bills and temporary on-sale beer licenses for the Sherburn Fire Relief Association and the Sherburn Lions Club was declared approved.

Motion by Olson to approve Resolution 2012-21 Approving the Sale by the Economic Development Authority of the City of Sherburn, Minnesota's \$545,000 Housing Development Bonds, Series 2012C and Allocating Small Issuer Rebate Exception Authority, second by Ringnell. Ringnell, yea; Olson, yea; Behne, yea; Roesler, yea; Resolution 2012-21 approved. Closing will occur June 26, 2012.

Rory Lenton of MN Energy Resources came before the council seeking a 25-year renewal of the natural gas utility franchise in the City of Sherburn that expired on June 1, 2012. Mr. Lenton recapped the history of MN Energy Resources over the years through its name changes and its purchase by Wisconsin Public Service, which is rated among the safest utility systems in the nation. He explained why 25 years, the maximum contract allowed in the state of Minnesota, is being requested, and provided additional information about natural gas as a green energy resource. Motion by Olson to approve a 25-year franchise with MN Energy Resources for gas utility services to the City of Sherburn commencing June 1, 2012, second by Olson, carried.

At this time the first reading of Ordinance 2012-2 took place, granting Minnesota Energy Resources, a subsidiary of Integrys Energy Group, a Delaware corporation, its successors and assigns, a natural gas franchise and the authority to construct, operate, maintain, and extend a natural gas distribution plan and system, and granting the right to use the streets, alleys, and other public places within the present or future corporate limits of the City of Sherburn, Minnesota.

The first reading of Ordinance 2012-01 was presented, amending Sherburn City Code Section 804 Recreational Burning to include definitions, exceptions, conditions, duties to extinguish, penalties, and also those recreational fires that are prohibited.

Following review of a proposal from MacQueen Equipment, motion by Olson to approve the purchase of a 14-yard leaf compactor complete in the amount of \$37,658.48, second by Behne, carried.

City Admin/EDA Director Jamie Letzring advised the council regarding the Town House amortization schedule and bond interest reset dates of every five years, at which time the interest is adjusted. Bond interest has been reduced to 4.5%.

A preliminary comparative study has been done showing an increase in liquor store gross food sales for the period of May 15-29, 2011 and 2012. These sales will continue to be monitored in the upcoming months.

Following the purchase of a city/township Pierce pumper/tanker unit on May 25, 2012 including a three-year warranty, discussion was held regarding early pay-off of the 2006 pumper. One year remains on this lease to own contract. Motion by Roesler to consider prepayment of the 2006 pumper contingent upon the decision by Manyaska Township to do the same, second by Ringnell, carried. At this time the recently purchased pumper/tanker unit is undergoing warrantied repair and maintenance, and will receive a new tank and lights from Pierce.

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Motion by Olson to approve the purchase of kitchen equipment for the Temperance Lake Ridge expansion project, value engineered and bid by Direct Supply in the amount of \$65,779.50, second by Behne, carried.

Motion by Ringnell to approve the designated fund transfers as per the 2011 budget plan, second by Olson, carried.

Admin report:

- Movie report for May has been received.
- Several residential water shut-offs have been serviced or repaired; work will continue throughout the summer.
- Temperance Lake Ridge groundbreaking ceremony has been scheduled for Friday, June 8, 2012 at 10:30 a.m. with an ice cream social to follow later in the day. All council members and other participants are invited.
- Garage on N Main St has been moved into compliance with property setbacks for alleys.
- Negotiations with Tealwood Companies for contract renewal are underway.
- A few compliments have been received on the lights on N Main Street, which were put up by our Public Works Department in honor of Memorial Day, and will remain through July 4th.
- TLR Nurse Director and City Administrator plan to attend a showroom visitation for Direct Supply Aptura where furniture for the Temperance Lake Ridge expansion will be chosen. TLR will be paying for the transportation and car rental fees, and Aptura will provide lodging and food for the two-day trip in July.
- City-wide clean up ("Junk Day") will be held Saturday, June 16 from 8-11:00 a.m. under the water tower.
- The TLR expansion project has begun with footings dug and trenches staked, they will pour footings for the foundation, and on Monday, June 11 will start the foundation block.
- Public Works Foreman Travis Schuett will be attending a biosolids course for license renewal on July 26-27, and Public Works Foreman Mark Updike will be attending a wastewater operator training session in Mankato on June 7th and also the Operator Expo on September 13th.

Discussion was held regarding catch basin improvements and jetting of those basins that do not exhibit adequate drainage; Councilor Behne reported that the first Hot Dog in the Park picnic was successful.

Motion to adjourn by Ringnell, second by Olson, carried. Meeting declared adjourned at 6:55 p.m.

Deputy Clerk Irene Schlaphoff