

**CITY OF NOWTHEN DRAFT MINUTES of
CITY COUNCIL MEETING
TUESDAY, FEBRUARY 9, 2016 @ 7:00 PM**

The Nowthen City Council Regular City Council Meeting on Tuesday, February 9, 2016 at 7:00 PM, at the Nowthen City Hall, 19800 Nowthen Blvd NW, Nowthen, Minnesota.

Present:

Mayor Jeff Pilon	
Councilmember Randy Bettinger	Councilmember Paul Reighard
Councilmember Mary Rainville	Councilmember Jim Scheffler

Others: Lt. Wayne Heath

Approve/amend the meeting agenda – Rainville made a motion to approve the agenda; Scheffler seconded. All in favor; motion carried.

- 1). **Sheriff Report / Meet the Deputies** – Lt. Wayne Heath introduced Chief Deputy Tom Wells, who introduced Sergeant Anne Bluml, Deputy Matthew O'Connor, and Deputy Cole Bangerter to the City Council.
- 2). **Floor Items:** - Liz Stockman, Consulting City Planner, of 3601 Thurston Ave, Anoka, stated that she would like to take a few minutes to respond to agenda item 4 and Mr. Roessler's apparent dissatisfaction with her work and fees. She presented the following information to the City Council:

The application, review and approval process really isn't about opinions or about me. City Planning is based on a set of ordinances, the zoning map, and Comprehensive Plan that are adopted by the City Council. My job is to guide people through the application and review process so that the land use or development conforms with all aspects of these documents.

Everything is pretty much black and white. The regulations that I was hired to administer or enforce come from either the State, County or City for the most part. Anything that isn't already in print or that otherwise needs direction, is brought before this very Council.

This is exactly what was done with Mr. Roessler's request. I didn't want to waste time and money debating issues, but rather I identified the issues for the CC. With the City Clerk's blessing and permission to work with the City Attorney, I was directed to prepare a resolution asking for definition of submission requirements to the October 13th, 2015 City Council meeting.

Consideration of the resolution by the City Council was strictly to define submission requirements that were legally enforceable under State and City regulations, there wasn't anything to "debate" and the City Council was not

making any decisions regarding approval, denial or changes to the desired lot split/parcel configuration. The City Council approved the resolution by a 4-1 vote.

FEES

The most common things that increase the cost of review: complexity of the site in terms of history, non-conforming structures or uses that need to be addressed, property owner's opposition or deviation from ordinance requirements, lack of requested information or the need to revise or review plans multiple times.

120/hour private rate – consultants fees include component costs such as office/overhead 20%, self-employment tax 15%, other taxes, insurance, cell phone, 90 miles/day round trip for which the City is not charged; no benefits, no vacation or sick leave.

TPC reduced city rates 40% to \$60/hour for the day-to-day tasks to make our services affordable.

St. Francis (through last fall) and Oak Grove's part-time consulting planner to assist the administrator –same charge rate as TPC

Application/Zoning Fees: Study of other Anoka County municipality's fees and other communities of similar size.

All communities with the exception of the larger cities such as Ramsey and Andover require applicants to pay actual review costs. Cities with larger tax base have the means to lower fees to a point where a portion of those fees are subsidized and borne by the general taxpayers.

Until Nowthen grows to the point where they can justify a flat fee, the practice of costs being passed through to those creating the need for services (applicants/property owners) and those benefiting from the permits or businesses approved.

Under annual budget which was allocated by the City Council, given the reimbursement of application and review fees.

BILLING HISTORY

Last three years of billing summaries available for viewing

105 project reviews in 2015 (25 were Variances, IUPs or CUPs, Subdivisions, etc. which required City Council approval and/or public hearings)

2 lots splits in 2015 besides Roessler (\$2260 - Thomsen and \$2250 - Wirz)

4 lot splits in 2014 (\$1100 - VOA, \$1400 - Kopis, \$1500 - Hammer and \$3600 - Swanson)

City has a legal obligation to process requests under the terms of established regulations.

Since Andy Schreder and I began working together, we've developed a review process which documents the details of each project not only in plan form but in writing. Previous review efforts may not have been this detailed, but it safeguards the City from a legal standpoint.

We are flexible enough to waive survey or other submittal requirements if not necessary, but for all new homes and businesses, and parcels in close proximity to wetlands or other water bodies, plans are a necessity.

Consultant fees are not foreign to Mr. Roessler. He's paid for planning, engineering, and attorney services in dozens of different communities over the years

SURVEY

He chose to circulate a survey to area residents which is unprofessional and biased

Only 6 surveys returned – Roessler lot split, Burns Auto CUP, and Perkins CUP/IUP/Variance – 2015, Ulferts IUP 2014-15, Green Variance/CUP - 2013, Ulwelling Verizon Tower CUP - 2012

All six had to make application for approvals under the terms of the City Code and were granted approval by the City Council. All were required to pay their bills in full.

TRANSITION AND STANDARDS

Transition from a Township to a City isn't easy. This CC has done a great job of being proactive and taking actions to better the future of this community. People don't always like change but you can't be a successful city with a township approach. Growth is inevitable when you're part of a metropolitan area of over 3 million people.

Standards are in place for a reason...they can ensure a country feeling by adhering to the RRA zoning and requiring minimum rural lot sizes; to maintain property values so that one resident doesn't need to look at another's outdoor storage; require building standards so that a shoddy building cannot be placed adjacent to a high quality one.

CONCLUSION

I started here in May of 2011 and over the last 4 ½ years have developed a very positive working relationship with staff and the vast majority of residents. Occasionally I find a resident whose expectations don't match what the ordinances allow and who may not agree with what is required, but I am always willing to help people find other options to address their needs. I applaud this City Council for the proactive approach they've taken and the strides made to update the ordinances, adopt code enforcement procedures and administrative citation program

I would welcome feedback from residents for anything that I do, but it needs to be done equitably, it needs to be impartial and it needs to include all city staff with whom applicants come into contact with during the approval process.

I am simply asking for fair consideration based on my job performance and the needs of the City, rather than the opinions of one or a few disgruntled property owners.

Thank you very much.

3). Planning and Zoning

a). **Jeff Gibas** – (PID 19-33-25-13-0002) – A request for a **Variance** of property owned at 9060 203rd Ave, to allow a 36x48 accessory building closer to the road than the required 300 foot setback. – **Rainville made a motion to approve the request for a Variance, as recommended by the Planner in the the Findings and Fact dated February 9, 2016 and the Planning and Zoning Commission with the removal of condition #2; Scheffler seconded. All in favor; motion carried.**

b). **Code Enforcement Direction**

(1). **Rohach Property** – 21202 St. Francis Blvd – **Rainville made a motion to separate the building compliance from the junk and debris compliance request to see if that will help the Rohachs gain compliance; Pilon seconded. All in favor; motion carried.**

(2). **Scott Property** – 21830 Xenon Street – **Rainville made a motion to table the discussion of the Scott property until the March meeting; Pilon seconded. All in favor; motion carried.**

(3). **Bettinger Property** – 6304 Old Viking Blvd. - **Rainville made a motion to approve the recommendation from Stockman of having a timeline put together with goals and dates and recommend that the Mayor go out to the property with Stockman to assess and assist with the situation; Scheffler seconded. All in favor; motion carried.**

4). Kent Roessler – Kent Roessler addressed the City Council with the following:

I want to talk to you about the performance of Liz Stockman our city Planner. As you know I recently went through the process of a simple lot split and received approval on Dec 8th. There was nothing simple about it.

Her performance is not impressive, in fact I have been developing land for some 30 yrs now and I deal with Cities and Planners every day and I have never been

treated so poorly as I have from Liz. She charges excessive fees in fact Nowthen is the most expensive city in Anoka County for city fees charged for a simple lot split. She does not work with you instead she tries to throw every obstacle in your way to add confusion and questions so more time can be spent and extra money can be charged. She has denied me the right as a citizen of this community and per our own ordinances the chance to ask for waivers of required items. As a tax payer and a resident of this city I must speak out about this- it's not fair to the good people of Nowthen. She is not helping our community in fact she is driving people away from our community. We need a person with common sense. A person with the right personality to deal with people in a curtesy, fair and polite manner.

These are examples of some most upsetting and totally unfair items.

1. I contacted the city for my application on September 28th and then made application to split a 10-acre parcel from a 40-acre parcel called a Simple Lot Split. On October 1st Liz contacted me and was going to make me draw a plan for my entire 300 acres to show her how it might lay out into the future. That would have costed me \$20,000 to draw a plan like that. I told he no. She said if I didn't provide the plan, that I woud have a tough time getting my approval. Keep in mind I was trying to split a 10-acre parcel off my 40-acre parcel along county 22 and it had nothing to do with the rest of my 300acre property, totally unnecessary, and not part of the requirements per our ordinance.

2. Liz originally ordered that I do a wetland delineation. She spent 8 hrs. for a total of \$960 researching wetlands with Anoka County. I informed her that our ordinance does not require a wetland delineation on a simple lot split— She said that's the way it is and you need to provide one. I said no- it is not a requirement of the ordinances on a simple lot split, that she was getting it confused with a full blown plat and that I was not providing one.

3. On October 1st she also told me I needed to redraw the original service road plan, per the comp plan, that she already drew. The plan she drew as part of our overall comp plan is worthless and I told her that. It will never work in those locations especially since the service road in my area went right over the top of my office and sheds. That comp plan costed this community over \$25000 dollars in fees and it is the worst plans I have ever seen and simple will not work.

The service roads are across wetlands, non-buildable areas, access points that no developer in his right mind would ever build and shows buildable lot configurations in non-buildable areas per her own standards. These service roads will never be built this way because the land is too fragmented with different owners who will never agree on development which would require the city to step in and install the service roads under eminent domain and a city wide assessment program that this city could never afford and it would bankrupt this city. So her plans are nothing more than some pretty colored pictures of a wish

that will never come true. But I did tell her that I would conform to her plan for the service roads but we would not redraw because once I redraw it is now my plan and I will open myself up to a law suit once I sell the land and the buyer can't build per the plan. It's not my plan, it's her plan and she can keep that liability. This city has huge exposure on this issue into the future because of her plan.

4. Liz had questions on the PCA guideline on Chapter 7080 which related to any new lot created has to have soil tests to prove it will have soil separation for a type one septic system. I told her I was not creating a new lot, I was reducing the size of an existing lot that is fully built out with my office, 2 pole sheds and the grain tanks, with an existing septic system that is fully permitted and in compliance with the law. I told her that the remaining 30 acres would be the new lot and will have soil tests to show compliance. She didn't feel this was right so instead of calling the PCA directly, which I did, she calls the University of Minnesota extension service and goes thru Sue Hager who called the PCA. The only reason you would do this is because you are charging \$120 per hour and you know it will take a lot longer to get an answer and more confusion might get mixed into the deal so the time will increase and your billable hours will sky rocket. Well---they did. She spent 5 hrs at a rate of some \$600 dollars billed to me to get an answer that took me one phone call direct to the PCA and I had an answer within 15 minutes. Which by the way Aron Jensen at the PCA told me that under the circumstances since I already had a fully permitted system on my site that was in compliance, I was not proposing any new structures and that it would be at the city's discretion as to whether they would allow it. I never got the chance to ask the council. Liz said if I didn't do the borings I would never get my approval. Per our own ordinance on a simple lot split the city council has the right to waive any requirement it sees fit. I never got the chance to ask them to waive these items because I was denied that right by Liz Stockman when she went behind my back on October 13th and got the findings of facts from the council which mandated I do the borings.

5. So I had several items me and Liz disagreed with, so I called Randy Bettinger on October 2nd he said come to the workshop on Thursday night October 8th so we can discuss it. I contacted Liz and told her. She told me on October 4th that it was unnecessary that I attend, and she reiterated the fact that her, Shane and I could sit down in next couple days and work out the details. So I don't go to the council meeting on October 8th. She never scheduled the meeting with her, Shane and I, even though I asked a couple of times. She instead goes to the meeting on October 8th, without inviting me, and gets a findings of facts on October 13th from the council spelling out exactly what will be needed for approval. That was rotten to the core. She went behind my back, excluding me from that meeting all because she was pissed off because I put her in her place about a couple of ordinances and the poor plan that she drew for the comp plan. She knew if she went behind my back to council without me being there to discuss the differences that she could get a legal and binding findings of fact that

would by law require me to produce the things she wanted and that the time clock would start ticking for the 60-day period that I would have to produce the items or the denial of my application would be granted automatically and there wouldn't be one dam thing I could do about it. That was rotten and nobody in our community deserves to be treated that way. At that point I lost all trust in Liz Stockman.

6. So I said fine I would give her a bunch of rope and see how bad she hangs herself on this deal. I spent a bunch of money and produce all the items, per the findings of facts of October 13 and I submitted them on October 30th. I go to the P and Z on Nov 24th which they approve, and schedule me to go to council on Dec 8th. But Liz is not done yet. She was still scrambling so she gets the Attorney involved on Dec 4th and she now requests easements along the ditches and requires County rd 22 ROW for the county, less than 4 days to the council meeting knowing full well that it would take me another 3 weeks to get redrawn at a cost of \$1200 and be postponed once again on my approval until January. Time does not matter to this woman- the more time she can spend the more money she makes. And it just never stops.

7. The fees she charges- Liz gets paid \$120 per hour for her service. The rate is not the problem. The problem is she answers to nobody and can charge any amount she wants, for as long as she wants. There is no incentive for her to utilize time wisely or efficiently, in fact the more time she can spend on an item, the more money she makes. I checked on city fees with neighboring cities for a simple lot split, splitting a 10-acre parcel from a 40-acre parcel; Oak Grove was at \$600, St Francis \$700, Lavonia Township \$650, Ramsey \$1000, and Elk River \$900.

It costed me almost \$4000 dollars in city fees for my simple 1 lot- lot split, that's 400% more than our neighboring communities. The Fees charged are downright fraudulent. Once you sign the application it is like signing a blank check and handing it to Liz Stockman. Liz gets to fill in the amount for whatever she deems fair. The escrow amount on the application is \$1000 so most people expect their fees to be about the same. Mine was 4x the escrow amount, almost \$4000. Now I know what Liz is going to say "Well Kent's application was difficult and complex so more time was needed". So I called 3 others in the community that just went through a similar process, Corey Thompson, Dean Wirz and Vernon Hammer. Their fees were more than mine. I have a grand total of over \$15,000 invested in a simple 1 lot- lot split when you add up my overall expenses of surveyors fees, time, attorney, soil tests, perk test and park. This is crazy. And it's happening on your dime. You are the appointed leaders of this community. These people are not happy. At time of the application you are made to sign a statement that you are responsible for city consultant's fees. You can't contest the fees because if you sue the city for negligent performance of their consultants, you are responsible for all attorney fees and city losses. So it would be like suing

yourself. I get it that this community is a “pay as you go for services” community, and most of us accept that but when you get charged excessively for negligent work and treated so poorly it is totally unfair and it is “excessive taxation without representation” at its best. If I were the mayor of this town I would mandate a set fee for consultants so the applicant would know up front how much it would cost before they start the process.

You see I care about this community. This is my home. Nobody in our community deserves to be treated like this especially from an employee that works for the people of Nowthen. We are her boss, she works for us weather she likes it or not and we write out her paycheck every week. In her mind she is running this city and it will be according to her rules. And that does not work for this community. I spoke to a lot of the applicants in the city that had to work with Liz over the last year or so. Some have never developed a parcel of real estate, are unfamiliar with the ordinances, don't really know the law, are just good common folk and Liz takes advantage of that. Liz leads them around like she's their boss. She BULLIES them and that is not fair. I can't tell you how many requirements she has imposed on these applicants that either went above and beyond the requirements of our ordinances, the law or just plain common sense. I could not find one applicant that thought that she does a good job, that they were treated fairly or that the fees charged, were worth it. --- Not one. --- This has to change. This is a survey I created rating Liz's performance, I filled it out and I will give you a copy of it. I had the others fill one out also. Nobody was happy.

Some would not fill it out because of fear of retaliation on their open IUP's and CUP's and pending approvals. I could not find one person who was happy with her performance. If I was the Mayor of this town I would mandate that a performance survey, just like this one, be filled out by every applicant. We pay these consultants huge amounts of money and I as Mayor would absolutely require they be held accountable. Dealing with the city should be an enjoyable experience and when a citizen of our community gets done with their application process they should walk away with the feeling that a good- fair experience has just taken place and it allows the citizen to become one with the city and the community. That's not happening now. Most walk away bitter and resentful of the city government due to the way Liz treats them. Call these people, I did, ask them, you will find a lot of upset people in this community.

In the finding of facts dated October 13th Liz stated that “no permit was pulled” for the septic system I installed in 2009. That was totally false. I told Liz prior to October 13th that a permit was pulled and she noted it in her staff letter dated October 7th that council required one when I built in 2009. Not pulling a permit for a septic is illegal in Minnesota punishable by the law. I don't do illegal things and the last thing I need is a highly incompetent land planner spouting off about something when she doesn't have her facts straight. I want a public apology

from Liz that is acknowledged in the minutes of council, so my good name is cleared.

We have a "GEM" in this community---a road ---over 6 miles long carrying up to 12000 cars a day that could be a commercial gold mine if it was handled right. But we have one problem- Liz Stockman. Right now if you call our city office about a potential commercial development, Corrie will tell you that you need to talk to Liz. She is the first contact that you have with this city and for the most part it is usually the last. Our property taxes will continue to skyrocket if you don't manage our commercial land properly. you guys just increased taxes by 8% this year and there will be no end in sight unless you get this under control. I can't tell you how many time over the last 6 years that I have had commercial users, good people from this community, asking me to sell them some of my commercial ground, which I will be glad to do. They want to build in the community they live in, keeping close to their children, family and friends. When they are done talking to Liz they are no longer interested, and they build in surrounding communities. She didn't know how important the meeting was that she never set up the first part in October with her, Shane and myself. At that meeting I was going to tell her that I had a user, a good commercial user, that is a great business man, that wanted the remaining 30 acres of my parcel.

This user is located in East Bethel looking for a new campus and we were going to build him a 50,000 sq. ft. commercial manufacturing center. It would have brought 25 new jobs to Nowthen and been about a \$5m property. They build all the planters for Costco, Walmart and Home Depot. When Liz sent me notice she was delaying my approvals and went to the council behind my back for the finding of facts on October 13th, he called me and told me there was no way that he would want to deal with a city planner like that because he would never get his approvals in a timely fashion. I have his letter I'm glad to share it with you. I also talked to Century concrete they were interested in building a new building in the commercial park in town, about a million dollar one, they even bought a lot. Once they talked to Liz they were all done with that idea and decided to build elsewhere. I have a letter from him also. And there are more. This is ridiculous and it's not fair to the good people of Nowthen.

She is the wrong person for this job and the proof is in the pudding. Over the last 6 yrs since she has been here we have not had one new commercial development except a \$200k shop built by Perkins. Not one. We have had a couple remodels. Our neighbors, Elk River, had 75m worth of new company's built in last 5 years, St Francis has had 4 million, Oak Grove has had over 1 million, Ramsey 15m, and here I sit with all of my neighbors, tax payers, paying taxes on land you zoned commercial, held hostage by one city planner. How long do we have to wait.? Some of the people sitting on land in this community are elderly and have no way to free up money for their estate planning and are running out of money paying taxes. Let's look at our residential lots available.

Our City is now at a crisis stage with no new single family lots available to build on and it's her fault. There are only 6 lots in this community on the MLS service for all the Realtors in the entire area to sell. Last year we had 22 at this same time. Last year 20 new homes were built. If you are counting on revenue for your general fund from an increase in housing in this community-- think again because there is nothing available and no developer, in his right mind, has or will step forward to develop in this community under Liz Stockman's watch. I know most of the Developers and they know me, and they know I live in this community, and they say "If Kent won't develop his own land and he owns 500 acres, we surely aren't going to develop in Nowthen". In St Francis they have 45 lots available, Oak Grove has 40, Elk River has 52, Ramsey has 97, and here we sit with 6 lots and no more in the future pipeline. We will be out of lots by the end of this year. Here we sit with "Nowhere" in Nowthen for our young people to build. They will build homes in other communities and be lost from our community forever. The word is on the street in the development world and the building world that Nowthen is a tough place to do business.

Call some of the builders who pulled permits in this area---I did--- and ask them how they like working with our city consultants--- they will tell you.

In 2015 Liz Stockman made almost \$80,000 off this community in fees. That's a crazy number especially if you take a good hard look on what's going on in this community... Hardly anything. What has she been doing for our community besides issuing a few IUP's and CUP and a few minor lot splits which she has made so complex and difficult that our city staff is buried in paperwork. ---Let's look at the big picture here guys —. \$80,000 — this community paid for a part time planner in 2015 and what did we get for it. That has to be the highest amount any community with a budget of \$1.5m has paid for planning services in all of Anoka County. We could have hired the best of the best planning company for those kind of fees, one that services several cities, not just 1---one that has legal counsel and engineering available so when questions come up were are not nicked and dimed to get answers. We could hire the best of the best planning companies that would defiantly take us to the next level, are very professional, and it would not have cost this community one more dime.

And before I end I just want to Say-You can hardly recognize this community anymore-----What happened to good old Burns Township and the good old days? It's starting to look like Bloomington or Maple Grove or Champlin with all the changes Liz has made up. They teach planners in planning school to make all the cities the same so they look ...like you poured them ...out of the same... mold. WELL---- THIS IS NOWTHEN. This is our community. You guys can change this and I say that NOW IS THE TIME. Your consultants are changing this community into a community of expensive rules and regulations and complex ordinances. Without IUP's & CUP's & complex ordinances... we don't need themand we don't need their expensive fee's. Burns Township did just fine for over

100 yrs without any of it ...and it was a Great Community. Don't let them tell you a bunch of lie's... just to save their fee's.... that we need to modernize and keep up with the trends. Common sense will out play any of their rules and regulations that they make up.

*Its time this stops- She is slowly killing this community.
So here are the 3 things I want:*

1. A rebate of the fees I paid. I will pay the city \$1300 for a simple lot split, that's a breakdown of--\$313 for the attorney, \$230 for the city, \$250 for the engineer and \$570 for the planner. I paid exactly \$3,863 dollars. - I want \$2500 dollars back from Liz.

2. A public apology from Liz accredited into the minutes that she lied about me putting in a septic system illegally. That statement was not true.

3. That you hire a city planner that can learn to work with the good people of Nowthen to help build this city into the best community in Anoka County.

I have documents to back up every statement that I made this evening if you would like a copy. Thank you for your time.

Bettinger made a motion to have this as discussion at the Workshop in March; Scheffler seconded. All in favor; motion carried.

5) Road and Bridge

a). **2016 Gravel Plan – Bettinger made a motion to approve the graveling plan as recommended by Road and Bridge; Scheffler seconded.** Rainville said that during their discussion, they talked about having a revised form of what was originally done. **All in favor; motion carried.**

Rainville made a motion, that at the end of the graveling season the Council receives a revised Gravel Plan that shows what was planned that year and what was graveled and that the plan is dated; Pilon seconded. All in favor; motion carried.

b). **2016 Dust Control – Rainville made a motion to have staff submit the dust control for a sealed bids; Pilon seconded.** Reighard doesn't think they need to be sealed bids. Rainville disagrees because she wants to make sure that all vendors are using the same process. Pilon thinks that it is an unfair advantage to others. Reighard said that they should rely on the expertise staff to know the vendors. Pilon thinks that this opens up for more opportunities to submit bids and protects the bidding process and helps in the long run. Bettinger agrees with Reighard. There is a history and everyone is getting the same information. What has been done in the

past works fine. If the City has a 5 year successful history with a vendor, that is what staff uses as a basis for recommending a vendor.

Rainville and Pilon in favor of Rainville's motion; Three opposed; motion failed.

Reighard made a motion to approve the Dust Control and Crack Seal Plan and to have staff use the bid form and get quotes using that form; Three in favor; Pilon and Rainville opposed. Motion carried.

c). **2016 Crack Seal Plan – See Motion above.**

6). Consent Agenda:

- 1.1 Approve the January 12, 2016 City Council Meeting Minutes**
- 1.2 Financial Report**
- 1.3 Approve All Audited Bills Claim # 9878 through Claim # 9929, plus Net Distribution reports dated January 11 and January 25, 2016**
- 1.4 Nowthen Knights – Lawn Maintenance Service Agreement**
- 1.5 Renew Safe Assure Contract - \$1,441.26 – Increase of \$28.26**

Scheffler made a motion to approve items 1.2, 1.3, 1.4 and 1.5; Bettinger seconded. All in favor; motion carried.

Rainville would recommend that the minutes be corrected to note that she was in favor of the appointments, except for the paper. Bettinger said that you either vote in favor of the Resolution or against it. Pilon would like this discussed with the attorney and get his opinion in the matter.

Rainville made a motion to table the January City Council Meeting minutes pending clarification from the City attorney; Pilon seconded. Four in favor; Bettinger opposed. Motion carried.

7). Council Items:

- a). **Proposed Ordinance Amendment (*Ordinance No. 2015-07*) - Chapter two (2) of the City Code – Rainville made a motion to adopt Ordinance 2016-01, An Ordinance Amending Chapter Two of the City Code to Govern Portions of the Planning and Zoning Commission, Road and Bridge, and Park and Recreation Committees as Policies and to Allow Only One City Council Member to be a Non-Voting Ex-Officio Liaison of the Planning and Zoning Commission; Bettinger seconded. All in favor; motion carried.**
- b). **Appointments to the Ramsey Fire Chief Recruitment Panel (*2 Council Members*) – Bettinger made a motion to appoint Councilmember Reighard and Mayor Pilon to the Fire Chief Recruitment Panel; All in favor; motion carried.**

- c). **Recycling Center 2016 Municipal Contract – Scheffler made a motion to approve the 2016 Recycling Center Municipal Contract; Rainville seconded. All in favor; motion carried.**

- d). **Wage / Compensation Step Plan & Proposal Received – Rainville made a motion to direct staff to prepare a detailed report comparing like size cities without sewer and water or utilities, with the similar number of households, taxing levy, budget, staffing titles, incumbent numbers (union or not) specific job responsibilities, job title and full benefit packet be presented to Council; Pilon seconded.**

Bettinger said that the Council all saw numerous emails that came from other surrounding Cities. The 2016 adjusted step plan that was submitted by staff is more than comparable to the size of us. The 10% adjustment is right in the ball park of what other cities have done. We are still lower than the City of Columbus. Bettinger would be willing to support a motion to move forward with the step plan that was presented by staff.

Pilon said that they did get a series of emails over a period of time. One question that came up at the workshop was there wasn't more specific detailed instruction given to staff as to what the Council was looking for. When staff sent out an email to other cities asking what their COLA adjustment history has been since 2008, there were a number of people that reported back their history, but what the City doesn't have is the basis. The only step plan sample that was received was from the City of Columbus and Pilon doesn't even know how we compare to them. He thinks that putting detailed information in a spreadsheet, so the COLA increases that were presented by other cities in email have some content. A 10% COLA increase on a pay scale that was very low to begin with, doesn't necessarily compare to a 3% on a pay scale that is much higher. There is no context in a scale that provides 10% increase for all steps. When they proposed a wage and compensation study, the Council put a place holder at a 3.5% increase. Now they are looking at a 10% increase in all steps. He doesn't know how those emails relate. What is the cost of living that they are basing that on?

Pilon said that they did have a Wage and Compensation Study that was done in 2012, that said at that time it appeared that the pay scale was right on or slightly above other communities. Without the apples to apples, it would be fiscally irresponsible to go to a 10% increase without understanding the other information they received and how it relates to our structure. He thinks a simple spreadsheet would help them make a decision.

Bettinger said that the COLA is just a cost of living increase. Even Social Security COLA increases were 14.3% over the last 8 years. This is exactly what it is. They are not changing job descriptions. This is what other cities our size have adjusted their pay scales to over the past 8 years. Our pay

scale has not been adjusted for over 8 years. Knowing what everyone else has adjusted theirs over the past 8 years and adjusting ours is not out of line. We are actually lower in our adjustments than most of them, by adjusting them 10%.

Pilon thinks that it is a responsible thing to put the comparisons down in writing. He doesn't know the size of the cities and the size of their staff. It is a simple accounting for responsibility. He thinks there needs to be more clarification and justification.

Bettinger said that the COLA is not job specific; whether you are driving a truck or shoveling a sidewalk. The COLA was given to every employee in every one of those cities. For Social Security, all the seniors got 14.3% increases. What Pilon is talking about, they would have to go back and do a full study again and spend the \$3,500, if they want to start comparing apples to apples, job to job, city to city. He thought that the Council already made that decision that they didn't want to go down that route. Now they are stepping backwards again. This is what the Council directed staff to do last month and it was done and staff did a fine job. The Council has all seen the documentation and emails from the cities around us. Bettinger said that this is not giving the staff a raise; it is just doing a market adjustment to the pay grades. Pilon said that a market adjustment to a pay grade is a raise. Bettinger said that there is no motion to give staff a raise. It is just adjusting the pay structure for the City.

Pilon said in looking at some of the emails from other cities, and he still thinks that it is a reasonable thing to put together a spreadsheet saying these are comparable communities, and that's the justification.

Reighard said that the Council directed staff and staff did what was directed. If you take everything that staff gave them and tossed it, except Social Security, because that affects everyone, and you use those numbers, you can justify the adjustments based on those numbers. If you look at the Social Security COLA's based on what was quoted from other communities, Social Security gave 2.3% in 2008, 5.8% in 2009, 0% in 2010, 0% in 2011, 3.6% in 2012, 1.7% in 2013, 1.5% in 2014, 1.7% in 2015 and 0% in 2016. This affects everyone, regardless of what you do. Pilon said that if you are on Social Security, it affects you. Reighard said yes, but that is based on the Federal Government numbers of COLA. They have a lot more people doing the research than the City is ever going to get. Reighard said that one of the organizations that previously gave us a bid for a Wage and Compensation Study has now contacted us again with a new proposal of \$1,500 for an external market review. Reighard wondered if the City should have that done.

Scheffler thinks that they have gone through this enough and need to move on. **Two in favor of Rainville's motion, Bettinger, Scheffler and Reighard opposed. Motion failed.**

Scheffler made a motion to approve and adopt the revised 2016 Compensation Step Plan; Bettinger seconded. Rainville asked Scheffler if by accepting this, they are giving a 10% flat wage increase to the employees. Scheffler said no, not at all. He is just recommending approval of the revised plan. Rainville asked Scheffler that he wants a revised plan that does not compare cities of similar size. Scheffler said his motion was to accept the revised 2016 Compensation Step Plan.

Pilon said that it was noted that this is not a raise, so if someone that was at a step 7 in 2008, where are they now in 2016? Bettinger said that it is not tied to the year, it is based on performance or COLA; there could be a lot of variables. Pilon's point is if they are in step 7 right now, why they would not be in step 7 in 2016. Are they going to demote them a step? They were qualified as a step 7 in 2008, now they are getting set back and have to work their way back up to step 7. If the step is a qualification on staff experience, performance and responsibilities, that is how they got to that step.

Bettinger said that the step is not tied to staff wages; it is a step in the system. He said that whatever they are paid today stays the same. Raising the Compensation Step Plan does not raise staff's pay.

Bettinger said that it does not change their salaries at all; that would be done at a later Council Meeting. Pilon asked what Council does if a staff member was at step 7 now and there isn't a step that matches what they are paid now. Bettinger said that it is just a range. Staff may be some place in between that. Pilon said at that risk, if someone qualifies for that step now and COLA simply raises all those steps 10% and you are at the top step now, he doesn't know what justification they would have based on them qualifying to get to that step to change that simply because that is not their pay scale. It seems to be misleading to say that they are not giving anyone raises, but simply that the step they are at right now is going to go up 10%. If they do not know how people move from step to step, he doesn't know how they would manage this. The way he sees it, is that people stay in the step they are in and get a 10% increase. Bettinger said that is not the motion, that is not the way that it works and never has been. This is just setting up a pay range for each position.

Pilon asked when the Town Board determined that an employee qualified for the next step. Bettinger said that staff was given a raise based on performance, which was normally a wage increase. Pilon questioned the value of the steps, if they are not being used. Bettinger said that the Step

Plan was put together by a study that was done in 2007. It has never been used the way that Pilon is thinking or looking at it. Pilon's point is, why have steps if they don't mean anything. Why not have a base pay and a top pay.

Bettinger said that they are voting on pay ranges tonight, not on raises. Pilon thinks that it is germane to the pay range, what's the consequences. If they vote on a pay range, and the next logical conclusion is, these people are on the top of that pay range, we just voted a 10% raise. Bettinger said that it doesn't work that way.

Reighard said that with adjusting the pay ranges, the cap increases, but a person doesn't automatically reach that cap; they would have to go through performance reviews, just like everyone else. Years down the road, they may reach that cap; but there is no guaranteed automatic increase. Pilon said that is theoretically. Somehow, there was a determination that they were already at the top of their classification. We aren't changing classifications or job descriptions or responsibilities. He would argue if he was in that system. Pilon thinks there needs to be more research on this matter.

Bettinger said that they can go with a salary range if that works better. Pilon said that it is quite reasonable to go with something like that, but to him it is still immature to make the change without knowing how people move within those brackets. Bettinger said that the motion was not to give anyone a raise. Pilon understands, but thinks that is a consequence of the motion.

Reighard is all for adjusting the numbers, but he would like to understand more about how everyone fits in them. LaDoucer explained that in the past, the Town Board would just give raises, which did not necessarily put them into the next step. The steps just appear to be cost of living increases.

Scheffler recommends approval and adoption of the revised Compensation Step Plan as presented; Bettinger seconded. Pilon said that we are promoting something that we are not using and are accountable for. We are taking an existing plan and raising it 10%. He thinks that it is dangerous territory. **Scheffler and Bettinger in favor; three opposed. Motion failed.**

Reighard made a motion to revise the proposed 2016 Compensation Scales as a physical range of Minimum/Medium/Maximum range and use the numbers that way. Scheffler said that it is the same thing. Reighard said that he doesn't understand how the step plan is supposed to be used. Scheffler said that it is a guide for the job. It is a pay range, where you fall within the range is contributed by your experience, performance and years of employment. It is just a guide. Bettinger said that the County has the same thing, but there is a minimum, 1/3, midpoint, etc. Reighard does

agree with the numbers in the new plan, and he is in favor to adopt, if it is a range. Pilon said that if they are talking about a 10% adjustment in the numbers, it needs to go back to get additional information. He would like to continue this, until they get more information. **Bettinger seconded Reighard's motion.** Reighard said that the range increases, but the pay doesn't increase. There is a potential to reach the higher cap. Pilon asked what staff would have to do differently to go up in the range. Reighard said to do their job well. All the numbers are based off of the COLA over the last 8 years, which staff has not received any raises over the last 8 years. They have to adjust numbers somehow. Rainville said that she has not received a raise in several years and she has never heard of anyone going back and saying that they are going to make it up something they didn't get.

Reighard said that the Council is not giving the staff a raise. This is just increasing the potential range that they are at. Rainville said that they are going back and basing the numbers on what could have happened. It didn't happen, but it could have happened. Pilon said that based on the survey that was done four years ago, these number are in excess of what they found as comparable for like communities. He thinks the 10% COLA increase to the scale moves the scale beyond what the study showed them what the scale should be. Bettinger said absolutely not.

Three in favor; Rainville and Pilon opposed. Motion carried. Reighard wanted to note that Social Security COLA's were over 15% in that same time period.

- e). **Land Use Signs – Quotes – Scheffler made a motion to not purchase the signs at this time and to budget for next year; Bettinger seconded. Three in favor; Rainville and Pilon opposed.**
- f). **Heritage Festival Donation Request – Reighard made a motion to donate \$2,500 and the use of City Staff time for the Heritage Festival and that the Heritage Committee provide a copy of their 2015 tax records to the City; Scheffler seconded. All in favor; motion carried.**
- g). **Request approval to purchase shipping/storage Container – Recycling Center – Scheffler said that the goal is to add additional recyclable items to the center. In the future, he will be presenting additional items that will go with the use of the container and future improvements and uses of the recycling center. Pilon made a motion to table the matter until further information can be provided; Scheffler seconded. All in favor; motion carried.**
- h). **Employee Notice of Retirement – Accept Resignation – Scheffler made a motion to accept the resignation of Debbie Mahutga effective May 13, 2016; Rainville seconded. All in favor; motion carried. Scheffler made a motion to move forward with posting the position; Reighard seconded.** Pilon said that this would be a time to talk about the overall structure of the office. If they are looking at building, zoning and clerical needs now would be

the time to look at the entire scope. Bettinger said that we need someone to fill the position. Reighard said that he agrees that we need to have someone fill this role and then look at the needs of a planner/inspector and bring that back in house. He sees the need for two people.

Rainville said that this opportunity is a good time for them to look at the structure of the office. How can they tailor our employees to meet the needs of a combination of full-time/part-time? She wants the job description to include the website and someone who is capable of transcribing the minutes during the meetings.

Pilon said that they do have the opportunity in the transition to have the previous part-time person come back and work during the training. This is also an appropriate time to discuss how the departments interact. It was noted that Dianne does a lot of clerical work for the other departments as well.

LaDoucer said that the job description is well defined and that is the position that needs to be filled immediately.

Scheffler said that he agrees with Reighard. The Council needs to look at this as an urgency to fill Mahutga's position in order for the office to keep running smoothly. We need a person for the job. They have the job description and an existing employee willing to train, so he thinks that they need to move forward with his motion. It is a good time to look at restructuring the office, but in the meantime, this position should move forward. Reighard agrees that we need to fill the position as soon as possible. **Four in favor of Scheffler's motion; Pilon opposed. Motion carried.**

Rainville made a motion to have staff rehire Leigh Ann Zinken, as necessary, in the transition of hiring for Mahutga's position at the previous level of pay; Pilon seconded. All in favor; motion carried.

8). **Introduction of New Items:** - No new items were presented

Rainville made a motion to adjourn the meeting at 9:40 p.m.; Pilon seconded. All in favor; motion carried.

Respectively submitted by:

Corrie LaDoucer, City Clerk

Mayor Jeffrey Pilon