

**CITY OF NOWTHEN  
TRUTH IN TAXATION HEARING  
IMMEDIATELY FOLLOWED BY THE  
CITY COUNCIL MEETING  
TUESDAY, DECEMBER 13, 2016 @ 6:01 PM**

The Nowthen City Council met for the Truth in Taxation Hearing and Regular City Council Meeting on Tuesday, December 13, 2016 at 6:00 PM, at the Nowthen City Hall, 19800 Nowthen Blvd NW, Nowthen, Minnesota.

Present: Mayor Jeff Pilon  
Councilmember Randy Bettinger  
Councilmember Mary Rainville  
Councilmember Paul Reighard

Absent: Councilmember Jim Scheffler

Others: Lt. Wayne Heath  
City Planner, Liz Stockman

**TRUTH IN TAXATION HEARING**

**Truth In Taxation Hearing - Each local government is required to hold a public meeting after the notices come out where budget and tax issues are discussed, and where public testimony must be allowed, prior to adopting its final levy –** Dan Breyen, of 19093 St Francis Blvd., said having attended many of the budget meetings and seeing the final closing number in December; he would personally like to thank the Mayor and Council Members for taking a good look at the budget and making adjustments so they didn't have as big of a property tax increase, as they did last year. He would encourage and recommend that they take another look at the budget. They are so close to getting to a zero increase. It is less than \$10,000 away and it wouldn't take that much to get there. He has gone through the budget and adjusted some numbers. Breyen handed out copies of his proposed budget amendments. He thinks that they can get to a zero increase. He has identified a couple items that they can decrease it another \$25,000. He also understands that there is a furnace that needs to be replaced and that probably isn't in the budget. He is just asking the Council to take another look at the budget to see what other final tweaks can be made before approving the final budget. There are numbers from the past few years and there should be some things that they can tweak.

No other public comments were made. The Truth In Taxation Hearing was closed at 6:18 PM.

## **CITY COUNCIL MEETING**

**Mayor Jeff Pilon called the meeting to order at 6:18 PM**

- **Approve/amend the meeting agenda – Rainville made a motion to approve the amended agenda, as presented; Bettinger seconded. All in favor; motion carried.**

1). **Sheriff Report** - Lt. Wayne Heath provided an update of Sheriff's Services for the month of November 2016.

2). **Floor Items:**

Debbie Mahutga, of 7560 Viking Blvd NW, Anoka, said that it was a pleasure for her to meet all of the wonderful resident of Nowthen and for all the great support she received when campaigning for Mayor of Nowthen. She wanted to thank each and every one. One thing she would like to stress to all the residents of Nowthen is to please attend workshops and City Council Meetings to keep informed of City Business. Workshops are at 5:30 PM the Thursday before the City Council Meeting and the City Council Meetings are at 7:00 PM on the second Tuesday of each month. Also, the meetings will be videotaped for your viewing. Call the City Offices to obtain information about this. Thank You.

Sue Pilon, of 18959 Nowthen Blvd, wanted to address the Heritage Festival and the damage that was done at the park. She is very sorry for any miscommunication between the staff and herself. They certainly never intended to leave damage done to the park. This was the 9<sup>th</sup> festival and truly an exceptional year with the grounds being so wet. They never had a condition like this before, so there was some wet damage. She wanted us to know that their goal is to leave the park in even better condition than what they found it. They have been successful in doing that. They go out of their way to do extra cleanup before and after the festival. She wanted to let the Council know that she did get an email from LaDoucer on September 27, 2016 about some damage at the park. LaDoucer asked if they would be willing to fix it by filling in the ruts and reseeding it. Sue Pilon replied back that they were and she had a group of volunteers to go out and fix it. Then on October 28, 2016 she received another email from LaDoucer saying that Madson from maintenance had been out and took more pictures of additional areas that needed repair and that he would be in touch with Pilon about it.

Madson did contact Sue Pilon and he was very helpful and took her around to the areas that still needed repair. Pilon again had the volunteers come and do the work. That was the last she heard from anyone. She assumed that everything was fine. They would like the opportunity to do any other repair work on any other ruts that need to be done. They have a great group of volunteers, so it can be done with volunteer labor. They would like to at least present that because they are very careful with their money. They would love to be able to do the work themselves.

- 3). **Approve Final Budget and Levy** – *Adopt Resolution 2016-26* – **Bettinger made a motion to pass Resolution 2016-0-27, A Resolution Adopting the Final Property Tax Levy Collectable in 2017 for \$1,361,332.00; Reighard seconded.** Rainville would like to at least go through and look at the suggestions of budget cuts that Dan Breyen made. Rainville read the suggestions line by line and then asked if the council was interested in considering reducing the budget even further. There is some wiggle room there. Bettinger said that they are here tonight to approve the levy, not rehash the budget again without staff here. They are just here to adopt the resolution to approve the levy.

Rainville asked Bettinger if he is not interested in trying to lower the levy. Bettinger said that the tax increase to the property owners is zero to none. His and several others taxes have gone down. He doesn't think they are even increasing taxes and they are not even keeping pace. He thinks the Council is very frugal in what we are doing. They need those funds for the roads and that is where the money should go.

Reighard said the increase is .7% and the only reason that it is above zero (0%) is because they added \$50,000 to the Road and Bridge Improvement Fund. If they wouldn't have added money to that fund, which has been deficient for years, they would have been under zero. They have no idea what fuel costs are going to be. They have no idea what this winter is going to be like. We have had mild winters for years. The fuel costs could spike drastically and to cut it \$12,000 is scary. If they do have any type of surplus in the Road and Bridge Budget, they are able to take some of that and put it where they are deficient and have been deficient for years. He would hate to shave everything down to nothing and be short in other areas. If they wouldn't have put \$50,000 in the Road and Bridge Improvement Fund, they would have been under zero (0%).

Pilon said short of calling another meeting to pass the levy, the reality is what are they going to do with the levy. They either do nothing tonight and call another meeting, or pass what is proposed. **Four in favor of Bettinger's motion; motion carried.**

**4). Planning and Zoning**

- a). **Mr. and Mrs. David Erickson** – *Request for a Variance to allow construction of a 42x48 post frame building closer to St. Francis Blvd. on property located at 18465 St. Francis Blvd. NW* – **Rainville made a motion to approve Mr. and Mrs. David Erickson's request for a Variance, as recommended by the Planning and Zoning Commission and the City Planner; Bettinger seconded. Motion carried**
  
- b). **Neil Halbach/Steve Murphy** – *Request for a lot line reconfiguration of two existing parcels. (6560 191<sup>st</sup> Ave and 18996 Yttrium St.)*.- **Rainville made a motion to approve Neil Halbach & Steve Murphy's request for a Lot Line Reconfiguration, with the condition that a survey is complete and presented and remove conditional item #'s 2-5 from the Engineer's recommendations. Motion died for a lack of second. Bettinger made a motion to approve the request, with the condition that the survey is complete and remove conditional items # 1 and # 2. Motion died for lack of second.**

Planner Stockman feels that the survey is critical and all the other requests before Mr. Halbach have been required to submit a Certificate of Survey. We would be setting precedence by waiving this requirement. Pilon asked about the other items listed. On item #4, it recommends the dedication of right-of-way easement over the existing road, including the portion of cul-de-sac. He asked Stockman to explain the right-of-way encroachment.

Stockman said that's part of the need for the survey requirement because it is not known if an easement exists there or not without verifying it. There could be a discrepancy, a gap or an encroachment. We just don't know that without the survey. Part of the importance of doing the survey is to match that against the legal description that is recorded at the County.

Pilon confirmed that per Engineer Nelson's memo dated November 18, 2016, item #1 and #4 are critical and item #5 is a correction.

Pilon asked about items # 2 & 3? Stockman said this is the City's opportunity to acquire a 33 ft. dedicated easement over the already existing prescriptive easement and additional easement for a cul-de-sac to be constructed by the City at some point in the future. Bettinger said that a prescriptive easement allows for the continued use as it has been used since the time the road has been established. For example: snowplowing can continue and snow can be pushed into the right-of-way, but if you wanted to trim trees, etc. you would have to get the landowners permission. A dedicated easement allows the City to do whatever maintenance is necessary within that 33 ft. without the landowner's permission. Bettinger said that you can ask for an easement, but you really cannot force them because it is considered a taking. Stockman said they can as part of the subdivision process.

**Pilon made a motion to approve the request by Neil Halbach & Steve Murphy for a Lot Line Reconfiguration, eliminating items #2 & #3 of the engineers recommendations, dated November 18, 2016 and include items #1, #4, #5 of his recommendations; Rainville seconded.** Reighard said if the easement exists it won't go away. He would like to eliminate the second sentence on item #4. **Pilon amended his motion to eliminate the second sentence of item #4 and to make the approved changes in the Findings of Fact dated December 13, 2016; Rainville seconded the amendment. Four in favor; Bettinger opposed. Motion carried.**

- c). **Temporary Structure** – *Recommendation is not to change the ordinance* – **Rainville made a motion to leave the current ordinance as is; Bettinger seconded. All in favor; motion carried.**
  
- d). **John Wegner** – *Concept Plan* – **Rainville would like to make a motion to table the request and resolution; Pilon seconded.** Rainville said that they don't have any application or request for this from the Ulwellings saying that they are part of the discussion and agree to this. She would like to see something in the file first. Stockman said that they have to submit an application with fees and come back for a public hearing. **Rainville rescinded her motion.** Stockman said that they would like the public hearing to go before the City Council in January, instead of February. It just gets him moving forward sooner. They would just remove quadrant 2 from the concept plan. Attorney Ruppe looked at the proposed Resolution and made some changes with something definitive in it, so the Council isn't binding future Council's decisions.

Stockman said the proposed states that the City will not be requiring the dedication of road over the subject property nor will it exercise its powers of eminent domain to acquire land for a frontage road until after December 31, 2018 or adoption of the City's 2040 Comprehensive Plan Update, whichever happens sooner. Thereafter, the City reserves the right to update the City's Comprehensive Plan in the future to reestablish the frontage road requirement in Quadrant Two which may impact the subject property and/or exercise its right to use eminent domain to acquire land for a frontage road over the subject property. Stockman will reference the drawings of quadrant two and the PID in the Resolution.

**Bettinger made a motion to adopt Resolution 2016-28, A Resolution approving submission of a Comprehensive Plan amendment to the Met Council to remove quadrant two (2) from the Frontage Road Plan pending 2018 update of the City's Comprehensive Plan; Rainville seconded. All in favor; motion carried. Pilon made a motion to have the public hearing at the January Council Meeting; Reighard seconded. All in favor; motion carried.**

- e). **Ordinance 2016-06 – An Ordinance Revision regarding illegal dumping and littering on public property and in street right-of-ways. – Bettinger made a motion to Adopt Ordinance 2016-06, an Ordinance revision regarding illegal dumping and littering on public property and in street right-of-ways; Rainville seconded. All in favor; motion carried.**
  - f). **Ordinance 2016-07- Fee Schedule – Approve for public hearing – Rainville would like to table this until the Council can see if there is any other fees they would like to consider changing; Pilon seconded. All in favor; motion carried.**
- 5). **Park and Recreation**
- a). **Adopt Monarch Proclamation – Reighard made a motion to Adopt the Mayors Monarch Proclamation; Bettinger seconded. All in favor; motion carried.**
  - b). **Porta-potty for Ice Rink – Reighard said that they got two different bids for the workshop. He was unable to get the bids comparing apples to apples. He is not sure if it will be ready by the January meeting for use. Pilon made the motion to table this until January; Reighard seconded. All in favor; motion carried.**

- c).    **Use of Tanker Truck** – *To flood the ice rink* – Council would like to receive additional information about this; such as the legal ramifications and the Fire Fighter’s authorized use of the tanker as volunteers.

6).    **Consent Agenda:**

- 1.1    **Approve the November 15, 2016 City Council Meeting Minutes**
- 1.2    **Financial Report**
- 1.3    **Approve All Audited Bills Claim # 10456 through Claim # 10540, plus Net Distribution reports dated November 15<sup>th</sup> and 28<sup>th</sup>, 2016**
- 1.4    **Approve Tobacco Licenses** – *Bill’s Superette and Burns Bottle Shop*

**Rainville made a motion to approve the Consent Agenda, as presented; Bettinger seconded. All in favor; motion carried.**

7).    **Council Items:**

- a).    **Summary of Closed Meeting** - *Employees Performance Evaluations* – There was a closed meeting to discuss employee reviews with the Maintenance Supervisor and Clerk Treasurer.
  
- b).    **Purchase of New 800 MHz Radios / Turnout Gear** – *For Fire Dept.* – **Rainville made a motion to put this into 2 motions; Bettinger seconded. All in favor; motion carried.**
  - 1.    **Rainville made a motion to move forward with the purchase of the 800 MHZ Radios for a total of \$37,303.50; Bettinger seconded. All in favor; motion carried.**
  - 2.    **Purchase 4 new pieces of turnout gear for the fire fighter’s; Bettinger seconded. All in favor; motion carried.**
  
- c).    **End of the Year Transfer of Funds** – *Road and Bridge, Fire Dept.?* – **Rainville would make a motion to table the transfer of funds until they have further details about the truck repairs and the plowing. Three in favor; Bettinger opposed.** Rainville thinks that the City should have a Transfer Policy in place first.
  
- d).    **Purchase of used Laptop Computer** – *Used for Meetings, etc.* **Bettinger made a motion to approve the purchase of a used laptop, as recommended by staff; Reighard seconded. All in favor motion carried.**

- e). **Approve Impound Facility Agreement – Dover Kennel Animal Control – Bettinger made a motion to approve the Impound Facility Agreement with Dover Kennel; Rainville seconded. All in favor; motion carried.**
  
- f). **Quotes – To refinish the City Hall floors – Rainville made a motion to approve refinishing the flooring with Just Roll With It and to do the full patch; Bettinger seconded. All in favor; motion carried.** Pilon said the Historical Society would be glad to take the safe. He has found someone to move it. The floors should wait to be done until after the safe is removed. Check with attorney about any formal process needed in order to donate the safe.
  
- g). **MN State Statute Chapter 211A.02 Financial Report; Subd. 6 – Online Accessibility Reports – Rainville made a motion to adopt Resolution 2016-29, A Resolution to comply with MN State Statute Chapter 211Z.02 Financial Report- Subd 6, online accessibility; reports; Pilon seconded.** Reighard said that it is already done and on the website. **All in favor; motion carried.**
  
- h). **Hockey Boards – Tracking of staff time and materials – Rainville made a motion to adhere motion made in August to have staff present a written report for review at the January 5<sup>th</sup> and 10<sup>th</sup>, 2017 Council Workshop and Meeting covering the expenses associated with the hockey boards for the period of August 11, 2016 to January 1, 2017. The report should include a list of all materials purchased, their cost and purpose, and a breakdown of the employees and their total hours and wages used; using their loaded labor rates and an estimate of all volunteer hours for the larger efforts; Pilon seconded.**

Rainville said at the workshop it was noted that there is no way to track volunteer hours. She is wondering if there is a method to use to help us with that, so we have that statistical data. That way going forward, if there aren't volunteers we will know how much staff time it will take, in addition to what they have already done or are doing.

Reighard said the Council needs to recognize that this is the first time the rink is being set up, so tracking the information is not going to be true to actual time, until once they get a system in place.



We have to use the information that we are taking now with a grain of salt. He was one of the volunteers setting up and it took 4 hours to get it set up.

When they tear down the equipment it will be easier to document how to the boards are laid out and how to set them up next time. Get a good estimate of approximate volunteer time. Reighard said that he is not worried about volunteers. Bettinger asked Rainville if she would be willing to change her motion to have the information for the February Workshop and Meeting. **Rainville amended her motion to request that information be presented at the February 2017 Workshop and Meeting; Pilon seconded. All in favor; motion carried**

- i). **Heritage Day Park Damage - Repairs still needed** – Reighard said that this was brought to the Park and Rec. Committee’s attention. He inquired with staff if the repairs were complete and he was told they were not up to their standards with mowing. The comments that are made in the floor items present the opportunity to get volunteer help to work with staff and get that fixed. Staff thinks to get it completely fixed and level, so it doesn’t cause problems with the mowers, will be just under \$400 in top soil. Reighard asks if the Heritage Committee is willing to take some of that burden on itself.

Pilon said that having worked with Madson, they didn’t realize there was more work to be done. There is some confusion as to the emails and that there was more to be done. The volunteer network may be able to provide the dirt as well. Come Spring, they can work with Glaze. It is worth the discussion amongst the principals. That is part of being proactive. Sometimes phone calls work better than an email. What the Council heard tonight is a willingness from the Heritage Committee to make things right. Pilon also asked if staff can check into drainage in the back area and see if there is something else that can be done to make it so it is not so low and wet.

- j). **Offer to purchase Lot 1 Block 2 – Jason Regenscheid for \$70,000 – Bettinger made a motion to counter offer Jason Regenscheid to \$78,400 with the buyer paying their closing costs and the City paying our closing costs; Reighard seconded. All in favor; motion carried.**

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

**Rainville made a motion to adjourn the meeting at 8:00 PM; Pilon seconded. All in favor; motion carried.**

Respectively submitted by:

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Corrie LaDoucer, City Clerk

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Mayor Jeff Pilon