

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

CITY COUNCIL MINUTES
SEPTEMBER 4, 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, Councilmember Jerry Tveit, Joe Muehlbauer, and Rich Skordahl

Members absent: Robert Bauer

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, Fire Chief Dave Schmidt, 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 tonight's agenda by Muehlbauer, seconded by Skordahl; all in favor motion passes.

4. **CONSENT AGENDA** - *All matters listed within the Consent Agenda are considered routine items to be enacted upon by one motion by the City Council. Items on the Consent Agenda are reviewed in total by the City Council and may be approved through one motion with no further discussion by the Council. Any item may be removed by any Council Member, staff member or person from the public for separate consideration.*

A. City Council Minutes – August 20, 2018

B. City Council Work Session Notes – August 20, 2018

C. Payment of Claims

Motion to approve tonight's consent agenda by Tveit, seconded by Muehlbauer; all in favor, motion passes.

5. **SPECIAL BUSINESS**

A. Presentation of Certificates of Appreciation from the 79th Military Police Co.

St. Francis Reserves Officer Sieber presented the following awards:

For the Department and the Reserve Unit: The 79th Military Police Co. (CS) presents this Certificate of Appreciation for your support, tutelage, mentorship, and leadership that you provided to one of its Soldiers. By assisting the Soldier's transition back to his duties as a Police Reserve Officer following his recent deployment for 15 months, you have assured his success and professional development. Your hard work brings great credit upon you, your department, the United States Army Military Police Corps, and the United States Army Reserve.

Certificates of Appreciation were also awarded to the following individual Officers: Bulera, Dzuris, Allen, Larson, and Johnson.

6. MEETING OPEN TO THE PUBLIC

Troy Ferguson, Superintendent of the St. Francis Area Schools, is here in the spirit of gratitude to give thanks to the Police Department. It's too often that we don't hear about the good things so he wanted to come on behalf of the St. Francis Area Schools and thank the city, and make sure the Councilmembers and officials know what a great job Chief Schwieger and the department is doing. The Liaison Officers are also doing a terrific job and anytime they need anything like training, advice, or help in any way they are always there. On behalf of the St. Francis Area Schools, he would like to say Thank You very much for a job well done.

7. PUBLIC HEARINGS

A. Riverbank Lane/Kings Hwy Street Improvement

Craig Jochum gave a brief overview of the Kings Highway and Riverbank Lane Project explaining that the project basically includes reconstruction of a gravel road to a paved road. They have held a number of work sessions on this project. From those work sessions, the feasibility report was finalized and approved by council at a previous meeting and this public hearing was set for tonight.

In general, the project will include the following:

Reconstruct the existing ditches, remove and replace existing street culverts and aprons, revise the street profile where needed, construct concrete curb and gutter where needed, construct the bituminous surface, restore disturbed areas. Driveway replacement will consist of paved surface to the right of way line, and all driveways will get new culverts with aprons. There are a few driveways that are in high spots and won't need a culvert and in general if it needs a culvert it will be replaced with a new one.

The total project cost is estimated at \$482,600. Of that, 100% of the pavement is proposed to be assessed and 26% of the storm water improvements (\$241,300). There are 29 assessment units on this project, \$8,320 per unit. Council has agreed to an interest rate of 3.68% for 15 years which equates to \$61 per month.

The potential schedule if this project moves forward is as follows:

September 4th – City Council holds improvement hearing

September 17th – City Council authorizes plans and specifications

January 17th – Open bids

February 18th - City Council holds assessment hearing

April/May 2019 – Start construction

July – Project completion

Mayor Feldman opened up the Public Hearing at 6:12 pm.

David Jones, 24455 Riverbank Lane, asked what is defined as the unit. Is it per buildable lot or per owner?

Engineer Jochum answered that it's per platted or buildable lot.

Feldman wanted to clarify the assessment amount is \$8,320 over the 15 years. The annual amount is \$732 and the monthly amount is \$61. Without an assessment this project cannot be completed. They've worked the numbers down since they began working on this 16 or 17 months ago from 10 years at 5% for \$125 per month down to \$61 per month. He's heard rumors about statutes etc. and it's up to you as residents to what you decide. They've gotten the assessment as low as they possibly can. That number may change. It may go down, it may go up. From what the Engineer is saying, it wouldn't go up more than 10%. This public hearing is your opportunity to say what you would like to say, or ask any questions you may have.

Shawn Davis, 24310 Riverbank, is opposed to paying for the storm water portion. The City and Council have been in neglect with lack of maintenance all along. It's the city's water that erodes a dam basically blocking the water from getting into the river and needs to be treated before it gets there. He can't dump his water without paying for the cost. He said that they've also been told that they asked for pavement. He never asked for pavement. It's a luxury that he thinks would be nice, but he can't afford it. He doesn't feel like he should pay for a luxury he can't afford.

Randy Fields, 24320 Riverbank Lane, asked if there is any way a letter can go out with a yes or no. He's tried contacting his neighbors and they aren't home. There are a lot of people that are not here because they can't be here. He doesn't think it's right to put this through when about 75% of the people aren't here. The only way to be fair is to send a letter and have everyone send a letter back. He would be curious as to know what his neighbors think. He doesn't want to see people on his street fighting against each other.

Tveit said that the problem is that we've had several work sessions and letters have been going out. We barely get 50%. This is a public notice, and letters have been sent out 3 times already. It's not just this project, it's every project. As a council, it's very hard to do the right thing when we only hear from the small percentage of people that show up. Short of going door to door and surveying people, it's difficult to find out. And there's a cost to that. Realistically you could do the same thing with an e-mail survey too. Will they take the time to do it or it goes in their trash bin. He gets it and wants to hear from everyone.

Kohlmann said letters were sent at least 10 days before the public hearing plus a notice was put in the paper.

Feldman said he understands what Fields is saying, but this has been going on for 17 months and there have been multiple work sessions. We are getting tired of it as much as you are and they have been trying to give an open ear as much as they possibly can. He isn't going to say that there haven't been past problems. There are two sides to every coin. We are trying to get a solution to this problem. How many times can they put out mailings, how many times can they request that you talk to the neighbors, to get everyone out here to help us help you. That's what this is about. Helping you solve this problem. It all works together. Without the pavement, curbs and everything else, we aren't going to put a band aid on it. That would come back and haunt us in years to come. Whether he's on the council or someone else is. That's what has happened since 1992 already. We want to put an end to it. We are here for you. You have to step up to the plate and meet with us. We can't do it without an assessment though. He wishes we had an open check book to pay for it, but we don't.

Fields asked if the residents decide not to pave the road, the city will not put a penny into it. For so many years you haven't put anything into it. He doesn't understand that because for so many years the city hasn't put anything into that road.

Feldman said that the city won't do anything because it's a waste of money. He stated that there are 29 (Riverbank) residents that have put in \$5,220 into the MS4 fund over the past 3 years. You will be receiving \$236,000 more from that fund that you didn't put in. That's a heck of a deal. Plus the city is carrying the money up front, but that's all we can do. \$482,600 will be carried. Partially from the storm water, the assessment will be \$249,300 over 15 years that the city is carrying for you. How do we tell other residents that that's the right thing to do for you? You are 29 residents, and there are 7,461 more residents to be concerned about. We have to be fair to everyone. You will be the first recipient area for this fund. You should be grateful for that, but it seems like you want more out of it than what we can give you.

Fields asked about the other 29 years that nothing was done. There's a lot of things that happen that not everyone likes.

Feldman said he can't go back 29 years ago from what someone else has done. That's what elections are for. We listen. You are asking for something we can't give to you. We can't give it at no charge. We are doing what we can at the most fair and equitable way.

Fields said there are so many dirt roads in the state of Minnesota and it doesn't seem like a lot of them have this much trouble so he doesn't see why this road has so much water. Fields said he's not holding anyone accountable. He's just saying that the nickels and dimes spent in other places never really were spent out there to do the road right.

Tveit said he doesn't remember if it was at a council meeting or a work session, but a list of work was presented by Public Works that has been done on that road. Whether it be grading, shouldering, or plowing. There has been gravel brought in, and when you bring gravel in you have to temper it, grade it, etc. and to say there has been absolutely zero work done on the road in the past 29 years isn't accurate. What happened 30 years ago is very difficult to hold present council accountable for. Dirt roads are very expensive to maintain. We have 9 miles of dirt roads and we spend a ton of money on those roads vs. what we spend on paved roads. To say the nickels and dimes weren't spent there, he would disagree, because the numbers don't lie as far as those dollars spent. That's why he's always been an advocate to try and get rid of the dirt roads. At a minimum, they need to be maintained at least twice a year. Once in the spring to put the crown on the road, and once in the fall to take the crown off so it's easier to plow. If there's any problems throughout the year they send the grader out again. Tveit said that he's never seen a grader down his road. To say the dollars aren't being spent there, he thinks that they just not seeing the dollars being spent on their particular culvert.

Fields said he's never had standing water on his property because he lives on the opposite side of the river. He's not squabbling about the money that the city is giving them, he's just bummed because he can't afford it. Everything keeps going up and that's another thing he doesn't need is his taxes going up.

Feldman said their situation is different. This isn't simply a stretch of gravel road that needs asphalt put on it, there's a drainage problem that's been going on for quite a while. Were the culverts cleaned out? No. Were the ditches filled up? Yes. Could the grading have been done better? Yes. There were mistakes made. The end result is how do we solve this and be done with it. Will it be any different 17 months from now if we don't do anything today? No it won't be. We aren't kicking the can down the road again. We've talked about this and put it through the grinder again and again and again. We've done the best we can for what we've had to work with. One of the problems is that we only have 29 residents. It should have been done back in 1992 when it was a \$1500-\$2000 assessment. But once it's said and done you will enjoy your area better, your house will be more sellable, and your drainage will be a done problem. He knows it's going to hit their pocketbook, but if you look at the long term results, it's a good thing to do here.

Jen Simonson, 24430 Riverbank Lane, said that she had talked to a few of the neighbors and the general consensus she was feeling was that they want their ditches and culverts fixed but no pavement. They can't afford to put new siding on their house and they also can't afford the luxury of pavement. She hasn't talked to everyone because they have different schedules. She likes the idea of the e-mail survey because there is a savings on postage. She can help technically if needed.

Tveit said at the end of one of the meetings, there were people that shared their e-mail addresses. Let's find that e-mail list and find out how many of those 29 households are represented. Check them off on the map and follow up on the remainder. We have a volunteer.

Feldman asked if we do the e-mail with a yes or no, and it comes back that 75% of the residents don't want pavement, but they want the rest and we say again that if we don't do pavement it's not an end result, it's just a band aid, where do we go from there?

Simonson said then we come back to reassessing the plan. You are pushing the pavement. There is more than just the pavement option. If the neighbors don't want pavement and you are asking for a consensus, and you actually care what the consensus is, she doesn't see any grey area. If nobody wants pavement then we make a plan with no pavement.

Feldman said that they are saying from their Engineering aspects that without pavement, it will not work long term. It will just be a problem to haunt some other council down the road and you will be back here with maybe even more of an assessment than you are today.

Barb Jahnke, 24381 Riverbank Lane, said that she's a little bit out of the loop because she has come to the meetings but they were the same night as school board meetings which she is on. She hasn't talked to a lot of neighbors. If you send out an e-mail that says yes or no, many of the people that aren't here aren't very informed. It might be likely to come back as no because they haven't heard the advantages. So she's not quite sure what to do about it, but she wanted to say that she does see some advantages to doing it because of the money

the city is giving them from the MS4 funds and in some ways it would save them money on the wear and tear on their vehicles. The road as it is is very dirty. She would be in favor but she can see the points of the people saying they can't afford it because everything is going up.

Feldman said that Jahnke brings up a good point that if you just sent out a mailing and they aren't informed it would come back as a no.

Jahnke said if there were a team that would go out and meet with neighbors she would be willing to help.

Tveit said the city wants a permanent fix. It won't do any good to fix half of it and not the other half. It's not going to do any good to fix the ditches and culverts if we are not going to control the water. Everyone knows what erosion is and what erosion does and it washes stuff into the ditches and then we are spending more money. He would have a hard time justifying that the city spent ¼ million dollars and then 5 years later spends another ¼ million because it all washed away. And then 5 years later we are spending another ¼ million dollars and the problem is never getting fixed.

Feldman said that as Fields had mentioned, he doesn't have these problems where he is, but we are looking at the whole neighborhood. There's a broader picture we are looking at. Feldman asked Engineer Jochum if he believed that if we don't pave this, do the curbs and the whole picture together, is this going to be a viable solution or will we be coming back to this.

Jochum said as talked about in the workshop before, there's people along the south side of Riverbank Lane that he doesn't know how you can control their runoff without curbs. Without pavement, he doesn't know how you would put in curbs. His opinion is that it has probably never been constructed properly for drainage. Which isn't that uncommon back when this was built.

Blaine Wright, 3419 Kings Highway, said that with the amount of traffic that's going down that road now, compared to what it was 15-20 years ago, that road will never hold up unless it's blacktopped. There's a lot more traffic, so the road will continue to deteriorate that much quicker. He's in favor and feels that Public Works has done a better job than anyone else has done.

Mike Minkler, 24311 Riverbank Lane, wants to clarify if it was pavement or nothing. Because now tonight it sounds like we are talking either or. Has anyone taken into consideration the switch back between 245th and Tulip and straightening that out? He's not sure that paving it is going to slow anyone down. People coming down that road into Isanti County love fishtailing.

Feldman said we aren't talking so much about the speed, we are trying to redirect the water.

Minkler said that we are talking about the project from A-Z, and that includes the switchback on 245th and Tulip. The other question he has was if the residents put this investment into the road based on this engineering plan, what if things don't go right? Who's going to pay to rectify it? If it runs in too fast and the holding pond blows out. You want to slow the water down, not speed it up and you are going to speed it up by putting culverts and curbing in. And, is the holding pond going to be made child safe?

Jochum said this isn't the final design. There's proposed to be a small storm water pond on the end of Riverbank Lane. It should be a shallow type infiltration pond. It's really no different than it's working now other than now it just flows off the end and keeps going. There will be a little extra water on the south side but to manage the water, what we would do is put storm water retention at the end.

For the straightening of the road, you would have to obtain easements from the adjacent property and that would drive the costs up. It's not in the scope of this project.

Mike Kaunzner, 24439 Riverbank Lane, said that he mentioned this before that once you get that water moving you have troubles. Fast moving water washes things away. Right now they are getting erosion but not that bad because it's still slow moving. If you think you are going to move that water all the way down the road to a holding pond, he doesn't want to be the guy at the end of the road. That's a lot of water moving. He thinks they should just deal with the ditches and make them so they do work. You've already spent \$10,000 on this and you could have spent it on that.

Feldman asked Kaunzner if he thinks it's the job of the city to clean out the culverts.

Kaunzner answered that it would have to be their responsibility since the city isn't going to do it. You can't say that blacktop is going to be the cure because blacktop erodes too.

Jochum said the drainage patterns are not changing. They are not going to be taking all of the water at the north end and bringing it down to the south end. There's a high point in Riverbank Lane that still drains north, and still drains south. There will be more water collected on the surface itself, with the curb, instead of letting it go down the bank and eroding those areas.

Fields asked if this goes through and the houses that have problems with the water right now are taken care of, what if down the road it creates problems for people that never had water problems before? Will the city stand by the problem if it happens? The house is at the very end, that's closest to the river. He would be the one affected the worst because he's really low in the cul-de-sac. If the water goes really fast, doesn't stop and causes water to run off into other people's foundation that never had water before, what's going to happen?

Jochum said his main concern was separation from the pond from his well and they did verify that those separations were met at 50 feet and it's in excess of that. If anything, the system will have more capacity because all of the ditches being constructed more like the city standard. Right now, with a lot of them, there is no ditch, so he doesn't see how the water can run faster, other than yes, they will open some drainage up with clean culverts.

Public hearing closed at 7:04 pm

Skordahl said that if we do the email survey, are we going to do that for every decision we are going to make in this town going forward? This is why we got elected. We are the folks that stood up and said that we are willing to gather the relevant information from citizens, let our staff go off and do what they are paid to go do and make decisions. In the four years he's been on the council, they have tried to engage more people on this topic than on any other topic, short of the waste water treatment plant, post cards, and things like that. He recognizes that people have conflicts and 6:00 pm on a weeknight doesn't work for everyone, he understands that. But he's only received one e-mail on this subject in the last 3 months and zero phone calls. They've tried to keep people as informed as they can. Every meeting they hold, they struggle with how to get people here about various topics. They don't have the magic answer on how to communicate but he thinks they've done a pretty good job of trying to communicate with the people that are affected by this as much as they can. He doesn't think they will get all of the 29 e-mail addresses and he applauds the people that are willing to volunteer and go do that. He's not shooting the idea down, but Council is paid to make the decisions here. That's what they signed up to do. If we turn every decision into an e-mail referendum, we will never get anything done.

Skordahl said that an extra \$60 per month is a bummer. He gets that. Everything is going up. He doesn't think the band aid approach is the right thing to do either. If we have to come back to this neighborhood in another 5 years and spend ¼ million dollars, how do you explain that to the other 7,000 people, when the answer to solve the problem is right in front of them, for \$60 a month.

If you want to go ahead and do the e-mail survey, go ahead, but you are only going to reach the people that want to be reached. If you send out the e-mail survey and get 20 of the 29 respond back, and you get the majority of the respondents say no pavement, but it's not a majority of the 29, what will you do? You are sitting right here in the same position having to make a decision. As far as the next step is concerned, this was our opportunity to take input from the public, the next part of the process would be authorizing plans and specifications on the 17th. That's basically when the council says this is what we are going to go do. There's nothing magic about that date. We are not up against a timeline, or granting, so if you want to insert one more round of trying to get public comment you could do that.

Muehlbauer said we are here to represent everyone and find a middle ground. They have been trying to find a way to solve the problem rather than put a band aid on it, come back, put another \$100,000 on it, put another \$100,000, and on. With the referendum, and as Skordahl said, the solution in front of us, to just clean out the ditches, we've heard a lot of arguments that the city didn't do this or that, and they kicked the can down the road. What's hard for him is that the logic of the city needing to pay for this or that is saying that every household needs to kick in some money for the problem in this neighborhood. All of our money comes from the residents.

Muehlbauer said that when we built the wastewater treatment plant, residents got a pamphlet in the mail stating a 85/45 hike, and he came to the city enraged. He totally understands their positions. His water bill went up from \$65/month to \$150/month. He wants to do what's best for everyone and find a solution. He has no idea where the email list went but would be happy to help collect that list again. And as Skordahl said, do we want to have every decision made by e-mail. That's not being said to spite anyone, but extra costs are extra costs. Their job is to take the taxes that are collected and put them to good use. They hope to make the right decisions. We've been working on it for a long time and trying to meet in the middle. Whether we are all happy at the end of the day, he doesn't know. He does want to thank everyone for coming to these meetings.

Tveit said he's not trying to beat up on anyone and his mind is not made up. His personal opinion is if we are going to fix it, then let's fix it. And if we aren't interested in fixing the problem, he's cool with that too. He's not interested in paying ¼ million dollars, and at the end of the day, they didn't fix the problem. Let's fix it or don't fix it. He will leave that up to the citizens. He personally would like to see every city road paved. He thinks it would save the city a ton of money. To do that is expensive. When you do a tarred road it's a 30 year road. A gravel road is a 30 day road. Since this project is small, he's not opposed to doing an email survey. 29 e-mails or having someone go door to door is definitely doable. The criteria changes when you need 7,000 people to get a survey from. It's important that we hear from the citizens.

Tveit said that he does have faith in our engineering company. This is what they do for a living. There will always be a lot of nay sayers. You could do that with anything. They've been doing this for a long time, when you hire professionals you have to have faith that you know what they are doing. If this is what they recommend he feels that is really what we should do.

Feldman said the council is the stewards of the public's money. For them to justify taking \$241,300 out of the MS4 fund, to give to one section of the city without doing a solution that is a permanent fix, is not being responsible to our other 7,461 residents. This fund went into place in 2015. Had this fund not been in place, we wouldn't even be discussing this. Because we are the stewards of the public's money, we have to spend it wisely. He doesn't believe that any other solution other than all of it combined together is a solution. He knows that they would like to see no cost on their end, but he can't say that. He would be lying if he did.

Feldman agrees with Jahnke that if they put out a survey asking do you want this road to be paved yes or no, without knowing all the facts and everything that goes behind it, that's ridiculous because you have to be informed to make a proper decision. Just as the council has to read through their packets and attend meetings in order to make an informed decision. We can't govern by e-mail or social media. He's sorry that this has taken so long, and he's really sorry that mistakes have taken place on both sides over the past years. Had this council been in administration back in 1992, we wouldn't even be talking about this issue today. He can't say that for sure, but the way we think today vs. how they thought back then, he knows this council has changed its mentality a lot.

Feldman continued by saying that this Council did their due diligence in interviewing the companies that they took on and Hakanson Anderson was the best choice and fit for our city. They've been in Anoka County for many years and they do a good job. He believes it's a solution to the problems, but it's going to cost them money. You will have to pay and he's sorry. They've reduced the cost as much as they possibly can. The most important thing on Feldman's mind is that they are the stewards of the people's money. If they do this on a band aid approach, how do they explain to those people that they just dumped six figure numbers on this but they didn't solve anything. He went back to that fund and take more out of it to appease you the second time. He's here to work for you. This is a long term solution, a bite to the pocket book, but a long term solution. You will see more positive than negative. Some of you may not even be here for the 15 years of the assessment. It may just get passed down in the sale of your house. To do this any other way than the way it has been designed here is the wrong approach.

He thanked everyone that has come out in the past here. They've tried to show them that they've lent them an ear and done their due diligence. They've done more than enough through answering e-mails, multiple work sessions, multiple discussions on their part trying to show them that they do care here, but they can only go so far.

The next step is on September 17th when City Council authorizes plans and specifications. Feldman suggests contacting their neighbors, and call or e-mail with any questions because once they authorize those plans and specifications it's going through.

8. OLD BUSINESS
NOTHING

9. NEW BUSINESS
A. Woodhaven 6 – Permit Fees
B. Schedule Work Session

Thunstrom explained the request from the owner and developer in regards to the fee reduction on two pieces of the Woodhaven Development expansion. The first reduction requested is in the plan review fee of the 31 garages. Just a quick note, a correction on the packet for the surcharge should be \$264, not \$242. The second request is that he's looking to set or control the fee for the installation of the 55 individual units. These are different than a stick built property as the city reviews the exterior only in regards to the tie downs and the hookup of the unit itself. He also identifies that the State provides a seal and they are built under the federal guidelines.

Feldman said that the garages are a single stall and double stall garages. They are basically a cookie cutter plan, so whether you build one of them or a thousand of them, they are all the same. When he looks at this as a contractor himself, he can tell you that you aren't going to individually plan review each unit because they are all the same. Basically it's a slab on

grade. One thing we have done over time is that we have been flexible where we can be without changing our policies, ordinances or laws. We are now coming into some good development in the spring. At the HGKI meeting that he and Thunstrom attended with other developers, the developers stated that if they are in a city where they find it difficult to work with the government within that city, they will just move on to another city. One thing we don't want to have is a reputation that we aren't flexible to work with. He doesn't think we should give the farm away, but in this particular situation to have them spend \$2.626 on each plan review for a building that is the same, whether you build one or one thousand, does not make sense. He doesn't feel this is asking a lot.

Thunstrom said that if you do this as one permit, it reduces the administration fees as far as the processing. It will also allow them to do multiple inspections with the garages in a bulk because he's planning on putting them up fairly quickly together. There is a minimum of one to two inspections per garage that are required by our Building Official.

Feldman said that based on this it doesn't make sense to him as far as the plan review on that dollar amount for a cookie cutter type plan. It actually streamlines the process much better.

Thunstrom agreed that if we did 31 individual permits it would be quite extensive as far as our software programs processing. If we were to assume a flat fee of \$100 per housing unit over the \$120, it would be an \$1100 savings.

Feldman said that out of that development, we are getting a portion of the property taxes and we are also getting SAC and WAC hookups and user rates. So we are benefiting more on the high side than the low side of what we are getting out of it. Just to let you know, Mike from Woodhaven only approached the city saying that he thought that the rate was high, he didn't say what to cut it down to or give any recommendation on what to lower it to. Feldman said that his thinking is that we've been flexible where we can be with Woodhaven, and with River's Edge, without changing any laws or ordinances and have worked with the developers, and now we have those developments in the ground and being built. He's not saying that they wouldn't have been in the ground long term, but they may have been delayed.

Skordahl said we shouldn't be reinventing the wheel, this is the 6th Edition. The houses would have been built with the same type of requirements for the first five editions, and the original one, correct? Have we taken this approach to the other editions in the past?

Thunstrom said according to the owner, he has not had the same fees on the other editions. Without going through the paperwork, it's more tied to the park dedication and accessibility fees. She has not done the research to determine what has or hasn't been paid but he's identified that the fees with the 6th Edition are much higher than past editions.

Skordahl said he understands the logic of looking at the garages as a single plan review. That makes sense to him. If our fee structure already singles out manufactured homes, what's different from the last time we did these. We want to make sure the developers keep coming here but what changed since the last time we did this?

Feldman said whether you are buying a 3 bedroom mobile home or a 2 bedroom mobile home, the connection is all the same. In the past it was based on the valuation, so if you were spending more for the unit, you were spending more for the inspection. The inspection is the same, so that's really all that has changed.

Skordahl said that's the piece that was missing.

Thunstrom said the valuation is always based on the work of hooking it up. The value of the house is actually removed from the equation. We took a property that was already done as an example and it was at the \$120 permit cost. Some cities set that as a flat fee. That \$120 is based on the value of hooking that up whether it's 1 bedroom or 3 bedrooms, it's the tie downs and the exterior hookups that our Building Official is responsible for. The owner/developer is looking for either a reduction of that or setting of that, sitting that he's already going through the federal inspections and fees and he also has to pay the \$80 State fee. The valuation is the one fee that we have by value for the hookup and the other is the plan review fee for the garages. There are two different requests.

Feldman said that basically it's the water, sewer, and tie downs for us. Phil can go out in one inspection and do it.

Thunstrom said that some cities do it by value, like ours, some have set fees from \$75-\$150 per hookup. We are about in the middle of that in regards to our estimated valuation. We could set it as a flat fee or we could set it as a valuation and it's going to come in around that \$120 anyway.

Tveit said he would rather have a set fee. What he is seeing is nobody knows how to value that. To him the fee should cover the cost of the inspection. Find out what it cost the city to go do that, and that's what it should be. We set the fee schedule to cover that cost. It's less subjective and more concrete of a number.

Feldman asked Thunstrom if \$100 would be enough to cover the Building Inspector's time to inspect it. We always need to cover our admin cost, legal costs and any inspection costs that we have. Nothing should ever come out of our pocket. With the plan review it just doesn't make sense to keep the high price on a cookie cutter plan.

Thunstrom said there are a couple different things going on here. With the manufactured home park there is a development fee. He also built a storm shelter which goes under a standard building permit fee. Then he has the manufactured home units that go under our manufactured home hookup fee. And then he has the garages that go back to the standard building fee. He has multiple layers of the fees from different pots and that's where some of the confusion is coming in.

Tveit has no problem doing this. He would like to see in the fee schedule that this is reflected when they update their fee schedule in January. He knew what the city was charging going into it, so why would the city have to modify what we charge. He doesn't fill his gas tank and then go in and argue with the gas station on the price of gas. He has no problem doing it, he understands the rationale, but let's put it in the fee schedule so in the future we know what it is.

Feldman asked to clarify with Kohlmann on the park and trails money the developer was putting aside plus there was another \$100,000 in SAC and WAC that the developer was not aware of.

Kohlmann stated that we did bend with this developer to spread WAC and SAC per unit as it built out as opposed to an upfront fee. We did make a deal going into this with the development agreement like Tveit said, and we even bent on that allowing him to pay this money over time as he builds his units. Now this is a separate request on another building permit fee.

Tveit said he has no problem helping but we have a fee schedule for a reason. At some point our fee schedule needs to mean something otherwise we shouldn't have a fee schedule.

Feldman said that he believes that this is a reasonable request. They are cookie cutters. We are a city that needs to try a little harder. We want to keep our flow going. He doesn't think it's out of line. The developer will take it however we give it to him. By being flexible those projects are in the ground. We gain more than what we lose.

Motion to make it a flat rate from \$120 down to \$100, take the plan review down to \$626.42 for these cookie cutter garages, (7 singles and 24 doubles), permit fees stay the same, by Tveit, seconded by Skordahl; all in favor, motion passes.

Work session scheduled to discuss the preliminary levy, code compliance, department requests, sheds and accessory structures scheduled for Monday, September 10th, 5:30 pm at City Hall.

10. MEETING OPEN TO THE PUBLIC

Mike Rodger, 232 Lane, acknowledged the Finance Director for the recent award received.

11. REPORTS

A. Councilmember Reports -

B. Upcoming Events –

Sept 8	City-Wide Garage Sales
Sept 15	Recycling Event @ LePage & Sons 9 am to Noon
Sept 17	City Council Meeting @ 6 pm
Sept 19	Planning Commission Meeting @ 7 pm
Oct 1	City Council Meeting @ 6 pm

Councilmember Reports

Tveit stated that today is the first day of school. You will see more kids out and about. Watch the kids and busses. Don't drive around the arms of the bus. Don't blow thru crosswalks. School activities aren't getting done any earlier, so kids are crossing the crosswalks at 8:00 am or 8:30 am and it's getting dark earlier. Parents, if your kids do walk to school, please remind them to push the buttons on the lights for the crosswalks.

Tveit said that a couple weeks ago he met with Public Works Director Teicher and a representative from the Upper Rum River Watershed Commission who stated they would like to hire an administrator and what their direction would be. They went thru the budget and talked about what ways the watershed is there for us and what we could do for them. The watershed is all volunteers. There's a lot of meetings and they typically take place during the day time hours, which most people have full time jobs. Consequently the watershed commission doesn't have a whole lot of representation. This administrative person would go to these meetings and come back and report what happened at these meetings. This person would know about grants and grant writing. The watershed commission will come and tell us what they envision and what it will cost. All of the 5 member cities will vote on it.

An example is that right now we are trying to put together a watershed 10 year plan. There is money available to all watersheds. Our 10 year plan is not approved yet. We missed out on a share of \$841,000. It was going to be split equally with 7 watersheds. Basically, we missed out on \$100,000 because we don't have a 10 year plan.

Muehlbauer said that he spent time meeting with Thunstrom regarding development. He had nothing else to report.

Skordahl said that there will be a Planning & Zoning meeting on September 19th. It's cold and flu season so take care of yourself.

Feldman said he appreciates Councilmember Tveit and Public Works Director Teicher's work on the Watershed Commission. Congratulations to the Police Department for a fine job. What we did here tonight was listened to our public and that's what we are here for. We've shown some flexibility. He doesn't feel that any of our developers are gouging us. He wouldn't have brought this to the Council if he didn't think it was a mutually beneficial deal for both sides.

Right now we need to focus on the development for the future. The old dilapidated church is coming down in October. The Ramacher's property behind Subway will close this fall and shortly after be taken down. We have good momentum and more to come.

Election season has started so you will see people walking around and signs up. He's knocked on some doors, some people don't want to come to the doors. It's your city and if you don't want to hear us, that's up to you. 99% of people are very responsive. If you want to know what's going on you have to talk to council or staff. Don't assume you know what we are doing unless you do know what we are doing.

Daylight hours are going to get shorter and shorter. Be safe and careful. Those traffic and speed signs are out. Speeding has always been one of his concerns. When it comes to the roundabout, when you are waiting to see what direction the car is going, it slows down traffic. A little signal goes a long way.

Feldman also wanted everyone to know that our Engineers applied for a grant hopefully to get a stop light on Pederson and Hwy 47. There's no guarantee on this. There is a program in place for \$22.7 million dollars, and 50% of it is for proactive. He talked to MNDOT and they said it's worth pursuing. Hakanson Anderson applied for it on August 31st.

Chief Schwieger, Councilmember Tveit and Mayor Feldman hosted interviews on August 29th with three animal control entities. They will bring information to a work session and Council will make a decision on which entity they will use for their Animal Control Officer.

12. ADJOURNMENT

Meeting adjourned at 8:12 pm by Mayor Feldman

Respectfully Submitted by:



Lori Streich, Acct Tech/Deputy Clerk