

CITY OF ST. FRANCIS  
ST. FRANCIS MN  
ANOKA COUNTY

CITY COUNCIL MINUTES  
APRIL 15, 2019

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 Kevin Robinson, Joe Muehlbauer, Robert Bauer and Sarah Udvig.

Also present; Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Craig Jochum (Hakanson Associates, Inc.), City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom, Police Chief Todd Schwieger, Fire Chief Dave Schmidt, Public Works Director Paul Teicher, Finance Director Darcy Mulvihill, and City Clerk Barb Held.

3. **APPROVAL OF AGENDA**

Add 3 A. Lions Temporary On-Sale Liquor License –St. Francis Lions Club June 7-8 for Pioneer Days.

MOTION BY UDVIG SECOND ROBINSON APPROVING THE REGULAR CITY COUNCIL AGENDA AS AMENDED. Motion carried 5-0.

4. **CONSENT AGENDA**

MOTION BY MUEHLBAUER SECOND BAUER TO APPROVE THE CONSENT AGENDA ITEMS A-H AS FOLLOWS:

- A. City Council Minutes – April 1, 2019
  - B. Declaring Surplus Property Forfeiture Vehicles - Resolution 2019-11
  - C. Acknowledgement of Premises Permit for Andover Huskies Youth Hockey Assn @ The Ponds Golf Course 2881 229th Avenue – Resolution 2019-12
  - D. Declaring Surplus Property 33-34-24-22-0016 - Resolution 2019-15
  - E. Small Cell Aesthetic Policy
  - F. Nixle Notification System Renewal
  - G. Payment of Claims \$381,366.85 (ACH 257E & 357E \$141,591.03 Check numbers # 75705 - 75787 \$239,775.82)
  - H. Accept the resignation of Acct Tech/Deputy Clerk Lori Streich and authorization to fill the position
- Motion carried 5-0.

5. **MEETING OPEN TO THE PUBLIC**

- A. Justin Miller, 1949-237<sup>th</sup> Avenue NW, spoke with Councilmember Robinson on bee keeping and I would like you to address that again. We have one of the strictest

restrictions around. I have 2.5 acres and for environmental and educational reasons I would like the council to review it.

Feldman asked if we could add that to our next work session agenda. Kohlmann this work session agenda is lengthy. We can take the bee keeping to the next work session. Miller said I understand. Feldman said we will see if we have time otherwise we will address it at another work session.

6. **SPECIAL BUSINESS**

A. DNR Variance Request Presentation

City Administrator Joe Kohlmann gave a power point presentation on the variance request. Wanted to get all the facts out because there is a lot of misinformation out there. Make an informed decision. Deadline for comment is April 26<sup>th</sup> at 4:30 pm and the DNR said a decision will be made May 21<sup>st</sup>.

Feldman said we would take public comment on our second "Meeting open to the Public".

Attached to the minutes is the power point presentation.

7. **PUBLIC HEARING**

A. Kings Hwy/Riverbank Lane Street Project

City Engineer Craig Jochum gave a project summary for the street improvement. The summary included what the project construction consisted of, project funding and the bid evaluation. The project summary was handed out to the council and residents in the audience. Jochum stated he could not really explain the cost increase. Only thing I can see is there are a lot of projects out for bid and this project did not have a lot of work to it.

Feldman asked about the paved driveways to right-of-way. Jochum stated we will paved the first approximately 15 feet of the driveway from the street. Feldman read the total breakdown of the bids that was included in the packet.

Jochum recommended opening the public hearing for comment.

1. Hearing on Proposed Assessment

Mayor Feldman opened the public hearing at 6:29 pm.

a. Blaine Wright, 3419 Kings Highway asked about the retention pond, will it be on the north end? Jochum said the retention pond would be on the southern end.

b. Mike Minkler, 24311 Riverbank Lane NW this is the ultimate sticker shock. Following up with Wrights question, how deep is the pond. Jochum said the retention pond is about 2 feet deep in the right a way on the south end of the project, by the cul-de-sac. Minkler said he is concerned if it could hold all the drainage.

Jochum said we bid a similar project in a neighboring city and their project came close to what you received. Jochum said if you re-bid, I could not tell you it will come down.

Feldman asked if anyone else had anything to say, this is your chance.

c. Diane Edwards, 17180 Bittersweet Street NW Andover, I am here for my aunt Margaret Gertvig, my question is about the retention pond. Why wasn't she notified, to my knowledge she wasn't notified. Her property butts right next to the proposed retention pond. What happens if the pond overflows and there is erosion? Jochum said it probably will overflow. We will address the erosion if it happens. I like to at least have her notified.

Feldman said what happens right now with the drainage. Jochum stated the water from the north works its way south through ditches, culverts, whatever. Feldman said today we have ditches that are too high, culverts that are plugged, a drainage pipe that will be changed. There will be a number of changes that will help the drainage flow properly.

d. Bryan Peterson 24203 Riverbank Lane next to the collection pond. What will happen to my property, will it affect my house? I have a very serious concern here. What guarantee will I have that we don't have a problem. Concerned with my basement. My sole concern is the run off and it doesn't have an effect of my house.

Jochum larger storms will collect and run off. Will overflow where it overflows now.

e. Shawn Davis 24310 Riverbank Lane concern is in the current ordinance it says you cannot have gravel driveway on a paved road. Want a guarantee that you will not force us to pave our driveway. Didn't like the increase from what it initially started out at.

f. David Jones 24455 Riverbank Lane, about a year ago a discussion was brought up on the development to the west and if water and sewer was to be brought in. Are you still looking into it?

Feldman said only if growth justifies that. Expanding MUSA district is a very costly endeavor. Kohlmann said probably 2040 to get to the end of the boundaries for that district. We don't know but that is our estimate. Feldman stated there is no discussion as of today.

Feldman asked again, does anyone want to come up and talk this is your time to talk.

g. Blaine Wright, 3419 Kings Highway the ditch work on Kings Highway, drainage would go to the west not to the south, correct. Jochum said correct.

Feldman said right now the water goes wherever it wants to. Culverts plugged and ditches not dug out. Hopefully with the improvements the rain will go where we want it to go to.

h. Aaron Simonson 24430 Riverbank Lane a number of meetings ago it was all or nothing, ditches and tar. Not a fan of the price but I need something done so I can fix the drainage for my septic. Feldman said by the way the council is not a fan of the price either

So I need the ditches fixed to help with my drainage problem.

i. Shawn Davis what assurance do we have that the price will not go up once we get going on the project.

Jochum said there is no guarantee. The council would have to order another assessment if there is a major problem. Pretty much a straight forward project.

Davis said if another \$50,000 cost comes in what happens. Council would have to address that.

j. Barb Jahnke 24381 Riverbank Lane I live in the area where the water drainage does not affect me but other people have had tremendous issues. I just want a smooth road and not rip up our cars. I would like to see it cleaned up. Make our property more valuable; enhance our neighborhood and fixing the problems with the drainage issue because of how the water is running.

Feldman said I would like to say one thing about a cost increase; it has to be a justifiable reason. We are not happy with the 28% increase either.

k. Randy Fields 24320 Riverbank Lane you said you contacted three companies. Jochum said we advertised the project went out for bids publicly. We received three bids. Fields asked if we could get the names of the three companies.

Jochum read the three companies and their bid amounts. Jochum said all this information is in the council packet along with the project summary that was handed out tonight.

Fields asked about the lowest bidder. Jochum said they have done a lot of projects in St. Francis and they were the low bidder. They did the street overlay last year in St. Francis. Fields asked if there is anyway the price could be cut. Jochum said culverts and curbing is being done only where needed.

Fields asked if the two properties in Isanti County with driveways coming out onto

Kings Highway could help pay for it. Jochum said unfortunately no, we have no authority to assess another county. Feldman said you as residents can go to the township to see if they would help pay for it.

Feldman said we have tried to see where to cut.

Fields said I could not believe how high the cost came in. If you said \$10,000 last year, we probably would not have gone forward.

Bauer said it is per unit and if the cost is less it would come back to the residents, in my opinion.

Fields asked why does the interest start now. Jochum said the council does have leeway of not starting the interest right away.

Finance Director Darcy Mulvihill said what we have done in the past is to wait until the project is completed and council approves the final assessment. That is the date the interest would start. Discussion was held on the different options of how and when the interest would start and how prepayments can be done.

l. David Jones 24455 Riverbank Lane had more questions about how to prepay the interest.

m. Mike Blood 24411 Riverbank Lane this has been an ongoing problem for 30 years. Nothing is going down. Let's get this done. Recently I observed a soil boring company down by the cornfield do you know what they are doing. Council did not know. Asked about the care of 245<sup>th</sup> Avenue, a lot of potholes on that stretch.

Teicher said Isanti County and our staff have been in contact about that stretch of road.

Minkler asked if this is approved when would it start and how long with it take. Jochum said I don't know the start date. About 8-10 weeks once they get started. Still like to see the holding pond work.

n. Brian Peterson appreciates seeing the three different bids. I know there is no guarantee but can we get a not to exceed amount with this project.

Feldman said again change orders have final approval by the council and justification is needed.

Peterson what are we in for, we saw a 28% increase from last fall. Jochum said they will follow the prices that they bid if they hit a dump, they wouldn't have known that. I would like you to mitigate that there is no price increase. Jochum said the unit prices are fixed. Only if something unseen, would the cost go up? Peterson would like the

council to mitigate the maximum price.

Feldman asked again is there anyone else that would like to come up and talk. It is your time.

o. Randy Fields say it came in \$50,000 less than how would that be divided, a cost share. Council would address that if the case. Feldman said we would have to see how it works out but we would be open minded.

p. Larson 24373 Riverbank Lane asked about the driveway would they match the grade to match up to the existing. Jochum said we would correct the grade. Asked about the curbing. Also asked about information on the DNR on the administrative rules. Feldman said that has nothing to do with this.

Audience member said we are in favor of getting this done.

Feldman asked again, anyone want to make a comment on this, it is your time.

With no further public input, Feldman closed the public hearing at 7:15 pm

Feldman stated I should have said this prior closing the public hearing but any property owner that wants to object to the project assessment needs to do it in writing and give it to city hall.

Feldman said this has been a long road for you as residents and us as the Council. We have been working on this for well over a year. Glad to see the number of people here tonight. I want to tell you what the council has done.

Initially the fees were a 10 year at a 5% assessment and push that out to 15 years at a 3.68%. We didn't go out on the bond market because as you know the interest rate would have probably been higher. Feldman explained how they came to the 3.68%. Also, the MS 4 came into effect in 2017 and we are now into the third year of billing for the storm water fee. You are now reaping the rewards of that fund because you are the first major project using the funds. Had that not been done and that fund not been in place you would be paying the full amount of your assessment. Understand 80% of these funds are being used for this project. We have worked within the policy guidelines and we have discretion as a council. Our policy states 60% city and 40% for residents. We have changed it to 74% city and 26% residents. So we have adjusted where we can staying within our guidelines and policies. But I want you to know you are getting a good sum of money from a majority amount of people that don't live where you live. I think it should be done. You came to us with a problem we gave you a solution. Sorry it took this long. You had concerns, we had concerns. We are the fiduciary responsibility of the city's money. We are giving you an amount of money here that will not be paid back. We feel it is justifiable, we feel it is a stormwater related issue and also a protection of the Rum River which we feel is very important. I want you to

understand we have bent over backwards within our guidelines to make this work. Are we as shocked as you are about the prices, yes we are. There are four options I have come up with and talked to staff and council about them. They are:

1. Re-bid the project in 2020 (grade road and dust control only)
2. Each resident pays down \$2,327. (the difference between the new total assessment fee per resident and the old total assessment fee per resident; \$10,67400 minus \$8,320.00 = \$2,327.00) this would bring the monthly assessment amount to \$61.00 per resident over 15 years.
3. Residents pay the new monthly assessment amount of \$79.42 based on the new annual assessment per resident of \$952.69 over 15 years at 3.68%
4. Do Nothing.

I have had many conversations with the engineer on ways we could cut. But he feels and I do too if we do cut any part it would not be the project we want it to be. We want this done as well as you do. Long term would be to get rid of all gravel roads. We are not getting rid of the grader; we still have other gravel roads. You should enjoy your area better, more sellable, and higher value to your home. Change is hard; we wish the amount would have been lower. Also looked at franchised fees, maybe down the road for roads. Looked at many options. We need to get the water where we want it to go not where it wants to go. This council has spent many hours on this project.

Udvig, I agree we were all shocked with the increase of the cost. Heard your concerns and been at the work session before I was on the council. I agree we have worked very hard individually and collectively the best solution for this. Unfortunately, we are not going to make everyone happy. But I think we are at a point where we have to make a decision because we can't keep putting this off.

Bauer wants the residents to know the price was a sticker shock to us too. Staff, consultants and city council put a lot of time in in getting this price down. Went to a different engineer company since we took office. They did all the sight work. If the project moves forward it will go forward. Appreciate all the yeses.

Feldman said when the price came in higher we took more of the storm water to put towards this project.

Muehlbauer had question for staff, is there a way or assurance we are not going to make the property owner to have to pave their driveway if a different council comes in.

Kohlmann stated now the house would be a legal non-conforming but when the house gets redeveloped/torn down and a new house built it would have to be paved.

Robinson said it is a tough decision we cannot correct decisions from the past. Price is not appealing but all things come with some cost. Not an easy decision and we don't take it lightly but it is time to do it.

Feldman asked if we could get a hand count of who is for it. Ten property owners were for it in the audience.

Any property who objects to the project assessment must do so in writing.

2. Adopting Assessment – Resolution 2019-13

Discussion on when the interest will start and when prepayment must be made by. Council agreed to assess the bid prices tonight and waive the interest until January 1, 2020. Prepayment must be to the city by November 15, 2019. Payoff can be made at any time.

MOTION BY MUEHLBAUER SECOND BAUER TO ADOPT RESOLUTION 2019-13 A RESOLUTION ADOPTING ASSESSMENTS FOR THE KINGS HIGHWAY AND RIVERBANK LANE IMPROVEMENT PROJECT WITH AN INTEREST STARTING JANUARY 1, 2020. Motion carried 5-0.

3. Accepting Bids – Resolution 2019-14

No additional comments from the council.

MOTION BY ROBINSON SECOND BAUER TO ADOPT RESOLUTION 2019-14 A RESOLUTION ACCEPTING BIDS FOR THE KINGS HIGHWAY AND RIVERBANK LANE IMPROVEMENT PROJECT.

Motion carried 5-0.

A resident asked if they could come to the pre-construction meeting. Jochum said it is unusual the residents attend the pre con meeting. Jochum did say there would be letters sent to the residents when the project starts.

Feldman thanked the residents.

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

A. 2019 Street Reconditioning Project

Per Council direction, city engineers prepared plans and specifications for the reconditioning (mill and overlay) Woodbine Street, 233<sup>rd</sup> Lane, 227<sup>th</sup> Avenue, Stark Drive, Yucca Street and Vintage Street. Four of these street segments are on the City's Municipal State Aid system therefore the street improvements for these four streets can be paid for with Municipals State Aid Funds. Based on Municipal State Aid Standards these streets are not constructed wide enough to allow parking on both sides. The improvements include a 1.5-inch mill and overlay, spot curb replacement, pedestrian ramp reconstruction, crosswalk striping, and signage for no parking.

1. Relating to Parking Restrictions on Municipal State Aid Routes - Resolution

2019-16

MOTION BY UDVIG SECOND MUEHLBAUER TO ADOPT RESOLUTION 2019-16 A RESOLUTION RELATING TO PARKING RESTRICTION ON S.A.P. 235-123-0001 WOODBINE STREET NW, S.A.P. 235-124-0001 233<sup>rd</sup> LANE, S.A.P. 235-143-0001 VINTAGE STREET, AND S.A.P. 235-144-0001 227<sup>TH</sup> AVENUE.

Motion carried 5-0.

2. Approval of Plans and Specifications – Resolution 2019-17

MOTION BY ROBINSON SECOND BAUER TO ADOPT RESOLUTION 2019-17 A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR THE 2019 STREET RECONDITIONING PROJECT.

Motion carried 5-0.

10. MEETING OPEN TO THE PUBLIC

a. Greg Edwards, 17180 Bittersweet Street, Andover you are taking a scenic and wildlife river and reclassify it as urban. What was denied in 2005 by the DNR? I believe we should maintain the area as scenic.

b. Diane Edwards, representing my aunt. This had been a family farmland for many years. You are almost forcing her to change how she builds. It states it would have to be city sewer and water. Very concerned about the beautiful scenic and natural waterway. They use to run canoe trips up and down the river so people could see the scenery. If you put that many houses in where is the run off going to go, the wildlife, bears, eagles. If you take that away you are not going to get that back.

b. Darwin Gamm, 3220 241<sup>st</sup> we probably own over 52% of the land east of the river within the boundary of the proposal. I know you have already applied for a variance and waiting for an answer. Couple things I would like the public to know. A big problem was created by the city. In 2012, we purchased some property and we were forced to combined all our parcels into one. Look at different options, there is room to do everything. Everything that has been written, stated and applied for is all based on ifs and assumptions. There are no facts that supports this. A letter was sent out that water and sewer rates could go down. He said he has property that is on water and sewer for some time and your rates are not going to be off set. One last thing that I have a little bite of a pet peeve and I am not sure if it is an issue that will go anywhere or not, the fact the city sent out a letter to the city water and sewer users strongly encourage to contact the DNR We did not receive that same letter.

c. Shawn Davis, 23310 Riverbank Lane, I like to see the city grow, more people more businesses. But I don't want to compromise the river that we have. The DNR website, the two presentation are all different. Like to keep the river scenic. Last meeting you all said this was to help the water and sewer rates. Councilmember

Robinson said no I did not. Davis said your right, Kevin you didn't but the rest of you did. I apologize. The new letter out to just a few residents, don't agree with that.

d. Juli Murillo, 23539 Ambassador Blvd. I received a letter, seems to be a confusion in the proposal in what you would do with the land. I live in a 1.6 acre and I can only build a small addition to my house. If I want it bigger, I would have to get a variance. And it is due to space. Feldman said where would you be affected by the variance. I would not. But I now look across the river at 5 homes out my window, no scenic view. Ducks and deer are gone. I am all for growth, don't understand why you can't leave the 150 foot. The realtors don't know what people can and can not do with the land, they don't care. There is no accountability. I will be at every meeting for any future development in the city. She said she kept talking to the realtors in the Rum River Bluffs. Kept building and she was told they do it in phases. My kids like to go fishing, kayaking. I can't even build a 600 square foot building until April. You can sell it however you want.

e. Benjamin Reichert, 23258 Vintage Street, I did get the letter. Reichert explained the different degrees he has in forestry and watersheds. The proposed is you want to develop straight to the river, correct? Kohlmann said we are not developing anything. Feldman said it is to allow for development. It is still up to the ag owner if they want to sell to a developer or not. Reichert said I am for development. There is plenty of property to development. I am for 150' to 300' feet setback is not too much to ask. Feldman said setback? Reichert said yes. Rum River is designated as a scenic water trail technically. People like their trails and you don't want to see people unless they are using the trail, my basis understanding on is what is going on here. Thank you.

Feldman asked Thunstrom to explain some of the questions raised tonight. Thunstrom said in regards to accessory structures; the new ordinance would be in effect April 23. Murillo is welcome to submit her request to build an accessory building.

Discussion between Murillo and the council included forcing to hook up to water and sewer, no development unless the property owner wants to develop, and notification process. If owners never develop, the water and sewer would not develop, buffer zone and vegetation. City Planner Beth Richmond explained what a Planned Unit Development (PUD) was and answered some questions from members in the audience.

Discussion moved on with Darwin Gamm on how a development could happen in the future. Gamm said they would probably not.

Feldman said tell me what industry is going to come here when people aren't here. You (Gamm) own the land and if you don't sell the land it doesn't come to your area. We are planning for MUSA to expand. It gives you more options. Growth is an engine

for supply and product. There is no plan for your area but if a developer comes to you, it would be ready.

Discussion continued on if it was changed from rural to urban what happens to the tax base. Won't change until you use the land differently. Planner explained the wild and scenic designation. Discussion then moved onto the 183 acres. Feldman said with this council and staff that we have that would never have happened.

Discussion then went to the urban versus rural designation with the city council. Feldman said we are looking at all options. Feldman spoke on how things have changed since when he sat in the audience number of years ago.

Gamm spoke about different plans and meetings he attended and no one ever contacted me or my wife after the meetings. Feldman said you could contact city hall too.

Murillo explain how she has had a problem contacting staff about a water bill, said she was given the run around. Feldman said you can always contact the city council.

Feldman said we are correcting mistakes that have been done years ago. We want trust, trust is important.

Greg Edwards stated I commend you for not having the three-minute clock and allowing people go back and forth with discussion.

Feldman said we want to promote the river, great resource. If the landowner never wants to sell their property nothing will change, nothing back door. Without the population, we won't get the businesses. Trust and respect is hard to earn.

Feldman said what was given out to the utility billing residents was additional maps and a list of facts. The DNR only required us to send to the 66 residents affected and it was decided to send it to more. We want to grow well planned out and responsibly. Feldman said we are human and are here to listen.

Gamm asked about Riverbank Lane asked about the city to be a little more proactive to have more rain gardens. Jochum said the new rules have changed need to more infiltration.

Feldman any city that doesn't look 20-25 years out, you have to. Your input is very helpful and informational, thank you.

Udvig thanked the people who called me with some questions regarding setbacks. Some of the people that I heard from were not for this. I hope that they are watching tonight.

Feldman said if you are getting the run around make sure you contact us.

Bauer wants the resident to understand the setbacks. We are not changing the policy with the variance; we are looking at this at a whole. We are here to govern the best for all the people. Look at the cities around us we are the only city that has urban and rural designation. I support it.

Feldman said we want well plan sensible growth. River is a Historical site.

Muehlbauer call email any of us. I will get back to anyone.

Robinson thanked everyone that came in. Didn't like the script. I am for responsible property rights. I did not say we are doing this to expand for our wastewater. I did not say that. It is for the future, you have to plan for it. I like wildlife too. Checks and balances, involvement is the key things.

Gamm when these things comes up can we get notices earlier than just knowing it at the planning commission level. Show us the plans on what is being proposed.

Thunstrom concept stage is when anyone can comment. Then the effected property owners are notified by a mailing. Muehlbauer said there is some personal responsibility you need to take too. It is public and on the website. Have to be accountable a lot of people want to be spoon fed. I do encourage people keep informed.

Discussion continued with the audience members. Feldman said this is a tough job. If you want a 100 out you have to put 100% in.

## 11. REPORTS

### A. Department Reports –Public Works Monthly Reports

Teicher gave the Monthly department report. March was a busy snowplow month. Staff cleaned 240 catch basins before the rain.

### B. Councilmember Reports -

Robinson - Lions Easter egg hunt was well attended, they did a great job putting it together. The Lions Club does a great job and need people to join they continue to do a lot of good here. Appreciate the mayor's passion but we are a voting body of five.

Muehlbauer – nothing to report.

Udvig - met a member of the new meter reader company that was out to my house yesterday.

Bauer - April 23 MnDOT open house. Let's get as many residents there too.

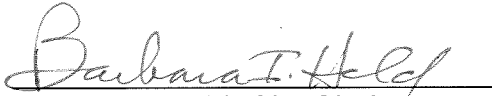
Feldman – will be working recycling day Saturday, 8 am to 2 pm. Staff does a great job. National Drug Take Back Day is also this Saturday from 10 to 2 pm.

C. Upcoming Events -

Apr 17 Planning Comm. Mtg @ St. Francis Area Schools District Office CANCELLED  
Apr 22 City Council Work Session @ City Hall 5:30 pm  
Apr 23 MnDOT Comm Engagement Open House @ SF Baptist Church 4:30-7:30 pm  
Apr 27 Recycling Day @ SF Public Works 8 am – 2 pm  
Apr 27 Nat'l Drug Take Back Day @ SFPD and Goodrich Pharmacy 10 am – 2 pm

12. ADJOURNMENT

There being no further business, Mayor Feldman adjourned the regular city council at 9:16pm.

  
Barbara I. Held, City Clerk