

## 1MAYER CITY COUNCIL WORK SESSION MINUTES – NOVEMBER 13, 2018

Call Work Session to order at 7:00 p.m. by Acting Mayor Boder.

PRESENT: Council Members Boder, Butterfield, McNeilly

ABSENT: Mayor Dodge, Council Member Stieve-McPadden

STAFF: City Administrator McCallum, and Public Works Kuntz.

PRESENT: Don Wachholz, Troy Congdon, Bev Mathiasen (Republic Services) Lindsay Cassman (Republic Services) Stephen Young

- 1. Republic Services:** Mathiasen presented a 2017 Sustainability presentation on Republic Services. She also presented recycling data for the City of Mayer for 2018. Mathiasen also touched on the current conditions in the market of recycling and how that is impacting the company and communities. She reviewed a previous discussion on transitioning the City contract into a partnership model that reflects the current trends. She explained that currently the recycling market is not profitable and therefore they are asking cities to help make recycling break even in cost. She said that the partnership model would then reflect the trends where if recycling became profitable again, that it would be shared with the cities. The Council asked what other cities were doing with regards to the contract. Mathiasen stated that they are honoring contracts, but that some cities have chosen to share in the cost and go to the partnership model. McCallum asked what the current complaints and or issues they have seen in the community. Cassman said that issues tend to center on when residents know when to set out their recycling. Mathiasen said that the company works
- 2. Utility Franchise Fees:** McCallum explained what Franchise Fees were stating that Minnesota Statute allows cities to impose a fee on utility companies that use public rights-of-way to deliver service. The City can determine the amount, structure and use of collected franchise fees. McCallum informed that the City has as part of its Franchise Agreements, the option to implement Franchise Fees up to 5%. She said at a time when the City is looking to finance its street maintenance, the Fees could be a revenue source for street improvements. She presented information on other cities in Carver County and if they do Franchise Fees and how much they bring in. Council agreed that this should continue to be discussed in the future as a revenue source for streets. McNeilly asked if staff could provide an estimate as to what could be brought in as revenue
- 3. Plow Truck Financing:** McCallum stated that based on discussion at previous meetings, the Council wanted to know how the City would finance a new Plow Truck for the Public Works Department. McCallum said that staff and the City's financial advisor went over several options including bonds, loans and cash payment. At a cost of \$217,857.11, Staff and the financial advisor recommended paying for it with cash out of the capital equipment fund that has about \$835,000 in it. Kuntz said that if ordered this year, the truck would be available for use next year. Butterfield expressed concern over the Public Works Department being able to manage everything. Kuntz assured that the Department will prioritize its time and be able to manage. Boder expressed concern over overtime. McNeilly said that the truck could be used year-round.

4. **General Fund & Enterprise Fund Wrap-Up:** McCallum presented a draft Truth-In-Taxation presentation and asked Council for comments or suggestions. She said that the Truth-In-Taxation meeting is scheduled for December 10, 2018.

MEETING ADJOURNED

There being no further business, the work session was adjourned at 8:23 p.m.

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Mike Dodge, Mayor

Attest: \_\_\_\_\_  
Margaret McCallum, City Administrator