

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

July 28, 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, Ronald Lindquist, Joyce Borchardt, and Trent Jensen. Councilmember Theresa Furman was absent. Staff members present were City Administrator Konrad, Finance Director Hill, Engineer Messner, Planner Roberts, Public Works Director Williams and the City Attorney Helmers.

CONSENT AGENDA:

- Claims
- Resolution No. 051-07-28-14 – Donation Acceptance
- Resolution No. 048-07-28-14 – Budget Transfer
- Ordinance No. 213-14 – Fee Schedule Amendment – Animal Impound Fees
- Authorization to Advertise – Firefighters
- Resolution No. 052-07-28-14 – LS Cashier Hire Joel Kennedy
- Minimum Wage – Increase to Liquor Clerk 1 Salary Range
- ~~Agreement with School – Maintenance of Safe Routes to School~~

Jensen requested item 4H be removed for discussion.

Motion by Jensen, seconded by Borchardt, to approve the consent agenda as amended to remove Item 4H. All voted AYE. Motion carried.

Jensen questioned staff about the routes to be maintained but on the map the school is maintaining them but the document says the City is maintaining them. Is that only for snow removal? Jensen also asked about indemnification and why there is the statement “to the extent allowed by law.” City Attorney Helmers said he has not read the agreement but said there is a statute that dictates whether and what type of indemnity any municipality can grant.

Konrad explained that the City maintains the sidewalks and the school does the snow removal.

Motion by Jensen, seconded by Borchardt, to approve the Trail Maintenance Agreement with the School District with "to the extent permitted by law" added for both parties to the agreement. All voted AYE. Motion carried.

PUBLIC HEARINGS:

5A 410th Street Assessment Hearing

Mayor Lindquist opened the public hearing at 7:08 p.m.

Messner provided an overview of the 410th Street Improvement Project. Borchardt asked if the roadway will remain open or will there be closures. Messner reported the roadway will be open most of the time. Any closures will be noticed to the neighborhood.

Donna Slipka, 40797 Hemingway Avenue read a statement indicating she has lived there for over 40 years and she thinks that a more fair cost sharing could be arranged because the residents living in the pines would be landlocked without access to that road so this project provides value to them. She has no direct access to 410th Street and she is the only resident among the 40 that is in this position but her assessment is \$6,500 and she would like a reconsideration of her assessment.

Messner explained that the assessment were applied per the City policy if they were to deviate from that the policy would need to be changed. This is directly abutting the project.

Ms. Slipka said that the people in the pines should be charged more because they use the road. Messner explained that they do not abut the roadway.

Messner explained there is a senior citizen deferral available, which means the assessment can be deferred until the property is sold. Konrad explained that interest only is paid annually and the \$6,500 is what is owed when the property is sold.

Ellen Johnson, 6942 410th Street said she needed to clarify if a person were to defer you pay \$325 annually on property tax. Konrad confirmed.

Konrad noted that this afternoon it was discovered that one of the property owners received the notice but the name and parcel number was not included on the assessment roll. The best route for the City Council would be to adjourn the meeting, send him the notice with a corrected amount and continue this to the August 11, 2014 meeting to allow that resident the opportunity to speak on the matter if he wishes to do so.

The public hearing was adjourned to the August 11, 2014 meeting at 7:00 p.m. at City Hall in the Council Chambers.

The Public Hearing was adjourned at 7:30 p.m.

COMMITTEE/COMMISSIONS:

6A PLANNING COMMISSION

A1 Andersen Corp. Variance

Planner Roberts provided an overview of the proposed variance for Andersen Windows for silo height. Planner Roberts recommended approval of a variance of up to 85 feet in height because he is concerned about leaving things open ended in terms of height. He consulted with the City Attorney and they agreed that leaving it open ended was not a good policy. Andersen is fine with the 85-foot recommendation. Blomquist said she would like to hear from Andersen Windows.

Andersen Windows representative indicated that he would answer any questions. He then explained that the redesign came from a capacity issue. The Andersen Representative indicated that the 85 foot height variance would work for them. They are currently at 78.5 feet proposed.

Motion by Jensen, seconded by Blomquist, to approve Resolution No. 049-07-28-14, "A RESOLUTION APPROVING A BUILDING HEIGHT VARIANCE FOR ANDERSEN WINDOWS MANUFACTURING FACILITY AT 39811 GOLDEN AVENUE." All voted AYE. Motion carried.

A2 Metal Recycling Conditional Use Permit

Planner Roberts reviewed the requested Conditional Use Permit to have a metal recycling facility at 39870 Grand Avenue (former East Central Electric building). Ryan Skeie is requesting the permit to operate a metal recycling facility with outdoor storage. The storage would be within the existing fenced area.

Jensen said that there is something about whether the containers had holes in for rain. Mr. Skeie indicated that lead acid batteries would need to be in a sealed container. Different items have varying requirements if they are in sealed containers.

Motion by Jensen, seconded by Borchardt, to approve Resolution No. 050-07-28-14, "A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR OUTDOOR STORAGE FOR A RECYCLING FACILITY AT 39870 GRAND AVENUE." All voted AYE. Motion carried.

A3 Ordinance & Summary – Solar Energy

Planner Roberts indicated that the Ordinance amendment is proposed due to inquiries from Solar Energy firms that have

approached the City and/or the County. The ordinance would establish performance criteria for an individual solar energy system and for solar farms.

Jensen asked why the performance requirements and why the City would require that. Planner Roberts explained that some of the standards are that the City would not want them in a wetland. This is not about how well they perform but keeping them from impacting wetlands, etc.

Motion by Borchardt, seconded by Jensen, to adopt Ordinance 211-14, "AN ORDINANCE AMENDING THE NORTH BRANCH ZONING ORDINANCE BY ADDING STANDARDS AND DEFINITIONS FOR SOLAR ENERGY SYSTEMS, SOLAR ENERGY FARMS AND FOR THEIR INSTALLATION AND USE IN NORTH BRANCH." All voted AYE. Motion carried.

Motion by Blomquist, seconded by Borchardt to approve Summary Ordinance 211S-14 for publication. All voted AYE. Motion carried.

A4 Ordinance Amendment – Conditional Use Permit

Planner Roberts outlined the proposed changes to the Conditional Use Permit requirements. The Planning Commission is recommending that the ordinance be amended to allow an applicant two years to complete the work.

Blomquist asked whether there has ever been an instance where someone has come in for an extension and there never has been. Blomquist said that she would like to leave it at one year because there is no situation.

Borchardt said that sometimes there is funding and permitting issues and the whole purpose was to allow enough time to get things up and running.

Glenn Boyce commented that the idea of a conditional use permit and the need for one is that it is against public policy to do a certain thing so that is why the need to come in and set conditions. He then said that he would be fine with not extending or reminding because these are exceptions to the laws and so he does not think that they should be understood as good and permanent and should not be given unless it is really needed.

Lindquist would not like to have any situations where the Council change over could present issues with someone's conditional use permit.

Motion by Borchardt, seconded by Lindquist, to approve Ordinance, "AN ORDINANCE AMENDING SECITON 66-68 OF THE NORTH BRANCH CITY CODE ABOUT THE TIME LIMITS FOR CONDITIONAL USE PERMITS." Members voted: Ayes – 2 (Borchardt/Lindquist); Nays – 2 (Blomquist and Jensen). Motion failed.

A5 Minutes INFO

6B ECONOMIC DEVELOPMENT AUTHORITY

B1 Superior Silica Sands Project Update

Konrad indicated she spoke with Superior Silica Sands and they are working with the MPCA on permitting and that could take until February 2015. Superior Silica Sands has asked to hold off on further work on the project until the permits with MPCA are ironed out.

Konrad indicated the public would be notified of when public interest meetings would be rescheduled but for now nothing will be happening.

Jensen asked questions about the land sale should it happen with Silica Sands and how that will impact the 2015 budget.

Council and Staff discussed the status of the project and Konrad reiterated that Superior Silica Sands has asked to put all negotiations with the City on hold until they have worked things out with the MPCA on what permits will be necessary.

6C PARK COMMISSION NONE

6D WATER AND LIGHT COMMISSION NONE

STAFF REPORTS:

7A ENGINEERING/PUBLIC WORKS

A1 410th Street Project

Motion by Borchardt, seconded by Jensen, to approve Resolution No. 053-07-28-14, "A RESOLUTION ORDERING THE 410TH STREET IMPROVEMENT PROJECT." All voted AYE. Motion carried.

Motion by Borchardt, seconded by Blomquist, to approve Resolution 054-07-28-14, "A RESOLUTION ACCEPTING THE BID SUBMITTED BY KNIFE RIVER COPRATION FOR THE 410TH STREET IMPROVEMENT PROJECT AND AWARDDING CONTRACT THEREOF." Including both alternate bids. All voted AYE. Motion carried.

Motion by Borchardt, seconded by Jensen, to table adoption of the assessment roll until the August 11 meeting. All voted AYE.
Motion carried.

7B ADMINISTRATION

B1 Phone System Quotes

Konrad explained that the phone system has been failing and she would recommend replacement before it fails. Konrad recommended leasing due to budget constraints. Konrad recommended awarding the lease for phone systems to Vatacom.

Motion by Blomquist, seconded by Borchardt, to approve Resolution 055-07-28-14, "A RESOLUTION AUTHORIZING A LEASE AGREEMENT WITH VATACOM FOR THE CITY HALL PHONE SYSTEM." All voted AYE. Motion carried.

B2 Heartland Express TAC

Konrad explained the request to establish a Heartland Express TAC and asked whether Council wished to participate. The meetings for the first year will be during the day every month and then they will meet quarterly.

Borchardt asked Blomquist whether this is something staff or Council should attend. Blomquist said that she would like the Council to attend because there is more authority.

Borchardt and Lindquist agreed to be on the Committee and alternate who attends.

Motion by Jensen, seconded by Blomquist that Borchardt and Lindquist serve on the Heartland Express TAC. All voted AYE.
Motion carried.

7C	BUILDING	NONE
7D	FINANCE	NONE
7E	LEGAL	NONE

NOTICES AND COMMUNICATIONS:

8A State Demographer's Population Estimate

Konrad noted that as of April 1, 2013 the population is 10,184 with 3,642 households.

PUBLIC COMMENT:

No one wished to speak.

UNFINISHED BUSINESS:

NONE

NEW BUSINESS:

Borchardt noted she would attend the Water & Light meeting tomorrow. She would like to discuss putting Water under the City's jurisdiction. She discussed this with Konrad and found out that would require a referendum.

Lindquist would like to stop increasing water rates if the City takes this over but he is not sure that can be done.

Hill indicated that no matter what the rates are going up regardless of who runs the water system because there is deferred maintenance that has been occurring, the water revenue bonds are outside of covenant, etc. and there are not maintenance funds to do the work necessary.

Blomquist said there seems to be some assumption that Water & Light mismanaged the funds but all things done were necessary. Blomquist said she sat down with Mark and got an understanding of the finances. She then asked Councilmembers to tell her how and why they feel decisions were done. She further said she would like discussion on Water & Light to focus on fact and not innuendo.

Lindquist said that the second water treatment plant did not need to be built. Blomquist said that is not true and said that the treatment plant had to be built.

Blomquist said that she does not think that Councilmembers that are on well and septic should make decisions about water that is necessary for life.

Borchardt said this has nothing to do with the past and everything to do with proper planning for the future.

Jensen felt that a study was needed to determine what benefits there would be for taking over water.

A resident asked about the five-member Water & Light issue. Konrad noted that the legislature did not act on that so it remains at three members.

MAYOR AND COUNCIL:

12A Upcoming Agendas

INFO

12B Non-Bargaining Insurance & Salary Adjustments

Jensen said that the Committee discussed this during contract negotiations. Contracts have been settled with two unions and increases for non-bargaining employees was on hold until all contracts have been settled. The Teamsters are going to arbitration so he suggests that the Council put in the same formula and modify non-bargaining employee salaries.

Motion by Jensen, seconded by Blomquist, to enact: 2014 - 1% raise no step back to January 1, 2014; 2015 - 0% increase plus a step adjustment January 2015; and the same insurance plan as LELS switching to a set employer cost effective April 1, 2014 for non-bargaining employees.

Blomquist asked if the Personnel Committee discussed the clerical staff.

After discussion, All voted AYE. Motion carried.

Borchardt said that she was in favor of the \$0.40 per hour increase for contract clerical because the contracting firm pays on what the City is willing to pay and they provide a vital link and she would like to be consistent.

Motion by Borchardt, seconded by Jensen, to increase contract clerical staff by \$0.40 per hour for the next payroll period. All voted AYE. Motion carried.

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

ADJOURNED: at 9:00 p.m.

Respectfully submitted,

Bridgitte Konrad, City Administrator
jrl/TOSS