

**CITY OF EXCELSIOR
Hennepin County, Minnesota**

MINUTES

**City Council Work Session
Tuesday, August 24, 2010**

**Directly Following Special
Council Meeting at 5:30 p.m.**

1. Call to Order/Roll Call

Mayor Ruehl called the meeting to order at 5:41 p.m. Council members present: Berghorst (arrived at 5:50 p.m.), Caron (arrived at 5:50 p.m.), Fulkerson, Miller, and Mayor Ruehl. Also present: City Manager Luger, Finance Director Carlson, and City Clerk Johnson.

2. Agenda Approval

Fulkerson moved, Miller seconded, to approve the meeting agenda as presented. Motion carried 3/0.

3. 2011 General Fund Budget

Carlson said that at the last work session the Council reviewed the draft 2011 General Fund Budget. The Council identified some areas that they wished to have changed and directed staff to incorporate the changes and bring it back for their review. Carlson stated that revenues were added to offset the expenditure for taping the Planning Commission meetings. She said that the funding to make the planner position full-time was removed and legal fees were increased. Repair and maintenance costs were decreased in the Street and Park Maintenance Departments with the addition of a new part-time maintenance worker.

The Council asked if staff has discussed what work could be accomplished to improve the aesthetics of the City with the addition of a part-time maintenance worker. Luger said that there has been some discussion that the new maintenance worker will be able to assist with snowplowing, painting, and weeding. The Council said there has been a list of maintenance things that have needed to be completed and their hope is that the part-time person will be able to help complete the items on the list.

4. Assessment Policy

Luger said that staff has reviewed assessment policies from other communities and the generic assessment policy developed by the League of Minnesota Cities. The draft assessment policy was developed using these examples and modifying them to fit Excelsior's needs.

4. Assessment Policy – (Continued)

Fulkerson asked how would the assessment be allocated for the street project with the addition of the bump outs under the public improvement section? Luger said in that instance, the intent would be to cover the costs as part of the project and not increase assessments.

Fulkerson said that she has received questions from some of the residents in the street project regarding the bump outs and the trees and how those costs will be allocated. Mayor Ruehl and Caron said that the Council made the decision that the trees were important to retain if possible. The Council directed staff to place another discussion regarding the trees on the September 7, 2010 Council agenda.

The Council and staff reviewed the draft assessment policy. The Council suggested that definitions for "commercial" and "institutional" be added to Section 3. The Council asked staff to find out why the policies suggest that churches with an educational facility be charged under the Commercial/Multi-Family Method and a church without an educational facility and schools be charged under the Institutional Method.

The Council said Section 6(A) should reflect that a property owner would need to meet all of the conditions outlined in 6(B) to be eligible for a deferment. In Section 6(B) "all of" should be added directly following the word "when", and provided in State Statutes should be added at the end of the sentence. In the sentence for 6(B)(2), the word "or" should be added after the first coma.

The Council discussed whether to establish a minimum amount that can be assessed. The Council determined that they did not wish to set a minimum amount.

The Council discussed what rate to set the interest for the assessments, what rate to set the interest for special assessments when a deferment ceases and is not paid off within 60 days, and what rate to set if bonds are not sold. The Council decided to use Treasury Bills to establish the interest rate when bonds are not sold. The Council was not sure about setting an interest rate higher than the bond rate for all other assessments. The Council directed staff to confer with the City's financial advisor to see what the basis would be for setting the interest rate higher than the interest rate for the bonds.

In Section 6(E)(4), it states that a special assessment will determinate if the Council makes the determination for any reason that immediate or partial payment of a special assessment would not impose a hardship. The Council asked that staff draft criteria that the Council would need to apply to make the determination.

4. Assessment Policy – (Continued)

The Council directed staff to make the changes and research questions that were identified that evening. Once completed, staff will bring the assessment policy back to the Council for further review.

5. Other Business

None

6. Adjournment

Fulkerson moved, Berghorst seconded, to adjourn the meeting at 7:10 p.m.
Motion carried 4/0.

Respectfully submitted,

Cheri Johnson
City Clerk