

North Branch City Council

Work Session

Date of Meeting: May 28, 2015

Present: Councilmembers: Theresa Furman, Kathy Blomquist, Joyce Borchardt, Robert Canada, and Kirsten Hagen-Kennedy.

Also Present: City Administrator Konrad, Finance Director Hill and Public Works Director Williams

I. Call to Order

The meeting was called to order at 6:30 p.m.

II. Mn/DOT Roundabout Project

Mn/DOT provided an update on the roundabout project. Furman asked about the right of way for the Auto building. Mn/DOT indicated that the right-of-way does go through that building. The plan long term is to work with the building owner to remedy the issue for the future. Canada asked what the circumference of the roundabout is. Mn/DOT indicated that the roundabout is a single roundabout and is smaller than the one in Forest Lake. Konrad indicated that staff would like to discuss whether to consider adding the additional trail along the west side of Grand Avenue from Hwy 95 to Maple Street. Williams indicated that adding this section would get the City one step closer to connecting all the way to the school. Blomquist would like to use the state aid for the trail if possible. Furman would like to hear what the community would like before she comments. She would also like to hear from the school. Furman indicated that if she hears a lot of negative input from the residents she would be concerned. Blomquist asked how many negative comments would be necessary before Furman would not be in favor of the project. Furman said she could not provide a number at this time. Borchardt asked if the Transportation Committee been formed and has this been discussed. Konrad indicated that group is concentrating on the transportation for ESSBY. Konrad indicated this is a state highway and a state project. Konrad noted that the Council will be asked for a funding commitment for the project.

III. Countryside Village Reimbursement Request

Hagen-Kennedy asked that Borchardt step down for this discussion as this relates to a similar situation on property she owns. Borchardt said this has not become a formal action and her situation is a totally different situation than this. Blomquist asked if this was talked about at a work session or a Council Meeting. Konrad indicated that was at a Council meeting. Hill indicated that there has been a request for reimbursement of \$131,000 after repairs were done to the infrastructure in their park. Canada indicated that the City knows there was a problem and they took the action necessary but he questions how long it took but it looks like it was remedied. Konrad indicated that there are people with leaky faucets and leaky toilets and those have been denied. Hagen-Kennedy indicated that this is opening things up to a dangerous precedent to start returning funds. Canada said that he thinks the facts are that they have taken the steps to find whatever it was but he does not know what the formula would be but he would suggest \$32,000. Canada then said there is nothing wrong with setting precedence. Hagen-Kennedy asked where that \$32,000 would come from. Hill indicated the sewer fund received the revenue and therefore should make the refund, if one is approved. Hill indicated that if there is going to be a refund it should be done quickly because it needs to be off the books because that complicates two entities audits. Hagen-Kennedy said she got a \$500 extra bill because of a leak and she was told no so if the City goes down this road it opens up for refunds for all leaks. Borchardt said this is a unique situation and a unique property in the City and is not a result of a leaky toilet or pipe burst in a residence. Borchardt said that municipal water services on average 10 to 50% of the water never makes it to a meter in a home or commercial operation because

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there is line loss. Hagen-Kennedy asked which councilmembers use water and sewer. Blomquist and Hagen-Kennedy use the system. Borchardt said she is a user on the system for her business. Furman said she agrees there should be some refund and she does not think it means the users on the system pay for it. Furman said she does not see this as precedence but as being fair. Blomquist said that she feels that the fair thing is not to give the refund because she has to make up the difference. There are three Councilmembers not affected by this who think this is fair. Blomquist said that if he gets a refund then everyone in town gets a reduction in their bill. Canada said that he does not think that the City has enough money to refund the whole thing. Konrad said that she feels this will set a precedent so she feels a refund policy is in order. Konrad said that if refunds are given it should be at a maximum two months back. Konrad said that a policy would need to be immediately instated if this is going to be done. Hagen-Kennedy would like to know if rates would have to be raised. Hill said he would doubt that rates would be raised at this point. Staff will bring this back June 18.

IV. Sewer Ordinance Review

Williams reviewed the proposed changes to the Sewer Ordinance. Furman asked why part of A was removed on page 15. Konrad explained that was old carryover language prior to consolidation. Furman asked how many residents use sewer but have their own water system. Konrad indicated that there are some in Blakeslee addition. Furman asked about the building permit for remodeling for existing structures and a SAC fee. Konrad explained the language. Furman said a former Councilmember that was a developer asked about partial payments because it is a lot of money up front. Furman indicated interest is charged. The language was amended to require a renewable letter of credit. Staff will bring this back to a regular meeting for approval.

V. Sewer Rate Fee Structure

Hill provided information on the sewer rate fee structure. Canada asked how many gallons a family of four would use. Hill indicated the range is 5500 to 7000 gallons. Furman asked what is being done about sewer for the apartments. Konrad indicated that the base fee per meter is charged and then usage. Konrad indicated that whatever Ecumen uses they pay for. Blomquist said that she does not think it makes sense to change to living unit charges. Hill's recommendation is not to change the fee at this time. Borchardt commented that the City is not the highest and not the lowest and that takes tremendous effort.

Motion by Furman to adjourn.

Adjourned at 8:21 p.m.

Respectfully submitted,

Bridgitte Konrad, City Administrator
jrl/TOSS