

CITY OF NOWTHEN
CITY COUNCIL WORKSHOP DRAFT MEETING MINUTES
TUESDAY, JUNE 8, 2017 @ 7:00 PM

The Nowthen City Council met for the City Council Workshop on Thursday, June 8, 2017 at 7:00 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
Councilmember Dan Breyen

Others: Planner Liz Stockman
Engineer Shane Nelson

1). **Public Comment Session** – Open to the public to receive comments on the Storm Water Pollution Prevention Program (SWPPP) – Nelson said that this is the fourth (4th) year of a five (5) year permit. It is required annually to hold a public comment forum.

2). **Planning & Zoning**

a). **Todd & Mary Haubrick (18330 Waco St. PID 36-33-25-42-0011)** – *Request for a Variance to construct a new home to replace the fire-damaged one. The previous home (legally non-conforming at 104 feet) is less than the required 120 feet from the centerline of the road.* – There were no questions or comments from the Council.

b). **Grant Rademacher (for property owned at 8077 Viking Blvd.)** *Request for the following two (2) matters.*

i). **Conditional Use Permit** – *to allow expansion of Bill's Superette fuel station and Convenience Store by establishing a separate diesel pump island.* – Breyen said that there were a lot of questions regarding the trees and the County review. Stockman said that the tree removal and the County response was an issue. She also thinks the Council should list several items that the City would accept. Stockman stated that when the City converted from Ordinances to the City Codes, it is assumed that Rademacher had a CUP. There was also a concern about the drain tile.

Pilon thinks that there are some issues that need to be addressed by Stockman and Nelson.

Nelson's concern is that the grading would push additional water onto the City's property, so he would like some storm water calculations. He also doesn't know where the divides are for the drainage system. He said that it is a fairly sizable drainage. He said he just sent out the review memo a couple of days ago, but the biggest area of concern is the County's review. Until we know what their comments might be, it makes it difficult to move forward.

Bettinger said that they had a meeting a few years ago and the discussion at that time was to combine the two accesses into one. He is sure that is going to be one of the comments. They also will not want trees to be planted in the area creating a line of site hazard. The County may also want a turn lane constructed there.

Nelson said that it is conducive to the overall private frontage road plan. Pilon said that it is difficult without the County's comments.

Breyen said with the outstanding issues, will they have answers back in time to make a decision on Tuesday.

It was discussed that if it is not adjacent to a residential area, the screening regulations are different. It was noted at the Commission Meeting to designate how many trees to take and where to replace them.

Commission Member Barry Wagner's email indicated that they should not be removing any trees outside of their own property and they should protect the trees within the park property. He would also like them to add twelve trees to the park property to offset the number of trees they are removing on their property, as they are not proposing an onsite replacement.

Commission Member Walter Cleath's email indicated that he would have liked to see it tabled until their next meeting, so they had all the information in front of them.

Reighard said it would be nice to have some trees left there. Pilon said that he walked it and he thinks there is a reasonable space to protect the park from the commercial area. They would have to come up with that.

Stockman said that there were 14 trees on the City property. The recommendation is to replace 1 for 1 tree.

Pilon said that the biggest thing is the County review.

Reighard said that there are still two outstanding issues; the drainage and the driveway.

Stockman will issue a 60 day review letter if the request is tabled at the City Council Meeting.

- ii). **Conditional Use Permit** - *to allow deviation from the required five (5) foot parking lot setback to establish a new driveway along the north side of the property and access to Nowthen Boulevard.* – Nelson suggests continuation of the existing retaining wall along the north property line. If the grading is ok as shown, it is ok. An option is a 3 foot high retaining wall, and then he would be able to continue with the project at a little

added expense. To remove the trees and grade on property, he would need the Council’s permission. If the City is not willing to grant permission, Rademacher will need to revise his plans.

Bettinger said that if he does grade on City property they will have to upgrade the drainage system or do something else.

Nelson said that during the interim he could have it flow to the green space site that they currently have. Nelson understands that in the future there are plans to build another building. At that time they can look at something more permanent. Some type of stormwater improvements on the property will be necessary. He thinks that the County may want to review the storm water calculations as well. They will allow the stormwater runoff now, but, but they will not allow any additional storm water runoff. There are also no storm water calculations in the office from when the house was removed and lot was converted into a parking area.

Rainville asked if we should let the County know that we have had to extend the CUP without their comments. Pilon said that the County is very busy and we are a small community. Rainville thinks that it is very important to have this information.

Breyen wonders if they can do a plan A or B. Pilon said that it will be tough without that information. No further comments made.

- c). **A CITY CODE AMENDMENT** - *by the City of Nowthen to adopt Ordinance 2017-02, an ordinance adopting a revised schedule of fees and charges for various services, applications, licenses and permits in Section 1-2* – There was discussion about changing the language in 24.f. to read “No rental charge for senior citizens (62 or older), funerals, governmental groups or independent that are active with the City of Nowthen. Rainville would rather not charge a governmental group.
- d). **Rademacher/Roessler Comp Plan Amendment and Rezoning - PID 31-33-25-34-0003 10 acre parcel to be split from large piece on 181st Ave and Baugh St Informational discussion Only** — Stockman said that it started out as a 28.13 acre piece that is owned by Kent Roessler. Mr. Rademacher wished to purchase 10 acres to construct a gas station and liquor store. The Comp Plan Amendment was prompted by Mr. Rademacher asking to change the zoning from Rural Residential Agricultural to Commercial District C-1 or Industrial District I-1. Rademacher would request this on the 10 acre piece, but would ask the City to consider regional or district changes as part of the 2040 Comp Plan updates. Stockman received a call from Roessler and he had a sketch plan for the 80 acres to the north. He indicated that he didn’t want to interfere with Rademacher’s request. They talked about spot zoning and how the addition of another parcel or two could be beneficial if the City was in favor of the area for rezoning.

Stockman said one option would be to submit an amended application to include the larger area and then notice the paper for those parcels, instead of just the single parcel. The intent is to spur development in the South West section of Nowthen and to take advantage of the growth in Elk River in that area. She feels that a neighborhood gas station could be appropriate for this area, if they include the big picture.

Rainville asked how many acres he would like included. Stockman said that he owns an additional 80 acres north of the 28.13 that is being considered. On the north end, consider about 9 to 10 lots as continuation of the current neighborhood and then Commercial/ Industrial to the south. Rademacher wanted to develop it as a PUD, but it does not qualify for a PUD.

Roessler said that he just wanted to show them the intention. He said he doesn't want it to impede Grant's proposal.

Roessler also doesn't want to attach it to Rademacher's proposal if it becomes a hindrance. He thinks that the City needs to move forward with Rademacher's request, but if the City feels that it would be better to tag it on at the same time, then this would be an opportunity. The 80 acres doesn't have to come in at the same time. We can just move forward on the 10 acres. He thinks that a Comp Plan amendment can be made at this time. They are not asking to have it attached to Rademacher's request; they are just giving them the option to do so. He said that they can put a few residential properties to the north and the business park under the power lines. It is a good concept.

Melissa Stover of 9319 181st Ave said she lives adjacent to this property. She wanted to hear what is going on. She was told that there would be two access points to the commercial property. One would be as an access point from 181st and one would be shared on the property line or solely on the 10 acre parcel. With that is the County's requirement of if it is a public or private access and whether there would have to be a turn lane there. Her house is already close to the road. They are already under the 120 ft. setback from the centerline. Her understanding is that a bypass lane or acceleration lane would encroach onto her property. That is her concern, so she wanted to know the kind of infrastructure is being proposed. There is already a lot of traffic at that intersection, so she wonders how this would impact them in the residential district adjacent to a proposed commercial.

Stockman said that they may not need the road between her property and the development. That is yet to be determined. Nelson said that the turn lanes, etc. would have to be considered by the County. He himself has not had time to look at this proposal.

Pilon would expect that if you are putting in a gas station and liquor store, you would want to have access from both Baugh Street and 181st Ave. He also said that in order to do spot zoning, the City Council will want to consider how this will

be perceived. They will need to fully document the logic to this. The additional acreage has to be considered. Is it appropriate this time to rezone it or should it be part of the 2040 Comp Plan Amendments at a later date.

Bettinger thinks that Stockman should work with both parties to decide if they want to move forward with both pieces or just the 10 acres.

Stockman said that they could consider the 4 forties as a district with a business park. It may make sense to push the commercial to the City boarder.

Breyen asked if there is a benefit to have the 80 acres added now. Stockman doesn't think that it is a bad decision. That is the number one request; commercial/industrial land. Breyen said that they should look at entrances and that they are far enough from the intersection should there be a signal light installed in the future.

Pilon asked what the Council's thoughts are of having the 10 acres be considered for rezoning now and the additional acreage in the future; what impact will it have on the immediate neighbors and residents in general; the impact of what appears to be spot zoning or to add an additional commercial area with a residential buffer, not contiguous. What would the Council like to see so they know how to proceed and if this is a good spot for this type of development?

Breyen does see that the South end of the City is a main route west to get to Elk River. There is certainly potential and good use for that spot.

Stover's biggest concern is the traffic and the impact to that area and if there was going to be access from 181st and if that was going to be a private or public road. She is also concerned about the possibility of a turn lane or acceleration lane. If they have a gas station, what are the operation hours and how will this affect her house.

Stockman said this is just for consideration for changes to the land use designation.

Roessler thinks this would be a great asset. He thinks if Nowthen doesn't do this as a community; the City of Ramsey will do it.

- e). **Ordinance Amendments for Consideration** — *(Lot line reconfigurations/Lot Split)* – Bettinger is in favor of moving forward with changing the ordinance so they are done administratively. Reighard agrees.
- f). **Code Enforcement** –
 - i). **Tony Elfelt** – Stockman said that the neighbors are not happy because of the number of cars coming and going to his property.

Stockman said that with his auction business there are vehicles coming and going. Her first inclination is that this is a business, so he should have to get an Interim Use Permit (IUP). Other than limiting the number of days that he has people coming and going, there is not a lot we can do. He has indicated 30-40 vehicles that come to his property to pick up auction items. The ordinance does not address anything like this. It is becoming very common. She thought it was worthy to bring up for discussion.

Bettinger thinks that the best way to proceed is to get an IUP and then the neighbors can be involved and it will protect him as well.

Tony Elfelt doesn't disagree with what Bettinger said, but he doesn't think that any resident should be required to get an IUP unless there are real reasons for doing it. If something is not prohibited by ordinances a person shouldn't have to ask for permission to do something that is not prohibited. They found a property that was just perfect for them, with a building that would accommodate their on-line auctions. They purchased it knowing there were no regulations in Nowthen prohibiting garage sales, which is what they are doing. Instead of having a lot of people come all day long, they have a small amount of people that come just to pick up their stuff. There is less impact on the neighbors, whereas with a garage sale a lot of people are coming all day long. They do have 30-50 cars that come in over a period of 8 hours. There is very minimal impact to traffic for selling out of their garage.

Elfelt said if he has to get an IUP, he will do that, but he doesn't think he should be required to do this when the ordinances don't prohibit what he is doing. If he does have to do this, wouldn't it be reasonable that everyone that has a garage sale has to get an IUP. There are some people that have one garage sale and there are some people that have repetitive garage sales all year long. They have a lot more traffic. He has much less traffic and they are all looking at his products on-line.

Elfelt is surprised because he has talked to all of his neighbors when they first acquired the property in March. None of them expressed negativity.

Elfelt said the garage is way back in the back of the property and people drive way off the road to get there. Most of the time they have an 8 hour time frame to pick up their products. They don't do a lot in the winter time. If you average it out for the year it is about 1-2 a month.

Bettinger agrees, but someone has complained already. By getting an IUP it protects him. If he already has one or two complaints today, there will likely be more in the future. He understand that it is not against the rules, but as more people come out that could change.

Elfelt was just rubbed the wrong way that he has to do this but others that do the same thing he does do not have to get an IUP.

Breyen agrees with Bettinger about getting an IUP. He said that customers are coming onto his property to pick up their goods. It sounds like he is getting into more of the home based business.

Rainville said the difference is that he is running a business. He has an online business. A person running a garage sale is just someone selling some clothing, furniture, etc. Having an IUP does protect him.

3). Engineering:

- a). **Feasibility Study for Old Viking Blvd.** — Reighard said that they have had conversations about how to assess for road repairs. Do we need to look at different means to get our costs covered?

Rainville thinks it is time to direct staff to look at some options as to what an assessment policy could look like. Do they levy everyone in the City versus having assessments? To her it is more reasonable to do a levy and have everyone pay something versus the cost to assess property owners. Everyone uses roads that they don't live on. Maybe they need to have a special meeting to talk about how to handle this.

Reighard thinks if they truly want to do something, we need to figure out a way to pay for it. He thinks it is just too difficult to assess the properties along those particular roads.

Bettinger doesn't think they are going to be able to raise the levy enough to fix roads. We will need to come up with a combination of assessment and levy. He thinks that a starting point would be to assess 50% and they could then do about 2-3 miles per year. That way the residents have ownership to it and are paying something. If you are going to start levying someone who lives on a gravel road to pay for blacktopped roads, they are not going to be happy about it.

Rainville agrees that they have to come up with something. That is a discussion that they need to sit down and have. She will draft a motion directing staff to do some research on towns that are similar to us to help guide the Council.

Breyen said that in 2015 Engineer Nelson came up with an estimate of around \$500,000 to overlay Old Viking Blvd. Does Nelson know if those costs would have gone up or down?

Nelson said that costs are either flat or slightly down. He also indicated that Old Viking is designated as a collector road, so once the population reaches 5000, we would be eligible for Municipal State Aid money. Old Viking Blvd would be one of the roads that we could use the money for.

Bettinger said that if you collect data from other cities, you are going to find out that they are all totally different. Nowthen is just going to have to decide what works for us. It does not have to be set in stone. If it doesn't work, you change it. We need a starting place and move forward.

Reighard said that we can take the numbers on Old Viking Blvd and determine how many properties it would affect and come up with a guestimate of what they think is reasonable. They can play with the different numbers and see what makes sense.

Rainville said that it makes a difference with the number if we assess just the parcels that have direct access or direct and indirect access. Maybe her motion will to have a special meeting.

Bettinger asked if it would be better to have Nelson do a Feasibility Study with a 50/50 cost split with only property that directly accesses onto Old Viking Blvd. If we have that report we will have some numbers to look at and can go from there. He would rather proceed with that direction.

Nelson said that it is fairly easy now to generate a map to determine how many properties are on a specific project or a specific road. He agrees with Bettinger that it would be useful to have that information. It would also be useful to have that information for different project types as well (overlay, reconstruction, etc.). If you get two or three different project types that is what helps you decide.

4). Consent Agenda:

1.1 Approve the May 4, 2017 City Council Workshop and May 9, 2017 City Council Meeting Minutes — No comments

1.2 Financial Report — No comments

1.3 Approve All Audited Bills Claim # 221 through Claim # 269, plus Net Distribution reports dated May 8th, May 15th and May 31, 2017 — No comments

1.4 RCA — *Approval to keep the Economic Development Authority Checking account active* – No comments

1.5 RCA & Adopt Resolution 17-11 & 17-12 — *To accept donation from the Ramsey Lions in the amount of \$10,800 and to accept a CenterPoint Energy Community Partnership Grant in the amount of \$2,051 for the purchase of additional hand held radio's for the fire fighters.*

1.6 RCA — *Approve Liquor License Renewals for Bill's Superette, Northwoods Bar & Grill, Bootleggers Saloon & Eatery and Burns Bottle Shop with the additional Off-Sale Sunday Liquor License.*

1.7 RCA — *Close City Offices Monday July 3, 2017* – Staff to make accommodations/arrangements for one of them to come in and check garbage on Monday morning.

1.8 RCA — *Completion of a 2016 Dirt Removal Contract* – Staff to contact Steve Madson about finishing the project, as originally agreed upon.

1.9 RCA — *Assistance with the development of a Capital Improvement Plan* – Staff to contact the auditor to schedule a date to meeting and work on a Capital Improvement Plan and to update the one we have.

1.10 RCA — *Temporary Office Assistance*

5). Council Items:

- a). **Open Sealed Bids** – *recycling center addition* – Two bids were received for the recycling center addition. The bidders were to present bids for the construction of a 40x44 addition, construct a fenced enclosure and a combined bid for both. The recycling center bids were opened and the following bids were received:

	Bid #1	Bid #2	Bid #3
Structural Buildings	\$74,829	No bid	No bid
Broadview Builders (Square cut Ftgs)	\$129,935	\$17,900	\$145,410
(Core Drill Ftgs)	\$137,556		\$153,031

- b). **Schedule Budget Meetings** – Meetings scheduled for June 19th, July 17th and August 14th at 7:00 PM.

6). Introduction of New Items: - No new items were introduced.

Pilon made a motion to adjourn the meeting at 9:34 PM; Rainville seconded. All in favor, motion carried.

Respectively submitted by:

Corrie LaDoucer, City Clerk

Mayor Jeff Pilon

CITY OF NOWTHEN
CITY COUNCIL MEETING DRAFT MINUTES
TUESDAY, JUNE 13, 2017 @ 7:00 PM

The Nowthen City Council met for the City Council Meeting on Tuesday, June 13, 2017 at 7:00 PM, at the Nowthen City Hall, 19800 Nowthen Blvd NW, Nowthen, Minnesota.

Present:	Mayor Jeff Pilon	Others:	Lt. Wayne Heath
	Councilmember Randy Bettinger		Engineer Shane
	Councilmember Mary Rainville		Nelson
	Councilmember Paul Reighard		
	Councilmember Dan Breyen		

Approve/amend the meeting agenda — Motion to approve by Rainville, seconded by Bettinger; all in favor, motion carried.

Public Comment Session – Open to the public to receive comments on the Storm Water Pollution Prevention Program (SWPPP)
No public comments

Sheriff's Report

Lt. Wayne Heath provided a report of Sheriff Services for the month of May, 2017. There were 117 calls for service in the City for the month. Drugs are a problem in many communities right now. Heath said they are seeing an increase in narcotics use and the price of the narcotics are going down, which affects our communities in a very bad way. Heath wants to highlight that their staff is dedicated to help remove this type of activity in our area.

Floor Items:

No floor items

Planning & Zoning

- a). **Todd & Mary Haubrick (18330 Waco St. PID 36-33-25-42-0011)** – Request for a Variance to construct a new home to replace the fire-damaged one. The previous home (legally non-conforming at 104 feet) is less than the required 120 feet from the centerline of the road.

Motion by Breyen to approve, seconded by Bettinger; all in favor, motion carries.

- b). **Grant Rademacher (for property owned at 8077 Viking Blvd.)** - Request for the following two (2) matters.-
- i). **Conditional Use Permit** – to allow expansion of Bill's Superette fuel station and Convenience Store by establishing a separate diesel pump island.

- ii). **Conditional Use Permit** - to allow deviation from the required five (5) foot parking lot setback to establish a new driveway along the north side of the property and access to Nowthen Boulevard.

Motion made by Breyen to table both requests until information from the County is available and P&Z has time to review; seconded by Rainville

Nelson mentioned that the city did receive a review letter from the Anoka County Highway Department dated June 12. Pilon confirmed that the Council did receive that yesterday afternoon (June 12th).

Bettinger said P&Z has made their decision and recommendation, so you cant send it back for a second public hearing. Council needs to move forward, not send back to P&Z. Council has the information now and they should make the decision.

Breyen questioned if they could move forward without the drainage calculations.

Bettinger said the County reviews that after this is approved and the design of the project is done. It's never been done before its been approved by the Council. That's a County process.

Reighard said the questions he has are if the County would rather see one entrance rather than two. Council has not seen a plan yet, and questions who will be paying for that. There are issues with trees, and would like to see the layout before he approves it. He doesn't feel it needs to go back to P&Z to make that happen though.

Pilon said if the Council tables it, P&Z would see the information before Council anyways.

Reighard said P&Z already voted for it to move to Council.

Bettinger said Rademacher is asking for a CUP for the fuel station and a parking lot setback. That can be approved and Rademacher can come back later with the landscape plan, and other details. That information can go back to P&Z. Otherwise the whole project is totally in limbo.

Rainville's concern is giving approval to the CUPs when we don't know what's entailed. She would like P&Z to see that. We don't know costs, and how they will be shared. This could be an expense for the city that we haven't budgeted for. When P&Z had the public hearing and discussed it, there was a lot not discussed that encompasses the city property.

Breyen thinks that the City does want this to go through, and questions what needs to be done to move forward. There are questions that need to be answered, and how that affects the CUP approval, he's not sure.

Rademacher asked what Council's thoughts were on the retaining wall, in order to get a better number on his landscaping bid. And, in regards to the storm drain, whether will there be cost sharing. Answers to those construction issues and direction would be helpful.

Pilon said that part of the problem is that they are just getting this information. There was discussion of a retaining wall, as well as the appropriate curbing, and how much of the park settles into those drain tiles. We need to impose on our Engineer for help on this.

Nelson said the curb would not have the same purpose as the retaining wall. The site distance because of existing trees. The first row of trees 14, on city property need to be removed and at least half for site distance.

Nelson said if it's not a requirement but we want to see it done, the city should consider cost sharing options.

Rainville said that in looking at the letter from Anoka County, they are stating that we need to submit calculations on runoff, design requirements, etc.

Bettinger said that happens after the project has been approved, the County can't approve their part without the design. All of these items come into play and until you approve Mr. Rademacher to do something, he can't move forward. After the project has been approved, but before construction. As far as the two driveways being combined that doesn't happen right away. As long as we would agree to do it when the money comes available. It was agreed upon 15 years ago that this should happen. Nelson said it's safer anyways.

Breyen asked Mr. Rademacher if that helps give him what he's looking for.

Rademacher feels like the city is supporting him on the project, but until he gets approval to do it, he doesn't want to spend the money on it. He's going to go price everything. At some point it becomes non-economical. If he has to replace the drain tile, he may not end up doing it. He will turn his prices over to Planner Stockman.

Motion revised to table until more information can be sent to P&Z for review and comment, not another public hearing, and they don't need to vote on it, and bring it back to Council at the July meeting. All in favor, motion carried.

- c). **A CITY CODE AMENDMENT** — *by the City of Nowthen to adopt Ordinance 2017-02, an ordinance adopting a revised schedule of fees and charges for various services, applications, licenses and permits in Section 1-2 -*

Rainville motioned to have the wording on page 5, letter F to read "no rental charge for Nowthen Residents over the age of 62, funerals for family

of residents, government groups, state, county, city, census related, caucuses and independent non-profit groups active within the city and whose focus is providing services and events to benefit the residents”, seconded by Reighard; all in favor, motion carried.

Ordinance Amendments for Consideration - *(Lot line reconfigurations/Lot Split)* Breyen made a motion to have the Planning & Zoning Commission review the subdivision ordinance to determine how minor subdivisions can be processed administratively rather than proceeding through the Planning & Zoning Commission review, recommendation, and City Council approval. The recommendation shall identify the parameters for such action and identify what will trigger the mandatory review by the Planning & Zoning Commission and City Council. And to assist the Planning & Zoning Commission, he would like File 122.03 to be forwarded to commission members, seconded by Rainville; all in favor, motion carried.

Code Enforcement - Tony Elfelt

Motion to table by Breyen pending Mr. Elfelt’s pending application for an IUP, Seconded by Rainville, all in favor, motion carried.

Engineering - Feasibility Study for Old Viking Blvd

Motion by Breyen to request a work session to determine the assessment guidelines for the City using information provided by the City Engineer who has proposed three different types of projects of which projects could require different ratio for financing. Those projects would be Old Viking, Ebony, Garnet and Roger Lake area, seconded by Rainville

Discussion by Breyen that one of the challenges he is having, understanding they want to move ahead, but he’s questioning what’s the right percentage, do we include direct or indirect access, there are several conditions based on the 429 policy regarding green acres, seniors, etc., and he feels more time is needed.

Rainville said that the City Clerk had provided information, which was helpful but maybe they could request more information prior to the special meeting so that they could have as much in front of them as possible. To look at other towns that are similar to us in size, types of roads we have, and what are their policies.

Pilon asked Nelson if there was a pool of information that he or city staff could provide in preparation of a special meeting.

Nelson said he thinks regarding percentages, it varies so much. Some cities assess a minimum 20% to bond for projects, some cities have franchise fees that totally fund their Capital Improvement Plan and some of the smaller townships require 100% assessment.

Ramsey proceeded with a franchising as a partial funding mechanism and still had the ability to assess a portion of it, such that they can bond. Ramsey is

also a Charter City and that has a provision for special assessment projects. Nowthen does not have that.

Pilon asked at this point, since we have no common utility, that would help us with the franchise fee, is that something that is even feasible for Nowthen?

Nelson said he hasn't researched it specifically for Nowthen but he thinks it would be feasible, however it's essentially the same thing as raising your levy. The utilities that operate within the city are paying the city a franchise fee for the use of your public right of way and the theory is that since these utilities are using our right of way to sell their services, its only fair that they help fund the road improvement projects, but ultimately at the end, it's the same residents that fund that program. The advantage of a franchise fee is that it's a dedicated funding source that cant be directed to other budgetary needs within the city but other than that the franchise fee that you impose on the utility company, they directly pass those on to the direct user as a monthly charge.

Bettinger said that no matter how you fund it, whether it's through franchise fees, or whatever, it's still a tax. He feels a feasibility study needs to be done by Nelson and then Council needs to sit down and take a look at the numbers, and whether or not they think the residents could handle and is it something the City can handle as a starting point. Sooner or later this is what you have to do, and see how the residents receive that. He would assume they would like that. There will always be some people that don't ever want to raise their taxes but paying 50% is a lot better than paying 100% and the roads need it. If we had a feasibility study we would have actual numbers and we would know how many people live right on the road and have direct access.

Pilon said that if a resident owns 40 or 80 acres on a specific road vs someone who has been grandfathered in a 1 acre lot, but then the resident decides to split his 40 or 80 acres into 8 separate parcels that are coming out onto that road, it at least begs some discussion before it becomes a policy.

Pilon said an example may be that if a resident is on Old Viking, they will pay 50%, and if they are not, they will pay 10%.

Pilon thinks the Engineer and Attorney need to be involved. He would like to see a special meeting made and establish a procedure and policy.

Bettinger mentioned that Pilon used an example of the resident paying 50%, and the City paying 50%, and the reason the City would pay that 50% is for anyone other than the resident located on that road that travels on it. And in the past, larger lots have had the deferred assessments so that if they decide to upgrade after the development of the street, they would pay the deferred assessment.

Bettinger said deferred assessments have been done in the past but staff did not care for that option, because when the resident decides to sell or split off, staff

has to go in and take a look at it and pro-rate it, and it becomes a lot of extra work. In the past we've always 100% assessed.

Pilon said he understands that but there's no policy stating that. If you are assessing everyone that is directly on the road improvement, and understanding the 429 benefit criteria, we may not be able to assess 50%. Its relatively easy to say if you are going from a gravel road to a blacktop road, the value of the home is going to increase and we can get an assessor to verify that. It's a little harder to say if you are on a black top road that used to be a county road and we are just going to overlay it and 50% of that cost can go against you if that more than benefits their property. Maybe that's not 50%, but that 50% may not go to the residents, a portion would go to the residents that are directly on the road, a portion would go to those that have to access that road on a regular basis and the balance would be by the residents that generally may use that road. The critical thing is to have a policy.

Motion to call a special meeting and discuss and establish a policy by Breyen, seconded by Rainville, four in favor, opposed Bettinger, motion carried.

6). Consent Agenda:

- 1.1 Approve the May 4, 2017 City Council Workshop and May 9, 2017 City Council Meeting Minutes
- 1.2 Financial Report
- 1.3 Approve All Audited Bills Claim # 221 through Claim # 269, plus Net Distribution reports dated May 8th, May 15th and May 31, 2017
- 1.4 RCA — Approval to keep the Economic Development Authority Checking account active
- 1.5 RCA & Adopt Resolution 17-11 & 17-12 — To accept donation from the Ramsey Lions in the amount of \$10,800 and to accept a CenterPoint Energy Community Partnership Grant in the amount of \$2,051 for the purchase of additional hand held radio's for the fire fighters.
- 1.6 RCA — Approve Liquor License Renewals for Billis Superette, Northwoods Bar & Grill, Bootleggers Saloon & Eatery and Burns Bottle Shop with the additional Off-Sale Sunday Liquor License.
- 1.7 RCA — Close City Offices Monday July 3, 2017
- 1.8 RCA — Completion of a 2016 Dirt Removal Contract
- 1.9 RCA — Assistance with the development of a Capital Improvement Plan
- 1.10 RCA — Temporary Office Assistance

Motion to approve consent agenda items 1.1 – 1.10 by Rainville, seconded by Bettinger; all in favor, motion carried.

Council Items: Accept or Reject bids for the Recycling Center Addition - Motion by Rainville to reject all bids based on the dollar amount & city staff to notify the County, seconded by Breyen with discussion.

Rainville said the first bids are more than what the grant was for, and the second bid is way over our capability.

Rainville would like us to concentrate on small improvements and ask staff to bring forward any suggestions for improvements to recycle center.

Bettinger asked if the budget for the whole project was \$80,000, and if that's the case, they could move forward with the building and do the fence separately.

Breyen said in the April minutes it was noted that the Grant was \$50,000, City to pay \$30,000.

Reighard said based on the bids it's easy to see the entire scope of the project cant be done. He would like it to be done in phases, as much as has been budgeted for at least.

Rainville is concerned with the bid that came in within the budget, since he didn't come to the informational meeting, which makes it an inaccurate bid.

Reighard mentioned that each of the contractors were supplied with building plans. They should be able to provide a bid based on the building plans. Not all builders go out to each site prior to bidding on a job.

Bettinger also stated that Building Official Schreder worked with both of the companys and confirmed that they both do an excellent job. He would like to move forward with the lower bid to get this project going. He would hate to see us lose the \$50,000 grant.

Rainville doesn't feel that staff has the ability to provide maintenance for the additional products that we will be collecting. It doesn't look like its being properly maintained currently. This would create additional work load without an increase in staff. She stated that in order to accept the grant, you have to go to a full service recycling center.

Bettiinger said as far as labor, it's totally run on money that comes from the county for recycling. This would provide a bigger and better service to our residents. The money is already there for extra staff time.

Pilon said it's more the availability of staff, not the funds. Before we can be a full service we need to take care of what we've got.

Reighard is wondering why we went through all of this work to get the grant and now we are wasting the County and our time applying for the grants because now we are saying we cant handle it. We could have addressed it, and figured it out before applying for it.

Now the money is sitting there and we are saying we don't know if we can do it. He feels it doesn't make the Council look very intelligent.

Pilon's other concern is the large discrepancy between the two bids.

Reighard questioned the timeline of accepting or denying the grant money. We may have time to work out these issues and still be able to accept the grant money.

Rainville would like to amend her motion to table until additional information is received on the window for the grant, and the City Clerk to notify the two bidders and we will work with them on completion dates, seconded by Breyen; four in favor, opposed by Bettinger.

Rainville thinks we may be biting off more than we can chew and that doesn't look good to our residents. It's also not fair to staff to increase their workload.

Bettinger said normally in the spring there's more dropped off than usual. There is additional summer help available now at the city.

Motion by Rainville for Council and Staff to gather their thoughts on improvements to the recycling center within the next 30 days. If we don't move forward with this, what are some other options to improve the recycling center. She would like to see thoughts on hours, signage, part time employees, different type of containers. . etc.

Pilon said he thinks you can only recommend it to the Council, but you can direct staff.

Amended motion by Rainville to direct staff that within the next 30 days recommend improvements to the recycling center equipment facilities and operation by Rainville. seconded by Breyen; all in favor, motion carried.

Schedule Budget Meetings

Motion by Rainville to finalize and post the meeting dates of June 19, July 17 & August 14, at City Hall, seconded by Pilon; all in favor, motion carried.

Motion to adjourn at 8:45 pm.

Respectfully submitted by:

Lori Streich, Deputy Clerk

Mayor Jeff Pilon