

City of Ottertail
February 16, 2017
Work Session Notes
6:00 PM

*This is an open forum. Council and Staff may speak openly.
No other business will be discussed at this session in order to keep under one-hour.*

Council present: Mayor Myron Lueders, Ron Grobeck, Jill Carlson, Heather Rosenthal and Mike Windey.
Staff present: City Clerk/Treas., Elaine Hanson; Maint. Coordinator, Loren Hawes.
Others Present: Doug Green, Springsted; Bob Schlieman, Apex; Rick Adams, Verizon Rep.

Assessments vs Property Tax Levy: Doug Green provided a spread sheet with assumptions which included a 3.75% annual levy increase which showed an annual deficit of about 6 years. This assumption would keep the fund balance over 100% as the Council and indicated they wanted to do. A second worksheet showed the impact on properties given a 3.75%, 7.5% and 10% levy increase. Myron also provided a spreadsheet which would give the council an impact on properties that did not about the project but would be impacted by the levy increase. Council discussed some of the concerns that came from the public hearing. Council would need to act soon on its decision to assess or not. Bob Schlieman also reminded the council that their decision on whether or not to assess the project South of 108 would greatly impact what would be done in the future as well as the project North of 108.

North of 108 Project: Schlieman provided costs comparisons as requested from staff after his discussion with Hilltop Lumber's Brian Klimek. Hilltop shared their thoughts that the amounts stated for their share of the street and alley were cost prohibitive and asked whether the council would consider taking on a larger share of the Maple Avenue North by increasing the bituminous surface from 22' to 30'-35' since this is a mostly commercial district and the city's street width policy mainly targets residential streets. Using the alternative cost sharing the city's portion would increase by approximately \$24,340 for surface improvements.

Developer curb stops on vacant properties:

Running out of time for the work session, Elaine quickly reviewed a discussion had by staff and Brad Stevens regarding the new development rate proposed for vacant lots. Brad had suggested a WAC (Water Access Charge) for hooking up to the system. It is apparent that more study needs to be done in in different ways that the city can recoup some of the maintenance costs other than applying charges to developers' vacant properties where the infrastructure was placed by the developer.

Draft Verizon Lease: Suggested that the committee of staff, Jill and Ron meet with Rick Adams to review some of the suggestions by attorney Marc Sugden.

No other discussion and work session adjourned at 7:55 p.m.

s/s

Elaine Hanson, MCMC
City Clerk-Treasurer