



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, OCTOBER 26, 2021

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The regular meeting of the City Council was called to order by Mayor Kevin Voracek at 6:00pm. Councilors Sara Caron, Royal Ross, Peter van Sluis, Tom Spooner, Janna Viscomi and Jon Wood were in attendance. Also, in attendance was City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Public Works Director Travis Block, City Engineer Mark DuChene, Parks and Recreation Director Paul Peanasky, Community and Economic Development Director Deanna Kuennen, Police Chief Andy Bohlen, Fire Chief Dustin Dienst and Finance Director Jeanne Day.

Presentations/Introductions – None

Approve minutes of October 12, 2021 Regular City Council Meeting, October 12, 2021 Special City Council Meeting and October 19, 2021 Special City Council Meeting

Motion by Ross, seconded by Spooner to approve the minutes from the October 12, 2021 Regular City Council Meeting, October 12, 2021 Special City Council Meeting and October 19, 2021 City Council Meeting and carried unanimously.

Consent Agenda

- A. List of Claims for Release
- B. Approve LG 220 Application for Exempt Permit for Catholic United Financial Council SS Lawrence/Anne
- C. Approve LG240B Applications to Conduct Excluded Bingo for Women of the Moose
- D. Resolution 2021-224 Initiate Project and Order Feasibility Report for 2022 Street Overlay Improvements - Contract 2022-02
- E. Accept Quote for Wellhouse No.5 Watermain Installation
- F. Resolution 2021-227 Accepting the Offer of the Minnesota Public Facilities Authority to Purchase a General Obligation Water Revenue Note; Series 2021, in the Original Aggregate Principal Amount of \$522,527; Providing for Its Issuance; and Authorizing the Execution of a Project Loan Agreement and Other Documents in Connection Therewith
- G. Approve Quote to Purchase and Install Playground at Prairie Park

Councilor Viscomi requested that Consent Agenda Item 4G. Approve Quote to Purchase and Install Playground at Prairie Park be removed for further discussion.

Motion by Viscomi, seconded by Wood to approve Consent Agenda Items A-F and carried unanimously.

Consent Agenda Item 4G. Approve Quote to Purchase and Install Playground at Prairie Park

Councilor Viscomi questioned where the playground was going to be located, the color choice of the playground and the accessibility of the playground. Parks and Recreation Director Paul Peanasky explained that the playground will be located in the southeast corner of the park. All neighborhood property owners were notified of the playground color choice, Staff received no comments on this matter. The swings as well as the musical instruments will be accessible to all park visitors via the trail.

Motion by Ross, seconded by van Sluis to approve Consent Agenda Item 4 G. Approve Quote to Purchase and Install Playground at Prairie Park and carried unanimously.

Requests to be Heard- None

Public Hearings

Resolution 2021-225 Adopting Special Assessments for the 2021 Street Reconstruction Improvements - Contract 2021-03

City Engineer Mark DuChene explained that Resolution 2021-203 adopted on September 28, 2021, declared the cost to be assessed and set a special assessment hearing date of October 26, 2021 for the 2021 Street Reconstruction Improvements project – City Contract 2021-03. Notices of the hearing were sent to the benefiting properties and published in the Daily News as required by law.

The assessment rates for street reconstruction for 2021 are as follows, as adopted by Resolution 2020-152, subject to credits per City policy:

Bituminous Street Reconstruction:

Low Density Residential Property	\$75.50/l.f
High Density Residential Property	\$83.00/l.f.
Commercial/Industrial/Institutional Property	\$90.00/l.f.

The City has received no written objections to the proposed assessments. The special assessment roll proposes to assess a total of 12 parcels in the amount of \$153,016.85 out of a total estimated project cost of \$1,075,500.00. The assessments will be payable over a period of fifteen (15) years with an interest rate of 2.5%.

Motion by Viscomi, seconded by van Sluis to open the public hearing and carried unanimously. The public hearing opened at 6:10pm.

No Comments were received.

Motion by van Sluis, seconded by Spooner to close the public hearing and carried unanimously. The public hearing closed at 6:11pm.

Motion by Ross, seconded by Caron to approve Resolution 2021-225 Adopting Special Assessments for the 2021 Street Reconstruction Improvements - Contract 2021-03 and carried unanimously.

Resolution 2021-226 Adopting Special Assessments for the 2020 13th Street NW Extension Improvements - Contract 2020-05

City Engineer Mark DuChene explained that Resolution 2021-204 adopted on September 28, 2021, declared the cost to be assessed and set a special assessment hearing date of October 26, 2021 for the 2020 13th Street NW Extension Improvements project – City Contract 2020-05. Notices of the hearing were sent to the benefited properties and published in the Daily News as required by law.

This was a petitioned project for construction of a new street, 100% of the eligible project costs were assessed to the benefiting properties minus any credits for developer paid improvements/costs. DuChene noted that the special assessments for the undeveloped parcel (PID 18.25.3.26.011) are proposed to be deferred without interest for a maximum of 15 years or until the parcel is subdivided, developed, or is sold, transferred, or has a change of ownership.

The special assessment roll proposes to assess a total of 6 parcels in the amount of \$259,581.82. The assessments will be payable over a period of fifteen (15) years with an interest rate of 3.15%.

Motion by Ross, seconded by Viscomi to open the public hearing and carried unanimously. The public hearing opened at 6:18 pm.

DuChene did receive an email from RVS Leasing, one of the properties being assessed that stated if the assessment is deferred to 2036 or becomes due earlier if the property is developed or sold, RVS agrees with the assessment. In all other scenarios, RVS will contest the assessment. As discussed previously, RVS only agreed with the project assuming that the deferral is accepted.

Motion by van Sluis, seconded by Wood to close the public hearing and carried unanimously. The public hearing closed at 6:19pm.

Councilor Ross asked why the deferral was at 0% interest. DuChene explained that historically that is what had been done and that only the deferment period is at 0%. Mayor Voracek asked if new construction projects would qualify for the new franchise fee rebates, DuChene stated that they are not eligible.

Motion by Spooner, seconded by Caron to approve Resolution 2021-226 Adopting Special Assessments for the 2020 13th Street NW Extension Improvements - Contract 2020-05 and carried unanimously.

Items for Discussion

Resolution 2021-223 Awarding the Sale of General Obligation Refunding Bonds, Series 2021B in the Original Aggregate Principal Amount of \$6,450,000; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for the Redemption of Bonds Refunded Thereby

Finance Director Jeanne Day explained that at the September 21, 2021, City Council Work Session, there was a discussion on the issuance of GO Refunding Bonds for the 2012A and 2014A Bonds. It was the consensus of the Council to proceed with the sale of the bonds. At the October 12, 2021, City Council Meeting, action was taken through Resolution 2021-219 providing for the issuance and sale of General Obligation Refunding Bonds, Series 2021B, in the proposed aggregate principal amount of \$6,450,000. Action was also taken through resolution 2021-220 authorizing Northland Securities as the Municipal Advisor for the issuance of the bonds.

Tammy Omdal, Municipal Advisor from Northland Securities, attended the meeting to review the results of the proposals for consideration of awarding the sale. Ms. Omdal informed the Council that our S&P rating is AA. The bidding was very competitive and tight and the rate was higher than anticipated. Piper was awarded the bonds, they came in at 0.85%. This will create a savings for the City of \$270,000.

Motion by Ross, seconded by Viscomi to approve Resolution 2021-223 Awarding the Sale of General Obligation Refunding Bonds, Series 2021B in the Original Aggregate Principal Amount of \$6,450,000; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for the Redemption of Bonds Refunded Thereby and carried unanimously.

Ordinance 2021-10 Amend Sec. 4-24. Revocation or Suspension of a License or Permit. of the City Code of Ordinances - Second Reading and Approve Ordinance 2021-10 Summary Publication

City Administrator Tim Murray explained that the fines stipulated under Sec. 4-24 of the City Code of Ordinances, for violations involving alcoholic beverage licensees, only include suspensions. The Council reviewed this topic initially at the July 7, 2020 Joint Committee meeting, and then again at the October 5, 2021 Council Work Session. There have been no changes to this ordinance since its first reading on October 12, 2021.

Motion by van Sluis, seconded by Wood to approve Ordinance 2021-10 Amend Sec. 4-24. Revocation or Suspension of a License or Permit. of the City Code of Ordinances

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Motion by Spooner, seconded by Viscomi to approve Ordinance 2021-10 Summary Publication and carried unanimously.

Resolution 2021-228 Approve a Conditional Use Permit to Construct a New Storage Building at Calvary Cemetery, 3415 Calvary Drive

Community and Economic Development Director Deanna Kuennen explained that the Calvary Cemetery Association is seeking to build a 2,240 square foot building for equipment at the cemetery with a paved driveway. The building is to be built west of an existing building that will be removed upon completion of the new structure. Cemeteries are a conditional use in the TUD District. Therefore, a CUP amendment is needed for construction of new buildings on the site.

At its meeting of October 18, 2021, the Planning Commission, after proper notice, held a public hearing to consider the application by Calvary Cemetery Association for a Conditional Use Permit to build a new storage building at the cemetery located at 3415 Calvary Drive. The Planning Commission by a vote of 6-0 approved findings in support of the application and they recommend City Council approval of a CUP to construct the proposed storage building at Calvary Cemetery with conditions. The proposed storage building will be constructed with a metal roof and siding as well as a knee wall of rock-faced concrete block material. Curbs will be required-consistent with the current drives and other paved surfaces. Evergreen trees at least 6-feet tall will be planted north and east of the building to screen the building from guests. The applicants did request that they be permitted to reduce the size of the storage building if they so choose. No residents or adjoining owners spoke during the public hearing regarding this application. The City did not receive any public comments prior to the meeting or after the meeting regarding this application

Motion by Spooner, seconded by Wood to approve Resolution 2021-228 Approve a Conditional Use Permit to Construct a New Storage Building at Calvary Cemetery, 3415 Calvary Drive and carried unanimously.

Resolution 2021-229 Deny Applications for Variances, Planned Unit Development and Conditional Use Permit Related to 903 Spring Road

Community and Economic Development Director Deanna Kuennen explained that Chris Bakken, Chief Manager of Extreme Unlimited LLC property owner, is proposing to develop two four-unit buildings on a vacant lot located at 903 Spring Road. The property is zoned R-4 High Density Residential District and is 18,500 square feet. The development plans call for one new four-unit building to be built at the south end of the property as well as to move in a previously occupied four-unit building that will be located at the north end of the site. Both buildings will have the same architectural appearance, they will have two units on the upper floor, and two garden level units on the lower floor. The plan calls for 14 parking space and one ADA space. Kuennen pointed out that the Kwik Trip development adjacent to the site, encroaches on the property.

The proposal meets the density limits for the R-4 zoning, however it does not meet the setback requirements, therefore Mr. Bakken is requesting variances from side parking lot setback requirements to allow a 5-foot setback from the east, where 10-feet is the minimum required for this district and is also seeking a variance from side building setback requirements to allow both buildings at a 10-foot setback from the west lot line where a minimum of 15- feet is required in the R-4 district.

A Conditional Use Permit (CUP) was also requested in this case to approve the use of a previously occupied dwelling at this site as required by Sec. 7-30 of the Unified Development Ordinance (UDO) and a Planned Unit Development (PUD) is required for approval of more than one principal building on one lot.

At its meeting of October 18, 2021, the Planning Commission held a public hearing regarding the aforementioned applications. No one from the public was present to speak in regard to these applications. The City has not received any comments from the public on these applications. A staff report recommending denial of the applications requested in this case was presented to the Planning Commission. The report noted that the applications do not meet the required findings for approval of variances. The practical difficulties in this case were created by the applicant in seeking to locate an existing building on the site with a second building to match it rather than designing a building and parking lot layout that fits the dimensions of the lot. The report noted that there are no unique physical characteristics that justify the variances. The application for a Planned Unit Development did not provide enhanced open space and an innovative design. The CUP in this case relies on the variances and planned unit development for approval. If these are not approved, the CUP should also be denied.

The Planning Commission voted three to three on a motion to deny all three applications. The motion failed, so the Planning Commission did not forward a recommendation regarding this matter. Staff recommendations is for denial, as was presented to the Planning Commission.

Councilor Spooner asked if the reason for denial is the setback request and if it is tied to Kwik Trip encroaching on their property, Planning Coordinator Peter Waldock explained that the Kwik Trip encroachment is a separate issue and that the denial is based on the findings not being met for a

variance. Spooner stated that it meets the area, the variance is on the west is a parking lot and the variance for the other is the back of Kwik Trip, he was in support of approving the variances. Councilor Wood was in support of approving the variances, CUP and PUD as the lot has been empty for two years. Councilor Ross stated that the building is going on the west side, adjacent to the parking lot on the east side, a 5-foot variance is not a reason to deny the application. Councilor Caron was concerned by the density on the property and the lack of green space, Ross stated that it is close to the school that could provide green space. Councilor Viscomi was in support of more housing. Councilor van Sluis asked how the project could move forward, city attorney Scott Riggs explained that the Council could continue this item and direct staff to bring it back with findings for approval. Spooner asked if the applicant was not moving in a building if a CUP would be required, Kuennen stated that a CUP would not be needed but they would be required to meet setbacks and a PUD would be required. City Administrator Tim Murray pointed out that for a PUD the city does expect required enhancements, and there are none with this project.

Motion by Spooner, seconded by Wood to send Resolution 2021-229 Deny Applications for Variances, Planned Unit Development and Conditional Use Permit Related to 903 Spring Road back to City Staff to write conditions for approval and carried 6:1 with Councilor Caron voting Nay.

Bids – None

Boards and Commissions Reports, Announcements and Project Updates

The Monthly Financial Report was included as part of the meeting materials.

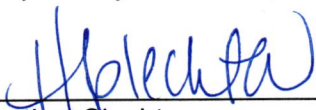
Councilor Caron informed the Council that the Johnston Hall Memorial Committee has begun meeting. Mayor Voracek told everyone to have a safe Halloween weekend, and drive safely!

Adjournment

Motion by Ross, seconded by van Sluis to adjourn the meeting and carried unanimously.

Meeting adjourned at 6:52pm.

Respectfully Submitted,



Heather Slechta
Assistant to the City Administrator