

CITY OF ST. FRANCIS  
ST. FRANCIS MN  
ANOKA COUNTY

CITY COUNCIL MINUTES  
APRIL 2, 2018

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE**

The regular City Council meeting was called to order at 6:00 pm by Mayor Steve Feldman.

2. **ROLL CALL**

Members present: Mayor Steve Feldman, Councilmembers Jerry Tveit, Joe Muehlbauer, Robert Bauer and Rich Skordahl.

Also present; Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Craig Jochum (Hakanson Anderson), City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom, Police Chief Todd Schwieger, Public Works Director Paul Teicher, Liquor Store Manager John Schmidt, Finance Director Darcy Mulvihill, and Acct Tech/Deputy Clerk Lori Streich.

3. **APPROVAL OF AGENDA**

MOTION TO APPROVE THE REGULAR CITY COUNCIL AGENDA BY MUEHLBAUER, SECONDED BY BAUER. MOTION CARRIED 5-0.

4. **CONSENT AGENDA**

Before adopting tonight's consent agenda, Mayor Feldman asked to pull out item E for clarification – Lease Amendment with American Tower – Resolution 2018-13.

MOTION TO APPROVE THE CONSENT AGENDA ITEMS A-E AS FOLLOWS BY SKORDAHL, SECONDED BY MUEHLBAUER, ALL IN FAVOR, MOTION PASSES 5-0.

CONSENT AGENDA ITEMS A-E AS FOLLOWS:

- A. City Council Minutes – March 19, 2018
- B. Fireworks Agreement with Northern Lighter Pyrotechnic for display during Pioneer Days
- C. Acknowledge the Donation Received from Blaine Blazin' 4th for Pioneer Days
- D. St. Francis Lions 5K Run/Walk – June 9, 2018 Pioneer Days Event
- E. Lease Amendment with American Tower – Resolution 2018-13
- F. Proclamation "Week of a Young Child" April 15-21, 2018
- E. Payment of Claims \$ (Check #'s 073960-074028)  
Motion carried 5-0.

Regarding Item E. Lease Amendment with American Tower, Mayor Feldman asked City Administrator Kohlmann what the formula for breaking that down would be.

Kohlmann said that when the lease was originally signed in 1999, they were paying \$1,000/month which includes 3% escalators every year. The last revenue history in 2017 was around \$30,000. This lease was supposed to go through 2024, by extending the lease out beyond that as the terms are listed in the packet, they are going to keep with that same rate structure of increasing the rate at 3% each year, and they are also going to pay the City a lump sum of \$65,000 just for extending the agreement.

Mayor Feldman stated that we would have a one time extending the 8, 5 year term period, with a monthly and yearly lease for the next 40 years.

Kohlmann confirmed that to be true.

Bauer said that he wanted to explain to the public that the \$65,000 is not just spanned over 40 years.

Mayor Feldman stated this is a good deal for the City.

Tveit asked if there was a location that these funds would be dedicated to.

Kohlmann stated that he spoke to the Finance Director about that and what was decided was that they would go through the steps to get the approval to sign this agreement, and once it proceeds, they would come back to Council and ask what they would like done with that money.

Tveit thinks the Capital Improvement Plan would be a great place to allocate these funds.

Muehlbauer agreed.

Finance Director Mulvihill said that right now it is allocated for the General Fund.

MOTION TO APPROVE THE LEASE AMENDMENT WITH AMERICAN TOWER –  
RESOLUTION 2018-13 BY BAUER, SECONDED BY MUEHLBAUER.  
MOTION CARRIED 5-0

## 5. **MEETING OPEN TO THE PUBLIC**

Amanda Zandlo, 723 Roanoke Street NW would like to thank the Council for taking the time and listening to the residents, and said that the last time she was here they said they were putting together a committee to look into the animal control options, and she appreciates that. She is here today because she wanted to ask them to consider other options for the animal control. The number one concern she has is the

“cash only”. There are a lot of people in this city that can’t afford this and aren’t able to come up with a lot of money in a short amount of time. The fees are ridiculously high. There’s impound fees, boarding fees, potentially \$80/hour for control fee. There are other cities that don’t have this and when you add to it the “cash only”, you have to look at the population and see they don’t have a lot of extra money. They are already coming to the city about the water prices. You may be permanently removing their animal from their home because they cannot come up with the cash. They need other options like credit cards. She is aware that there was an issue brought forth about people disputing charges on their credit cards and that they don’t want to pay for animal impound. But you can’t dispute credit card payments just because you don’t want to pay them. If this was true there wouldn’t be a credit card industry. On the website it says that the animal control company is available 7 days a week by appointment. She’s wondering if weekend days count as impound days. A friend of hers had her dogs tagged and one was chipped. They were picked up on a Friday but they were not notified until Monday. So if you are not going to be notified on the weekend then they shouldn’t be counted as impound days. If they are picked up on a Friday and you aren’t notified until Monday, you have a shorter amount of time to come up with the cash. This does not make people irresponsible pet owners because most people’s dogs get out by accident. She would support higher fees for repeat offenders. But for the average person whose dog got out, you should not be so punitive for an accident.

Mayor Feldman responded that he got her email and he did respond back to her and appreciates her thanking them since they don’t get a lot of thank you’s in this job. The committee hasn’t had a chance to meet yet because they’ve had some other things come up with a little more priority right now for development. But they have every intention of doing that. Police Chief Schwieger has looked at four different companies, Dovers, Gratitude Farms, Quiet Oaks Kennels and Online Retrievers. They are looking at everything. The decision will be based on what’s best for the majority of our residents in the City of St Francis, not the City of East Bethel, not the City of Ham Lake. He wants to emphasize to everyone that this will be a fair, impartial decision. Not based on Facebook posts or emails. He’s had enough of all of that. This is one of those polarized situations he’s ever seen built up. It’s either for or against. There’s nothing in the middle. They are damned if they do and damned if they don’t. Our decision will be based on what is best for the majority of the residents here in this city. What she does in East Bethel is East Bethel’s business, and Ham Lake, that’s their business. He’s concerned about our residents and our dogs. He believes the Animal Control Officer’s main responsibility is to get these animals back, in the best shape, to their families that love it, in the fastest, most responsible way. He is an animal lover himself, and that is what he would want. He’s read a lot of documents, he’s had a lot sent to him, he’s heard a lot of complaints at the State level, to City level, to County level, and has done a lot of research on this. Mayor Feldman, along with Councilmember Tveit and Police Chief Schwieger will be on the committee together and they will have interviews and they will make a decision based on that. He just wants to say that the people doing the Facebook posts, you are not doing

yourself any good service. You are doing a disservice. He does not go by Facebook at all. If you want to talk to the Council you need to come to a meeting and discuss it with us openly and face to face. He doesn't like threats from people saying he's in a "sh\*t storm" like what was said to him in an e-mail on April 2<sup>nd</sup>. Threats like that don't do any good to anyone. You need to come in with common respect and common courtesy and we will discuss it with you and give you the best response we can. As he stated earlier, his opinion is that the Animal Control Officer will get that dog in the best shape it can quickly with the family that loves it in the most responsible, prudent way that they can.

Wendy Warren of East Bethel would like the Council to address the city code. She thinks that makes it a really hard job no matter who you hire for the job. The city code really interferes with what the Animal Control Officer and the State Statute says. Your city code says if the owner doesn't pick the dog up after 5 days, the Animal Control Officer is actually supposed to euthanize the dog. It also says that the Animal Control Officer has to be open for 24 hours a day, 7 days a week. Right now, your current Animal Control Officer is a one man band, and also a Firefighter. She used to work for the City of East Bethel, and when she worked there, she responded to a lot of the day calls. She's sure she can do both of those functions, and she's sure that a lot of the other Animal Control Officers have other cities and are having to run out to those other cities to pick up animals and she doesn't know how many people they have on their staff. So she doesn't know how many hours that person can be open. But your code has to definitely be looked at as part of your committee because there's things in there that, unless it's best the owner specifies after seizure that the dog not be used for research, there's no way that the current Animal Control Officer could ever do that. As a resident of East Bethel, when she goes to the dog clinic, she's always around the 10<sup>th</sup> person to get her dog licensed. She never goes on the St. Francis website, never sees anything about getting your dog licensed, and whenever they have the dog clinic they didn't charge for licenses because it's promoting that you get your dog licensed so the Animal Control Officer can call and find that dog owner. You saw what happened over there. She just lost a dog in November and it really pulled at her heart. If that were one of her grandkids dogs, she would have fought like crazy to get it back. She would still be fighting and giving money left and right to get that dog back. None of us know the real story and never will. You guys have gotten repercussions from it, as well as others. All of this needs to be cleaned up before you can go out and award a new contract to any of these four people. She doesn't care who it is but if either of her dogs get out she wants to be able to go out there and find out how to get them back.

The other thing is that all of these companies say that they will advertise on their Facebooks that your dog is lost. Your ordinance says that it is supposed to be posted at City Hall. We all need to remember that a lot of people still don't have access to internet or uses it, so pick a couple places like County Market, City Hall, where it can be posted.

Mayor agrees that euthanasia should absolutely be the last thing.

Community Development Thunstrom stated that without having the code in front of her, she wouldn't want to misquote our ordinances but it is something we can look at.

Mayor Feldman said that they will take this into consideration when the committee meets. They are not taking sides anywhere along the line. They are trying to get the best care and if it's a website they need to upgrade or posting in different sites, it will all be taken into consideration. They want to get this right.

6. **SPECIAL BUSINESS**

None

7. **PUBLIC HEARING**

None

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

River's Edge Development (Laketown Homes, LLC) – Planned Unit Development – Res 2018-14

Ben Gozola, City Planner, explained in detail, the River's Edge-Planned Unit Development (PUD) as outlined in the staff's report in the agenda packet.

Mayor Feldman stated that the county will do a traffic study on 235<sup>th</sup> and Rum River Blvd., and that's never been done before. We will have to wait to find out but at least that's a start. What he likes about this development is the fact that there's slab on grade homes for seniors, no steps. That's a good thing as our population gets older. There are also different sized lots, some city lots and other larger lots coming up in the second phase. Will Phase 2 have acreage lots or slightly below acreage lots that veer off of Rum River?

Gozola answered that until we get to Phase 2 he can't tell exactly what to expect. But what he had heard at the Concept Plan was yes, this will tend to be more of your senior living, patio homes, association, probably maintained for the older members of our community. We then get into more entry level lots for that segment of the community looking to buy their first home at decent price points, and as we move West, especially once we get on the river, then we are talking about the larger lots that are going to have the higher price points, and higher quality home.

Mayor Feldman said he likes the mix of it but also wants to point out to the public that this started way back in 2004 and 2006. The economy took its fall and that affected this development.

One concern he would like to address that came in on a letter from a gentleman about how the road system ties in on the second phase and he didn't believe we should be dependent on the second phase. Feldman had a discussion with Thunstrom and nobody knows what the economy is going to do, but what Thunstrom told him was that we will see how it pans out and when the second phase comes into play adjustments or modifications can be made at that time so nothing is etched in stone.

Feldman said there's going to be a temporary road for construction and access now that will become permanent to the second phase from what he understands.

Gozola said that is correct and it will be between Lots 6 and 7 and those two lots will not be allowed to be platted until such point that they add additional access into this area. The details and specifics of how we would mark the date on when that came out, we would continue to talk to the developer on that and put it in stone once we get to the final plans. But yes, temporary access is what is proposed.

Feldman asked as far as the study by the county, the county could change that if they decide there is a need for it because the population and traffic flow has increased and there is a need, can they decide if they want to go temporary or permanent, or whatever they want to do?

Gozola said it is a county road so they will definitely be at the table talking about what is most appropriate there. For the city's perspective, he would think it would be most important for our short term and making sure our construction traffic is not impacting our roads, keeping it open for construction traffic as long as possible.

Feldman said he wants to emphasize to the public that this development is 200 homes in total between two phases. It is not something built out in one year. This will take over five years if everything works out right.

Councilmember Skordahl said he was at the public hearing. There was a lot of feedback from the residents in the neighborhood to the south regarding traffic. He can't blame them but doesn't know what to do. Just like the Woodhaven Development when we have these neighborhoods that butt up against a county road and have to rely on someone else to take care of our traffic issues. He's anxious to see what the county comes back with for the plan for 235<sup>th</sup>. But he does think it will be manageable and it won't be built out overnight. Regarding the fence, he doesn't know where we got to the idea that if somebody does something with their property they need to put up a fence to keep people out of my yard. If someone is going to develop in the lot behind me, and I don't want them on my yard, I put up the fence. I don't expect them to put up the fence. It shouldn't be a surprise that this was going to happen. A couple citizens made that comment and one of them said had he known this was going to go in he wouldn't have bought his house. As you are putting out a lot of money on a big

investment, I think it's incumbent on people to stop in to City Hall, ask questions, go online, go look at a zoning map, go look at a comprehensive plan. We don't do any of this in secret. He thinks this is a good use for this land, he's just a little bit concerned with 235<sup>th</sup> and is curious to see what the county is going to do but he thinks that will be balanced by the fact that this will not be built out all at once. He did have a question for Public Works Director Teicher about what they do with the snow when there's a cul-de-sac. Is the snow pushed into adjoining property?

Teicher said that generally when there is a dead end like that there is a barricade sign. The snow will be piled to the barricade sign, not onto adjacent property.

Engineer Jochum said that they did make those comments if there are some of these stubs that need to be plowed they do need to put in temporary cul-de-sacs. Some of them want a driveway so they don't have to, but Public Works has to plow so it has to have a temporary cul-de-sac.

Skordahl said there is a lot of good dialogue from the neighbors. By definition, we are going to grow. You are going to have urban meet rural at some point. This happens to be moving that split another quarter mile north. In a few years it will move a little bit farther north.

Mayor Feldman said that progress is a double edge sword. People are going to like it others aren't. We can stay back 20 years and those people will like it but then other people in the urban area won't like it. We are in between a rock and a hard place and are trying to do this smart and common sense as possible. Will there be pain through the development period of time, yes there is. There's always two ways to look at it – a positive and a negative. We are looking at the broader big picture of the City of St. Francis. We can't just look at it as the rural or urban. I moved out here for the rural as I'm sure others have also, but things are going to change, times change and that's what we are dealing with right now.

Councilmember Bauer asked Gozola about the park on page 13. Is Phase 1 and Phase 2 utilizing this entire space or will Phase 2 have its own park location?

Gozola said that Phase 2 is anticipated to take care of the passive park that is called for by the comprehensive plan. As part of the concept plan, what we were looking at is preserving as much land as we could along the river. That also helps to preserve one of the goals of your comp plan in the Rum River Management District which is to protect that water body. The less development we have on there the more we can control runoff and the less runoff that goes into the river, the cleaner it is. It is yet to be discussed as to how much acreage.

Bauer said he was confused by the 9.6 acres for all phases. When broken down Phase 1 is 42.0 acres which means 4.25 acres should be allotted. This area doesn't

meet that, so he just wants to know, for his clarification and understanding and the public's, understanding of how that concept goes with that formula to get to \$948.00/unit for the park dedication.

Gozola explained that anytime someone develops a property, whether it's residential, city or industrial, your city code does require that you're bringing more people into the community, either workers or residents, that in turn is going to create a burden on your park systems because people will want to be outside and will want to have picnics, their kids will use these facilities. Your plan looks at the overall community and the question is how much park land do we need to service our community? Then looks at where are the locations that are most appropriate. We don't want to overbuild the park system where we would have a financial burden on our hands. In this case the comp plan is identifying a need in this area because we have so many residents in Rum River Bluffs and we envision so many more residents to the north. With this opportunity we are able to provide this added park. In a residential setting it's a 10% requirement so we are dividing that requirement between Phase 1 and Phase 2. Phase 1 being 42 ½ acres and 10% of that is 4.25 acres of usable land. We are looking at this parcel which is 6 acres in size but not all of that is usable. We are only going to try and do what is actually what someone in St Francis may use and that is about 2.35 acres. Because there is a difference in the 2.35 acres and the full 4.25 that they have to provide, they then have to pay cash in lieu for the land that they are not dedicating and the city's fee schedule has a formula in it that tells us how much they have to dedicate per unit.

Councilmember Muehlbauer's concern is the traffic, but as Skordahl said, it will be slowly built in and we can hopefully get it addressed and being it's a County road, we are at their mercy. If he read right, it said when it gets up to 239<sup>th</sup> they would allow that to be an access. He has no other concerns.

Councilmember Tveit likes the idea of the construction access between lots 5 & 6. We had the same issue in Ivywood when they were building up the Ponds. When there's a lot of heavy trucks driving on a residential road it really tears up the roads. So having that separate entrance will save those roads a lot. It's the same argument with the garbage trucks. You get a 5 ton road and a garbage truck that's 64,000 lbs. no wonder why they wear out. It's not just garbage trucks, it school busses, etc. Any little bit that you limit them just prolongs the life of the road. He likes that idea. Anyone that lives back in Ivywood knew how bad those roads got. Those roads were only 12 years old and were supposed to be a 30 year road. It was because of the road construction driving on them. In general, he's in favor of the development and likes the idea of the park and not giving them credit for swampland. It's not usable, it's green space and there's not a lot you can do with it.

Developer is here and came up for comment. Dale from Waconia, MN. Been working on this project since late last summer. Initially they thought they would take the



existing plat approved back in 2006 but speaking with City staff, and the outside engineers, they came up with this concept which incorporated the park. It's down below the Rivers Bluff development and he doesn't think they have a park in that neighborhood and would have to cross a busy road. The different life cycles is important to him. Slab on grade is in demand right now and hard to find. It's retired empty nesters up to senior citizens. He's proud of the development and knows things are going well. He believes the city will be running out of lots soon and this keeps that momentum going which is important. Builders are fickle and will go where the building is happening.

Feldman asked if he had picked his builders yet for this development.

Developer answered yes, that there are two builders that are very active in St Francis right now. They've signed purchase agreements for the first 30 lots and they want to get going. This is a big step tonight and it's good to hear the positive comments. Traffic is a concern and he wants that temporary county access. If it ends up being permanent that could be good too. He understands if it's on a curve and its within a quarter mile of another county entrance or intersection, they may not allow all of that, but they may not allow temporary. As a Developer, he's a little worried that they come back at final plat and the county says they don't allow any access there its a safety concern and we are going to shut that down. He wants that access too but his hands are tied. Back in 2006 the same thing was proposed for permanent access and he believes the county said sorry, your access is at 235<sup>th</sup>.

Feldman asked about turn lanes that are supposed to be coming off of 235<sup>th</sup> in the last development.

Gozola said that is correct and he understood that there is money to put towards those improvements, but the City and the County want to make sure we are using those funds as wisely as possible so if there's a better solution to use those monies to put towards that vs. putting in turn lanes right now and then turning around and doing something different.

Feldman thanked the Developer for his professionalism working with the staff and has received good compliments on that. What the City is looking for is long term, reputable development. That helps us out and helps the residents out. He also wants to emphasize that what he likes about this is the mix of slab on grade, city lots, and bigger lots. A lot of times you will see in developments in the first phase and the second phase is basically the second phase is a copycat of the first phase. This is a nice mix and complimentary to the City. It adapts to all - senior years, younger couples, and the people that mix in the middle that may want a bigger lot, and be on their way to retirement.

As he mentioned before, progress is a double edged sword so there's going to be some headaches with the roads. The road speed 55 onto 235<sup>th</sup> was default and there

was never a study there. Hopefully if they see what the population growth and traffic flow the County will be wise and make a decision there, but we are all at their mercy.

MOTION TO ACCEPT RIVER'S EDGE DEVELOPMENT (LAKETOWN HOMES, LLC)  
-PLANNED UNIT DEVELOPMENT-RESOLUTION 2018-14 BY MUEHLBAUER,  
SECONDED BY SKORDAHL, ALL IN FAVOR, MOTION PASSES.

B. TH Construction of Anoka Inc. – Variance Request – Resolution 2018-15

Planner Gozola explained, in detail, the variance request from TH Construction of Anoka, Inc. as outlined in the staff's report in the agenda packet.

Feldman stated that it is his understanding that this comes into play because the market has changed. On page 2, he sees that there's not much difference between lots 25 and 30. And for Lots 33 and 34, the key to that is that it's garage to garage, not garage to house. He's seen from over 25 years of building that if you increase the size of the house but the lot doesn't give in proportion, it's gotta give some place. He prefers bigger setbacks but it's not house to house, it's garage to garage. Times change and things change, and he just wants to point out to council that he's not concerned with going back to 10 feet for these setbacks.

Muehlbauer does not see an issue and agrees that it's not a huge difference. As long as it doesn't become a consistent issue.

Tveit said that he's inclined to approve this and it is consistent with what we've done in the past. Gozola did a great job laying out the facts.

Feldman mentioned that there's no cookie cutter plan for everything. We look at everything on an individual basis. Just because we did it here doesn't mean we will do it in another development

Tveit said these are the last lots to be developed. It's not like they just started this development and they want to do this. We are talking about the last unit to be built and it just worked out that way.

Bauer said that he also has no issue either and just wants the lots to be built out. His only concern is what the structure will be. He would like to see that it's brick faced even though it's garage to garage just from a firefighting standpoint and being that they are close, you could have both of those houses go up.

Gozola said that he doesn't know that yet because they don't have the actual building plans. Since this is only the variance step. This building has standards that absolutely have to be met.

Skordahl said he doesn't have much to add. Only one person that made a comment at the public hearing and he was a landowner to the west and his concerns were addressed about the rear yard setbacks and this doesn't affect that. Developer came up with a good way to make this work. Moving the living space to the inside rather than the outside. He likes it.

Mayor Feldman commended Sambatek and Gozola on the simplicity of their reports.

MOTION TO ACCEPT TH CONSTRUCTION OF ANOKA INC. VARIANCE REQUEST  
– RESOLUTION 2018-15 BY TVEIT, SECONDED BY BAUER  
ALL IN FAVOR, MOTION CARRIED.

C. HVAC Replacement for Liquor Store

Public Works Director Teicher stated that this is a budgeted item for a planned replacement of some outdated HVAC units in the Liquor Store that have been there since 2002. They will be replaced with 92% efficiency units.

Feldman said that one thing he's curious about is that it's a 3500 square foot building, and there are two heat and two ac units that are separate, not combined. This building was built early and added on to and it's late in the game but it's too bad that when it was redone, that the ducting wasn't redone to have it be one unit instead of two. He wished it could have been thought out better. To him, it's just not that big of a building to suffice having two heat and two ac units but the way it's laid out and roughed in mechanical wise, that's the way it has to be. Going from 80% efficiency to 92% efficiency is a good thing though. Are there good warranties in place? And when will the work begin?

Teicher said that that the warranties are laid out in the proposal. He wasn't sure when it would be scheduled he's guessing it would take some time to get it ordered once it's approved.

Bauer was confused because they are saying it was a budgeted item and the funds were available in the liquor fund. So it's under your budget, but not the liquor fund profit fund?

Mulvihill said it is the same pool.

Bauer said that he doesn't see that as a budgeted item through the liquor store. He sees that coming out of the liquor fund profit fund. How do we say it's budgeted through the liquor store fund?

Skordahl explained that it was a planned thing they were going to do, it's just coming out of a certain account. He thinks it's something that needs to be done to keep our buildings well maintained. There's a plan in place, and he assumes it won't happen for

another 12 years.

Muehlbauer has a general question about all of the items that need replacing. How many are rooftop?

Teicher said he thinks over 70 different styles of units, whether they are the ac coiled units, rooftop combos, garage heaters that are tube style, radiant heat, etc. There's a wide variety.

Muehlbauer said that rooftop units are out in the elements and their usable life can vary. So he's curious about the contract and what all does that entail? Do they come out and change filters on a monthly basis?

Teicher said the service contracts are a different proposal. What we ask of these four contractors, through either a current or expired contract is that they have identified all these points of all 70 plus units throughout the city. They've identified what we want them to look at twice a year, spring and fall. They look at a lot of different things, depending on what kind of unit it is and will replace belts, filters, cleaning, They will go through and look at each piece of equipment. It's a preventative maintenance program.

Muehlbauer asked if that includes parts.

Teicher said that would be on top of those unless it's covered under the warranty.

Tveit asked if the rebates are through the gas company.

Teicher answered that they are through Centerpoint and Connexus.

MOTION TO ACCEPT HVAC REPLACEMENT FOR LIQUOR STORE BY BAUER, SECONDED BY MUEHLBAUER, ALL IN FAVOR, MOTION PASSES.

D. HVAC Replacement for Warming House

Teicher explained that the warming house is a similar situation except that it's a single ac unit and a single furnace that needs to be replaced that was installed in 2001. It is at 80% efficiency, and will be replaced with 92% efficiency.

Feldman mentioned to the council that if they recalled at the beginning of the year, they got a big box of notebooks. In that box of notebooks was the City of St. Francis 2017-2026, 10 year plan for the parks facilities, addition, rehabilitation and replacement. The first thing planned was the replacement of the warming house furnace condensing unit for 2017-2018. Estimated cost \$18,400.00 but it turns out that its \$6,921 so we are basically 1/3 of the cost. So we planned properly. He likes the way the bid process was handled and that the names were taken off the criteria and

everyone was bidding on the same, apples to apples. Not apples to oranges.

Muehlbauer said that the only thing he would say is that the cost of these units and you are getting both for that price, would be reasonable.

**MOTION BY MUEHLBAUER FOR HVAC REPLACEMENT FOR WARMING HOUSE, SECONDED BY SKORDAHL; ALL IN FAVOR, MOTION PASSES.**

E. Heating, Ventilation and Air Conditioning Service Contract for City Buildings

Teicher explained for their consideration is the contract that they asked four different providers including our current provider to bid on. The previous contract had expired. They are referring to the waste water treatment plant. They want to make sure they have this equipment under a preventative maintenance plan contract. The companies would come out twice a year and make sure the equipment is in working order for the summer cooling or winter heating and do any maintenance that they can at that time and we aren't paying for emergency situations. In the past, what they have seen is that when we do have an issue that comes up, as long as we are referencing our service contract when it comes up we are able to receive some preferred services as far as pricing and time.

Feldman said basically what they are doing is the start-ups for air conditioning season and heating season. By keeping on top of it they can catch any issues before they get big. Service contracts are a good thing.

Bauer asked where this is being funded from.

Teicher said these contracts are typically taken out of the operation and maintenance departments. There's a line item for building repair and maintenance. That is in every yearly operation and maintenance budget for every department.

Bauer said if they come out and do their service on the Police and Public Works building as an example, would it come out of that fund?

Teicher said that when the bill comes in he works with Mulvihill on a breakdown of nine departments it would come out of.

Mulvihill said if it is at one specific facility, it would be charged to that facility.

**BAUER MADE A MOTION TO APPROVE THE HEATING, VENTILATION AND AIR CONDITIONING SERVICE CONTRACT FOR CITY BUILDINGS, SECONDED BY TVEIT, ALL IN FAVOR, MOTION PASSES.**

F. WETT Program Student Internship

Teicher explained that the WETT Program, located at St Cloud Tech, is a water program where students will study water and waste water treatments and they can enter into the water and waste water field, operating a water or waste water treatment plant. Through the program students are required to have a water plant internship and a waste water plant internship. We have two students through that program that are interested in coming to our wastewater treatment plant. This gives them field practice and field study. It's a two week, unpaid program for each student. One of the students was here last fall as our water plant intern, and the other is just a student that wanted to come to our facility. Insurance is covered by their school.

Feldman thinks this education is a good thing and there's no cost to the public.

MOTION TO APPROVE THE WETT PROGRAM STUDENT INTERNSHIP BY MUEHLBAUER, SECONDED BY BAUER; ALL IN FAVOR, MOTION PASSES.

10. MEETING OPEN TO THE PUBLIC

None

11. REPORTS

Community Development– Annual Report

Community Development, Thunstrom explained that in their packets is an overview of the Community Development Department for 2017. On page 4 she talks about our economic development, and one thing that comes clear with the economic development is that there's a lot of need for patience. A lot of these projects are years to months in the making and many of them you may not see completed until 2019 or 2020 but all of them are moving forward. On page 5 she's discussed the cities ongoing work with both our local St. Francis forward plan and a county wide initiative. Both of these items will continue to grow and be part of the development. They have goals that will provide the city with a strong economic benefit and we will continue to work through both of those as strategic goals. On page 6 she talks about the housing. For 2017 and what's starting in 2018 already, housing has been our most visible success. Our old lots are being sold. Currently there are only 48 single family, water/sewer lots available that are not part of a townhouse development. So we really are coming to the end of our water/utility supply. Within the report she has outlined an additional new 179 units, and that is a positive thing. On page 7 & 8, she discussed that Community Development is one department that is supported by the revenues of their responsibilities. The fees for building and zoning permits support the department increases that come with this role. She has provided a history of how the building department responsibilities have increased and the revenues that are generated by those needs, along with a value of the community of those improvements as a whole. On page 9 she has addressed the code enforcement and depending on the resident, this can mean a simple letter to working with our legal counsel. We have two

properties that are under legal advisement. And she also mentions some of the major code changes that affect the community development department as a whole and staff continues to work on the updating and creating forms for the changes of the codes and the language. On page 10 she addresses the ongoing frustration. Some of the programs that she inherited were severely out of balance and we've consumed a lot of time in regards to getting them back on track. Staff working together as a team has helped pull many of these back on track and we have some real efficient processes that have started, including the use of Permits Works and the tools that have become available to us. Additionally, the outreach to developers requiring the planning and the data, we have had some planning tools that have been created in the past year. Having those tools can allow us to market to developers and builders. Following the report is a copy of the letter that will be sent to households. We need some information in regards to septic maintenance records. This update and ongoing tracking is important as it requires the city to comply with MPCA annual reporting and our comprehensive plan. So this documentation has fallen behind over the past couple of years and it does require that we get caught up. Once this documentation is received, we have set up Permit Works to track it.

Feldman said that one of the things on page 10 is listed as conditional use. This was brought up by one of our residents. These Conditional Use Permits are out there but how do we know 5 or 10 years later if the Conditional Use Permit is being serviced the way they were approved for. There's a lot on everyone's plates at the City right now. This will be addressed and we are trying to prioritize what we can. He would like to trust and give everyone the benefit of the doubt that they are still using their Conditional Use Permit the same as when they received it 5 or 10 years earlier. He thinks Thunstrom's department is doing really good and there's a lot of things on their plate from the past and trying to catch up to move forward.

Skordahl also agrees that Thunstrom's department is doing a great job and hopefully they can stay prioritized on things that need to be done. Having said that though, he understands how we need to treat problem properties and that we need to go out there or give letters to residents that have 10 cars parked in their front yards, but if their neighbors don't mind, he will get off that bandwagon. Those kinds of things take staff's time away from stuff that needs to be done to help our city move forward. He wishes we didn't have to deal with problem properties.

Skordahl also wanted to discuss the septic system letter. He doesn't understand why the resident needs to send the city \$20. He does understand when you get a piece of paper and you need to log it some place and keep track of it, and that takes staff's time. But he's multiplying the number of homes with septic systems by \$20 and can't justify the cost. He also understands that the State comes up with this requirement, but they don't send any money to the city to deal with it. Just like Stormwater Permits. This is one of those "unfunded state mandates". Residents shouldn't be mad about us doing this, it's a requirement by MPCA. He does question the \$20, but is willing to listen.

Thunstrom answered that the \$20 is the fee that is actually set by our fee schedule. We had discussed the properties in the past and whether or not we expect them to catch these up, however, like many, they've had many years of missing that \$20 fee, so to get all of these caught up, to get these mailings out, we do expect the majority of them will have the documentation to complete it, and just need to turn it in. We do have an expectation that there are a handful of properties that have not been doing it and are either draining into a ditch or have a failed system and running into grass in their back yard. The fee is something we can review with our fee schedule on an annual basis. Right now the \$20 is the fee schedule that is in place. We will have the full knowledge of how this will proceed once we start pushing it out and actually getting it on track. There is an annual report for the MPCA that they are supposed to be completing. That has been loosely completed the past few years. There is also an expectation with our Met Council reports that we are recording. Septic systems are what drove a lot of this to light that we were missing these answers, because we had answers that we weren't able to give to the State.

Bauer stated that the overall report is really good. His understanding on the septic is that the \$20 fee would only be collected every three years, so it is something that needs to be tracked. He doesn't feel that it's too outrageous in three years to have your septic pumped because if that leads into your neighbor's yard or whatever, it needs to be tracked. We don't ask a resident that come in to a city building that lives on the sewer system to pay for his water bill. He pays for his water bill because he's on city water and city sewer. This is a fee schedule that is set up to track septic systems that should be pumped every three years and he can guarantee many residents in St. Francis are not doing that, and they need to so our Stormwater fees don't increase because we are pumping our sewage out into our culverts and such. He commends Thunstrom on the septic issue and bringing it back up to standard.

Feldman said there are residents that take care of their septic systems and those that don't. This is to catch those that don't.

Muehlbauer agreed that Thunstrom's department is doing a good job overall.

Tveit mentioned about septic systems and the reason why you have a septic system pumped is because the solids build up inside the septic tank and those solids will overflow into your drain field. Once that happens, it plugs the drain field and you are forced to abandon your drain field and build another drain field. The reason why this is important is because when a house is built, they will allow for where your drain field is going to be and there needs to be room for a secondary drain field just in case. But say it happens twice. You don't have any more property to put in another drain field. He could take the position that it's not government's job to make sure that your getting your septic system pumped, but the problem is once you've run out of space to put in another drain field, your septic system has failed and now your home is non-livable.



You just can't put a drain field anywhere. There are setbacks. So he does support it. Just like being on city water, there's costs to that. There's also costs to being on a septic system and having it pumped is just one of those costs. One question he does have and heard it along with the Stormwater fee as well, is if this is something that will be billed separate or will it be assessed and put on their taxes?

Thunstrom said that the fee comes in when they pump every three years. The pumping companies will come in and pick up 10 or 12 permits. They assign these permits addresses and bring them back, so there is a system in place with the pumping companies and the city. We are just missing the data.

Feldman said that there's a lot of things that this city is doing that the public doesn't see, for instance at the last meeting they just passed a PUD for Woodhaven of 55 mobile lots, expansion and 2<sup>nd</sup> phase of that one, River's Edge, 200 homes over 2 phases, the Meadows is coming back to us this summer, etc. So really we have over 300 lots over the next five years that have potential to be built up. On top of that we have Isanti Bicycle moving in right across from Public Works, Semler Construction putting up a facility next to the liquor store. There's some retail in that. We are doing a lot of things. What he asks for from the public is their patience. He knows everyone wants to see shovels in the ground – so does he. But the one thing he wants to emphasize here is long term, reputable development. We want to make sure that when people come in, like the Developer tonight, gets the information to us as required, does it in the way to keep the flow going, because we have a responsibility to the taxpayers and the TIF District. The main thing is they want to see long term development so years down the road we can look back and see a city that's progressing in the right direction and not look back at empty buildings and question why we didn't ask those questions and take the time to do the due diligence and do it right. One of his main concerns is leaving no question unanswered by the public. It may not always be the answer that they want, but they will make sure to take the time and due diligence to get them an answer. There's things that you don't see, but we try to keep you informed through the city website and newsletters. You can even call the city and we will tell you. We have assisted living coming, we have a rehab center coming and he wants people to know that development is the key to getting these water rates down. We've been working on that for well over a year and are committed to that and we will do that, but it does take time. He wishes that the residents would give them the benefit of the doubt and know that Rome wasn't built in a day, neither will St. Francis be. He wishes it could, but it won't.

**B. Councilmember Reports-**

Tveit doesn't have anything to report. Just wanted to remind everyone to please drive slow in the snow. It's that time where the kids are out to play, out in the streets, getting off the school busses. Be safe.

Muehlbauer spent some time with Police Chief Schwieger regarding some concerns from the residents. He also got a tour from Teicher of the wastewater treatment

plant.

Bauer just wanted to say that he appreciates the emails and dialogue between the residents. All good things come to those who wait and he thinks they are pushing forward with a lot of good things, so be patient.

Skordahl mentions to bundle up if you are going to one of the Twins game. He also wanted to mention that he received an invitation from the United States Government in his mailbox to participate in a census. If you received one in your mailbox, please be sure to go on line and do it.

Mayor Feldman reported that the animal control issue is being taken serious. They do have a lot on their plate right now and the development is a big part of that. The Committee for the animal control issue is made up of Councilmember Tveit, Mayor Feldman, and Police Chief Schwieger. They will be interviewing people, diving into the facts, to see what pertains here. But once again, he would like to emphasize here that Facebook posts and e-mails don't do any good. They just do a disservice to each side. Give us some patience and time to deal with this and we will make the decision as we always do based on what's best for the majority of the residents of this city. He's been inundated with the calls, e-mails and Facebook posts and it just drives him crazy, and the decision needs to be based on what's best for the residents and the animals. He can't emphasize enough that the sole job of the Animal Control Officer is to get that animal in the best shape as possible, as quickly as possible, and back to the families that love them. There's also the responsibility too of the other side of the family whose animal that is. Leashing, walking your dog and picking up when it goes to the bathroom, etc. is showing responsibility. You see this in every city. We will be going over this in our ordinance section We will look at it thoroughly as we always do. Let us get through this other stuff and we will get on to that.

He also wanted to talk about cuts. This city for a long time has run lean and mean. We are in a good direction as far as going forward. In doing so, you have to spend money to make money. The key to this is spending the money wisely. We collect the tax rates the same, by taking advantage by the market out there. He received a study from City Clerk Barb Held, of three cities, six cities total.

Three cities kept their rate flat because they said that by development along with the market forces out there, they will not have to burden people with the higher taxes. The point is, we are not doing this to gain money to spend in ridiculous, frivolous places. We are doing this to spend money in good places. For instance, the main reason we are doing this is and we are going to take advantage of with the market out there really relates to the \$166,000 value home, assessed value, your property taxes will go up \$50.00, but that \$50.00 taken over our population will be put into use for road improvements. Eventually hoping to do away with assessments. For residents living in St. Francis you know that the roads need improvement. Ten years, twenty years down the road they will need more improvement. You can't ignore a problem

and expect it to go away. If you don't confront the problem it only gets worse. So what we are doing now, with the mindset of the Council and staff working with us and hopefully the residents, we are taking the money with the rates keeping the same and the market forces around us from the economy and the construction that's going forward in the positive territory for good purposes such as road improvements. He doesn't like assessments any more than anyone else does, so they are trying to be smart and get ahead of the game. Like for instance, the Plan-it Software and what that has done for us. Plan-it Software has allowed us to look at the expenditures we need and that are coming down the road and plan for it. A successful plan is only as good as the preparation behind it. The success of that plan is important in the total picture. It alleviates chunks of 45-85% rate hikes on water bills by gradually raising rates and allowing people to adjust that into their budgets, and that's important. For a couple going out to a movie theater once or twice a month, if they know there's a \$25 increase coming through their budget, they may want to take out one of those movie times. What we have done in the past is waited until it is too late and then our backs are to the wall and we are forced into these rate hikes. His point is this, we are now taking the blinders off and thinking long term for the progress and development of the city. That's a pain in the beginning but it will streamline out down the road. He's all for cuts as long as you can show him long term dividend. If we cut too much, our services will be down and we can't allow that to happen. It's nice to provide the services as long as our services are the same or better than what we had at a lower cost. That's a good thing. Teicher had said there was a mixing unit for a water tower that needs to be replaced that keeps the water flowing in the winter time and it doesn't ice up. Instead of doing that on a separate occasion and then draining the water tower for maintenance he's going to bundle it together and do it at one time. That saves on money, labor and time down. Those are smart things. The buying the plow truck vs rehabbing the Florida truck was a savings in the beginning it costs us money in time as far as being stuck in the snow and having to plow the roads twice and the cost of labor. Now we have a truck that services us better and that was a good expenditure. What this council is doing with staff, and he emphasizes this, is spending the money in the right places. Yes we are spending some money but because in the past it was running lean and mean. Lean and mean will never get us to the growth factor that we need to get to. He hopes to see in the next 5-8 years this city grow from 7400 to 10,000 in population. He thinks that's a good fit and he thinks they could control it. To get to the 12,500 that Met Council thinks we should be at, that's going to take an expansion of our Municipal Urban Service Area. That's going to cost us money and to do that, we would need money, so we need to expand. Utility rates will go down as our development goes up. The more people on our system, the lower our rates will get. It won't happen overnight.

We had some hints on our website about saving water like replacing the caps on the toilet, replacing washers and faucets, etc. You can always contact Public Works and they would be glad to send someone out to take a look to see if it's our meters that we may be able to help you with. Those are just band aids to help keep your rates down. To get the rates really down is through development. Kwik Trip is coming in 2019.

Getting rid of those buildings on 47 that have been here for 14 years. Not only were they an eye sore and a safety hazard, and Chief Schwieger wouldn't even let his police officers in there without wearing a hazmat suit. Safety has been the Mayors concern all along and doesn't want residents or kids near that.

The main thing that he can say is instead of going on Facebook and embellishing a problem and making a mountain out of a mole hill, call City Hall, talk to staff, e-mail or come to a City Council meeting to say your concern. Give us a chance to address it, look into it, and research it and then at the end of the day, as he stated before, it may not be the answer you want to hear, but you will know that we took the time to give you a true answer to the best of our ability. If we are wrong, we will find out why and how to correct it. We want you to work with us. That's the success of the city. This city has great potential right now and we just need to be a little patient right now. He would like to see shovels in the ground, but he wants the right shovels in the ground so it's long term development and not something that will come back into their laps 10 years from now and we wonder why didn't we do our due diligence, why do we have this problem now when we could have alleviated that problem. He hopes the public understands that we aren't working against you, we are trying to work with you to make it a better community. He loves this city and puts a lot of time into this city. He would love to be able to walk down the street in 10 years and see the smiles on people's faces when they say look what we've done here, we've made the city better, a better place to come. He doesn't want to lose the rural effect of the city but together we can work urban and rural together for a better city in the future. We have to work where our MUSA plan is right now in our development. He knows people would like to see a Target here. He would also like to see a lot of things here.

When Kwik Trip came here and did a market study when he just became Mayor, they weren't ready to come here but 8 months later he asked Kohlmann to reach out to them and they came out, liked it and now they are coming here. That will continue happening here as long as we continue having a good reputation for long term development. All of the pieces of the puzzle are coming together.

Please be patient. All of the council members and staff want the same thing you do, development, lower rates, we will get there. It just takes time. We have affordable lot prices, we have affordable houses and we need to keep the rates affordable. We will do that. To make a mistake now and set us backwards at this point would be ridiculous. We've done that a long time in the past. This is the time to step up and spend some money in the right places to get that progress going forward. If you have a question, before you go on Facebook and start the momentum going that way call any of our staff. Work with us and not against us. Just like with the animal control issue, that problem might have been able to alleviate easier when we caught it earlier. When the firestorm happened on Facebook it just blew up out of proportions. We will deal with it, it's just a shame that it's taking us away from our bigger priorities that are development right now.

C. Upcoming Events -

- Apr 9 City Council Work Session @ City Hall 5:30 pm
- Apr 16 City Council Meeting @ ISD #15 Central Services Center 6:00 pm
- Apr 18 Planning Commission Meeting @ ISD #15 Central Services Center 7 pm
- Apr 28 Recycling Day @ Public Works 4020 St. Francis Blvd 8 am to 2 pm

12. **ADJOURNMENT**

There being no further business, Mayor Feldman adjourned the regular city council meeting at 8:02 pm.

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Lori Streich, Acct Tech/Deputy Clerk