



**CITY COUNCIL
WORK SESSION MEETING MINUTES
October 2, 2023**

1) Call to Order

Mayor Whalen called the meeting to order at 5:30 pm.

Roll Call of Attendees:

Present – Council: Mayor Lisa Whalen, Ann MacGregor, Peter Vickery and Claudia Lacy Staff: City Administrator Jasper Kruggel, Finance Director Brian Grimm, Director of Administration Allie Polsfuss, City Engineer Alyson Fauske

Absent: Council: Cathleen Reffkin

2) Sewer Fund Budget Discussion

Finance Director, Brian Grimm provided an overview.

Highlights include:

- The current cash balance in the sewer fund is \$1,134,183.
- The city's- 2023 sanitary sewer utility rate is \$109 per quarter, and staff recommends increasing the sewer rate to \$115 a quarter in 2024.
- One of the biggest costs in the fund is the Met Council's Wastewater Charge (MCES.) This amount is increasing by about \$14,000 (3.5%) from 2023-2024
- Staff is also proposing raising the fees for the sewer connection fee and sewer area charge from \$1,400 to \$1,500 per connection.

There was discussion about the upcoming commercial development.

Whalen suggested raising the sewer connection fee and lowering the sewer rate. Vickery stated with the new development, there will be additional staff time involved in managing the utilities. The Council was agreeable to this.

Staff will move forward and calculate a higher connection fee and reduce the sewer rate.

There was discussion about future water infrastructure projects and future water rates.

Whalen asked for clarification on projected revenue on interest on investments in 2024. Grimm stated the increase from 2023 is due to the higher yield as they the investments get closer to maturity.

Staff will bring the fee schedule with the proposed rates at a future meeting.

3) Stormwater/Surface water Fund Budget Discussion

Finance Director, Brian Grimm provided an overview.

Highlights include:

- Staff is looking for direction from the Council on the 2024 stormwater/surface water rates to fund some of the necessary activities.

- The current cash balance in the fund is \$688,851.
- At this time, staff is recommending maintaining the quarterly fee of \$29.

There was discussion on how the assessment revenue is being distributed to the funds. Staff will confirm the appropriate distribution of revenue.

Vickery asked about additional funding for storm sewer/surface water programs. Grimm stated that it is likely due to MS4/ General Stormwater Consultant services in 2023 and using those numbers to project 2024.

4) Reconstruction Project Updates and Considerations

City Engineer Alyson Fauske provided an update on the 2024 Street Improvement Projects.

Fauske is looking for Council direction on if they want the contractor to lay sod or seed in the project areas for restoration of lawns. The ultimate goal is to make the restoration look good. They want to move forward with what will have the best results come spring.

There may be some availability and condition concerns with the sod.

Whalen asked who is responsible for watering the new seed or sod. Fauske stated the contractor is responsible for watering for the first thirty days, and residents can supplement watering if they wish. Whalen is concerned that if there is sod placed, there will not be enough watering to result in quality restoration.

Fauske explained the process for inspecting the sod/seed to ensure quality grass is established.

Lacy suggested that the residents prefer to have sod instead of seed.

The Council directed staff to restore the areas with good quality sod if possible, and if it is not possible, restore with seed.

5) Adjourn

Motion by MacGregor, seconded by Vickery to adjourn the meeting.
Motion passed 4-0. Absent: Reffkin

Mayor Whalen adjourned the meeting at 6:45 pm.

Respectfully submitted,

Allie Polsfuss
Director of Administration