

# MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

## REGULAR SESSION

May 27, 2014

CALL TO ORDER: The North Branch City Council met in regular session and Mayor Lindquist called the meeting to order at 7:00 p.m.

### PLEDGE OF ALLEGIANCE:

ROLL CALL: Councilmembers present were Kathy Blomquist, Theresa Furman, Ronald Lindquist, Joyce Borchardt, and Trent Jensen. Staff members present were City Administrator Konrad, and the City Attorney Squires.

### CONSENT AGENDA:

- Claims
- Minutes – April 28, 2014 Regular Session
- Minutes – May 1, 2014 Work Session
- Resolution 033-05-27-14 – Special Event Permit Amendment – Bridge of Grace Church
- ~~Park Land Sale Research – Attorney Cost~~

Item 4E was removed for discussion.

Motion by Jensen, seconded by Furman to approve Consent Agenda as amended. All voted AYE. Motion carried.

Furman said that for the financial impact it say to be determined but it does not have where the funds would come from. She is not comfortable approving something without dedicating funds. She would like the funds to come from general legal fees budget. Blomquist said she does not think this is worth the money. A lot of them are storm water ponds and she thinks people have gotten used to the areas as park land and she is opposed to even look at selling park lands. Blomquist said that the Park Commission looked at it but, in general, would be opposed. Jensen would like to do this because he would like to have the information available.

Motion by Jensen, seconded by Furman, to approve park land sale legal review with the payment from legal department. Members voted: Ayes – 4, Nays – 1(Blomquist). Motion carried.

### OPEN TO THE PUBLIC

The Mayor opened it up for public comment on the Superior Silica project from residents of North Branch.

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Kirsten Kennedy of 378<sup>th</sup> Street addressed Council and said that she is sorry that the citizens of Taylors Falls cannot speak tonight. This silica sand operation would devastate that community. She delivered a petition with 1,400 signatures and noted this will also go to Governor Dayton. She then read something for the record. Chisago County HRA met and reviewed the project and whether it will impact future land sale in the ESSBY park, discussed traffic, job creation and tax base. They discussed compensation for the 30 acres in North Branch and locate this silica sand operation elsewhere in the County.

Konrad reported on last Thursdays meeting with representatives from Mn/DOT, Chisago County, Representative Nolan's Office and discussed items to be listed in a development agreement with Superior Silica Sand. Lindquist noted that there will be a meeting with the Engineers to talk to the City of Taylors Falls.

Lori Warner, 40589 Golden Avenue said that she lives near where this proposed development is and she found it ironic that a large truck was trying to make the corner at 95 and 30 when she was travelling to Taylor's Falls to discuss this matter with Taylor's Falls. She is not opposed to economic development but to clarify the goal of economic development is to improve economic well being of a community through job creation, job retention, tax base enhancements and the quality of life. She believes that this proposed development is concerning. She has a study that asked for a moratorium for more time for the state to look into job development of frack sand hauling. Ms. Warner would like to slow down because this is an industry that will be here for year's to come so she does not want to rush things and wish 10 years from now that the City should not have done this.

Tessa Hill of Bridge Road said that she is very concerned about the environmental health aspects of what silica sand can do as it is extremely hazardous and it will be around. Diesel is another issue with truck traffic rolling down the road. That is a quality of life issue and the opposition will grow throughout the community. There is quality of life and good jobs that can be created. They want to have more land with ponds and parks for the health of the community and the earth.

Carolyn Burnoski said that she shows up here as a citizen of North Branch and she feels sad that the elected officials are not protecting residents because this is not good for anyone. She then suggested giving this more time to allow it to develop and to allow for research. Ms. Burnoski wants to have elected officials protect them and asked the Council not to let them, their children, and their grandchildren down by approving this development.

Laura Scaramel, 7170 407<sup>th</sup> Street said that she has researched the health issues but tonight would like to talk about property values. There is a professor that has studied property values where sand operations go and the study shows a 30% drop in property values in the area. This plant could be here for 50 years and that would be devastating to the property values and she does not think that the damage to quality of life, environmental concerns, traffic, wear and tear on roads are worth the risk.

Lindquist noted there will be an open meeting at a future date for citizen input.

PUBLIC HEARINGS:

**NONE**

COMMITTEE/COMMISSIONS:

**6A PLANNING COMMISSION**  
**A1 Minutes**

**INFO**

**A2 Variances – Holmgren**

Planner Roberts provided an overview of the proposed variances for Holmgren to allow for an accessory structure to be constructed in the front yard and allow for a 30 foot setback from the street. Roberts noted the neighboring property owner expressed concern mainly with access.

Furman commented about the statement that this could cause depreciation in the surrounding properties.

Borchardt noted that this is a private road and a dead end road. Roberts indicated that is correct. Furman said that if they can't meet the section of the Code does the City become liable for not treating all residents evenly if there is no criteria for the variance. City Attorney Squires indicated that the standard here is the definition of practical difficulty. Furman asked if the Attorney recommends changing the criteria for a variance. Attorney Squires said zoning ordinance could be retooled to use the wording practical difficulty from undue hardship. Konrad noted some of those changes were made to the Code. Blomquist asked why the applicant wants to put this building 10 feet closer. The applicant explained his need to be able to back his trailer into the pole building he needs the extra 10 feet. Lindquist commented that the neighbor has a building already so how do you say this applicant cannot have it. Blomquist can agree with putting the building in front but she is hesitant to allow the 30 foot setback.

Motion by Jensen, seconded by Blomquist, to adopt Resolution 034-05-27-14, "A RESOLUTION APPROVING A BUILDING LOCATION VARIANCE FOR THE CONSTRUCTION OF A NEW ACCESSORY BUILDING (POLE BARN) IN THE FRON YARD OF THE PROPERTY AT 41378 FALCON AVENUE." All voted AYE. Motion carried.

Motion by Jensen, seconded by Borchardt, to adopt Resolution No. 035-05-27-14, "A RESOLUTION APPROVING A 10-FOOT FRONT YARD BUILDING SETBACK VARIANCE FOR THE CONSTRUCTION OF A NEW ACCESSORY BUILDING (POLE

BARN) IN THE FRONT YARD OF THE PROPERTY AT 41378 FALCON AVENUE.”

Blomquist would like the property owner that has the building near here to see if he has a conditional use permit.

After discussion members voted: Ayes – 3, Nays – 2 (Blomquist/Furman). Motion carried.

<b>6B</b>	<b>ECONOMIC DEVELOPMENT AUTHORITY</b>	<b>NONE</b>
<b>6C</b>	<b>PARK COMMISSION</b>	
	<b>C1 Minutes</b>	<b>INFO</b>
<b>6D</b>	<b>WATER AND LIGHT COMMISSION</b>	
	<b>D1 Minutes</b>	<b>INFO</b>

STAFF REPORTS:

<b>7A</b>	<b>ENGINEERING/PUBLIC WORKS</b>	<b>NONE</b>
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**7B ADMINISTRATION**

**B1 Lucht’s Crossing Transfer Agreement**

Konrad noted that at the last meeting Council was informed that the owner of Lucht’s Crossing had approached staff about the possible sale of Outlot B. Graphic Homes is looking to purchase Outlot B. The current owner Shade Tree and the Bank are looking to transfer the agreement and the letter of credit to Graphic Homes. They plan to get the debris cleaned up this fall and platting of the lots for next year’s construction season.

Stephanie Johnson of 384<sup>th</sup> Trail said that she read the Agenda and she did not see anything from Graphic Homes agreeing to cleaning up the debris this fall but that he would follow the November 2016 requirement. Ms. Johnson indicated she would ask how the Council justifies not following the Code regarding the debris that is on the site. She would like this to be in writing to get this done this fall and not two years from now. Konrad said she was told that this is his plan to remove debris in the fall. City Attorney Squires indicated that Graphic Homes intends to move forward with the platting of Outlot B. He would suggest a requirement that platting would not be approved by the City until the Outlot is cleaned up.

Jensen said that it appears to him that by approving this the City has not set itself back at all and this is the best option to get the debris cleaned up.

Borchardt want the debris, sidewalks and parking lots are all removed as required before any City approval of platting would be done.

Ms. Johnson asked if the through street is going to be completed. Roberts indicated that would be his expectation but until a plan is received he cannot say for sure. City Attorney Squires indicated that the request for platting will open the door for the City to negotiate conditions of approval.

Konrad indicated that the Council did sign off on Phase II. Ms. Johnson said that it should have been completed in 2011. Furman asked if the \$20,000 is enough to get rid of the debris pile now that it has been determined that there are no recyclables in the pile. Jensen said that approval of this Agreement allows for the chance to speed up the cleaning on site and for the property to develop.

Furman wants to communicate with the business owner what the conditions are that will be required for platting. Konrad said that Graphic Homes is motivated to doing this to develop the property and this is the best hope of getting this cleaned up before 2016 without the City having to do the work.

Furman asked if there is anything in writing. Konrad indicated she included in the packet what she received.

Jensen indicated that once the property is purchased there will be monetary incentive to move things along and get the property developed.

Motion by Furman, seconded by Borchardt, to approve the Amendment To Demolition and Removal Agreement between the City, Shade Tree Communities, 21<sup>st</sup> Century Bank and Graphic Homes with the condition that the City will not process platting application until the debris is removed from Outlot B. All voted AYE. Motion carried.

<b>7C</b>	<b>BUILDING</b>	
	<b>C1</b>	<b>Activity Report</b>
		<b>INFO</b>
<b>7D</b>	<b>FINANCE</b>	<b>NONE</b>
<b>7E</b>	<b>LEGAL</b>	<b>NONE</b>

NOTICES AND COMMUNICATIONS:

- 8A** **Rush Line Open House Notice**  
Blomquist noted there are two open houses this month.

PUBLIC COMMENT:

Lindquist noted that this section of public comment is for other than silica sand.

Ms. Johnson from Taylor's Falls said that she really does not like what is being said here. The frack sand trucks are causing trouble in Taylor's Falls already. She objects to what the Mayor is saying.

Lindquist there is no silica sand discussion at this point.

James McCarthy would like to talk about the AUAR.

UNFINISHED BUSINESS:

NEW BUSINESS:

**NONE**

MAYOR AND COUNCIL:

**12A Upcoming Agendas**

**INFO**

Konrad asked about the June 19 work session because there are two councilmembers not able to attend.

Council would like to discuss whether to cancel at the next meeting.

Lindquist said there will be public comment but not tonight on the silica sand matter.

Motion by Borchardt, seconded by Blomquist to open public comment for another 20 minutes. Members voted: Ayes – 4, Nays – 1(Jensen). Motion carried.

Ms. Hildebrand from Taylor's Falls said she brought the petition for public record. She then said she understands the financial situation of the City but she hopes the Chisago County EDA discussion or offer is considered by North Branch. She is concerned about use of grammar regarding an upcoming potential new business in town. She is concerned that she will hear public comment available before it is signed as if it is a foregone conclusion. She then asked North Branch not to make decisions at the expense of Taylor's Falls.

Mr. Joplis of Sunrise said that this is something that everyone in North Branch needs to get familiar with. There were 10 mines in 2010 in Wisconsin and there are more than 100 in 2013. There are three chemicals that are used in the processing of sand that are dangerous. The 300 plus trucks per day. People will not come to North Branch with this business here.

Laurie Warner 40859 Golden Avenue said we heard a term used here tonight "we are screwed" and said that if the Council does not reconsider this business and asked that the Council please consider the discussion with Chisago C

Mr. Randolph said he would like the assurance of the Council and the City of North Branch that this will not be an underground project like ESSBY was. The meeting at the high school on ESSBY was already a done deal and that worries him about this deal. There are health concerns for the whole community with having a sand processor.

Julie Solie of 296<sup>th</sup> Avenue in North Branch said she has a business in Rice Lake Wisconsin and the trucks are in and out non-stop. She then asked Council to look into the towns that have the processing plants in them because those communities are dying.

Ann Turner of St. Croix Falls is in support of Taylor's Falls. She then said that she will be affected as well by this increased truck traffic. There have been poor decisions in the past and she hopes that same decision is not made with this situation. Ms. Turner told Councilmember Jensen that there is nothing funny about violence against women. She has worked in domestic violence her entire life and the sexual assault and violent assault workers cannot keep up with what is going on in the frack sand community.

Jensen responded by saying that it was not appropriate for the gentlemen to raise that matter in this forum.

Motion by Jensen, seconded by Furman to adjourn. All voted AYE. Motion carried.

ADJOURNED: at 8:10 p.m.

Respectfully submitted,

Bridgitte Konrad, City Administrator  
jrl/TOSS