

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

CITY COUNCIL MINUTES
APRIL 1, 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, Finance Director Darcy Mulvihill, and City Clerk Barb Held.

3. **APPROVAL OF AGENDA**

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

4. **CONSENT AGENDA**

MOTION BY MUEHLBAUER SECOND UDVIG TO APPROVE THE CONSENT AGENDA ITEMS A- C and E-G AS FOLLOWS:

- A. City Council Minutes – March 18, 2019
- B. Acknowledgement of Donation from Blaine's Blazin 4th, Inc. for Pioneer Days
- C. Acknowledgement of MN Gambling Permit for SF Dance Team Booster Club Raffle-June 9, 2019 @ St. Francis High School
- D. ~~OPUS Utility Billing Contract~~
- E. Street Consortium Seal coating and Crack Filling
- F. Payment of Claims
- G. Woodhaven Expansion Letter of Credit Reduction

Motion carried 5-0.

Feldman asked to have item D pulled from the consent agenda.

D. OPUS Utility Billing Contract

Feldman asked City Administrator Joe Kohlmann to explain the meter reading company and the change

Kohlmann stated the meter reading company RMR is proposing a 285% markup/rate

increase for meter reading. They read the meters for Connexus Energy when Connexus handled the City's utility billing. Then when we entered into an agreement with OPUS, RMR kept on reading the meters however we never had a separate agreement with them. RMR increase includes an increase to their billing to read meters and the City had to replace the meters. We contacted OPUS on what they were going to do. OPUS who also handles utility billing for Andover, Big Lake and Ramsey. A different meter reading company was contacted; SL Serco. All cities agreed to go with the new company. To give the city some time to negotiate with SL Serco, OPUS agreed to subcontract with SL Serco for 120 days while the City negotiates a contract for meter reading with them. It is anticipated the costs will still rise but less than what RMR proposed. There are a limited number of meter reading companies. OPUS is a 5-year contract. In the Capital Improvement Plan, we will have a plan for replacement of meters to automatic meter reading. Could have that possibly completed within five years. OPUS would still stay with us to administer the utility billing. Feldman said I would like an out clause with the OPUS contract too.

Council was in agreement with the contract and changing the meter-reading company.

Udvig asked if the online fee would still be there. Mulvihill said if you use a credit card there is a fee. If you have it automatically withdrawn from, your checking account there is no fee.

Kohlmann said we would have a contract with an out clause in it.

MOTION BY MUEHLBAUER SECOND ROBINSON TO ENTER INTO AN AGREEMENT WITH OPUS MANAGEMENT SOLUTIONS RENEWAL OF MASTER AGREEMENT FOR THE CITY OF ST. FRANCIS.

Motion carried 5-0.

5. **MEETING OPEN TO THE PUBLIC**

The residents asked to speak at the second open meeting being it is after the DNR Variance item because that is the topic they want to address.

6. **SPECIAL BUSINESS**

None

7. **PUBLIC HEARING**

None

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

A. Interim Use Permit for Home Occupation – 6032 Ambassador Blvd

Resolution 2019-10

Community Development Director Kate Thunstrom reported the applicant; Kevin Denker is proposing to have a home based business at his residential property, 6032 Ambassador Blvd. NW. Property and business owner acquired the property and built a home on this property in 2018. Denker has operated his landscape business for 19 years out of his residential property in East Bethel and would like to do the same at his current location. Thunstrom discussed all the general IUP standard criteria, restrictions and conditions that were placed on this IUP at the Planning Commission meeting. Thunstrom stated the applicant is in attendance if you have questions.

Feldman asked Denker how many employees? Denker stated 2 additional employees. This is a seasonal business. Waiting for approval of this then have a building built. Business hours are typically 7 am to 5pm and occasionally to 7 pm being the maximum number of hours. We were in East Bethel for 19 years. Had 10 acres but only 2.5 was buildable. I do not plan on making the business bigger. East Bethel wanted us to move to an industrial park and could not afford it.

Muehlbauer asked if you were aware of the conditions.

Denker said they are strict but that is what we are used to. Thunstrom said part of the regulations in an IUP is we can inspect. Denker stated East Bethel said they came out every year to inspect. Every three years we had to renew with them.

Feldman said we don't want a lot of junk and trash not saying you are going to do this.

Robinson attended the Planning Commission meeting welcoming free enterprise. My only concern was fuel storage and he answered it at that meeting. Welcome you to St. Francis.

Bauer asked about the curve on Ambassador Blvd. and the equipment for safety reasons. Denker said we did assess the intersection on County Road 28 and 71 already. Also, we might try and avoid Hwy 47 and Ambassador Blvd, so we might go south on County Road 71 to avoid 47/Ambassador Blvd. intersection.

Udvig, welcome to St. Francis.

Thunstrom reported the Planning Commission voted 7-0 recommended approval of the requested IUP with conditions. Denker said I keep my property clean. We were in a residential area in East Bethel, it was time to move. That city seemed to want us to move.

MOTION BY MUEHLBAUER SECOND ROBINSON TO ADOPT RESOLUTION
2019-10 A RESOLUTION APPROVING AN INTERIM USE PERMIT TO ALLOW A

HOME EXTENDED BUSINESS ON THE PROPERTY AT 6032 AMBASSADOR BLVD. NW. Motion carried 5-0.

B. 2020-2022 Urban County Requalification Participation

Thunstrom reported Anoka County accepted the designation of an Urban County for the Federal block grant entitlement funds. The city of St. Francis is part of the Urban County qualification for the funding along with all other participating cities/townships within Anoka County. In 2007, the City entered into the Cooperative Agreement with Anoka County for the purposes of the Federal CDBG and HOME funds. This agreement outlines the mutual participation with the Anoka County Urban County qualification and automatically renews until one or both of the parties “opt-out” of the agreement for the programs. Being we have property with two counties we have options to participate in either Isanti or Anoka County. Staff recommending staying with Anoka County.

Council was in full agreement to stay with Anoka County.

MOTION BY UDVIG SECOND BAUER TO STAY WITH ANOKA COUNTY FOR FUNDING. Motion carried 5-0.

C. Scheduling City Council Work Session

Council agreed to schedule an April 22 work session at 5:30 pm at city hall to discuss a number of land use issues.

D. DNR Variance Request

City Administrator Joe Kohlmann gave a power point presentation on the Department of Natural Resources (DNR) Variance Request and Action for the public. The power point presentation was included in the council packet. A notice from the DNR were sent out to all property owners within a 350-foot radius of the impacted 500 acres. Not everyone in the City was required to be notified. However, everyone has an opportunity to comment on the requested variances. In the power point, it gave a Wild, Scenic Overlay District Overview, what is St. Francis classified as, and what does this mean, maps and what to do now.

New development triggered the DNR review and that is when we were notified of the 1978 Wild and Scenic Overlay district. For years, the City planned this area for future MUSA. There are two designation for the Wild and Scenic District – “Rural” and “Urban”. The Wild and Scenic District restricts the number of units per buildable acres. Example used was a 46.8 acre piece of land: Rural – would allow for 18 units of housing (1 unit per 2.5 acres) on septic/well and Urban – would allow for 93-140 units of housing on city utilities. The public can send their comments to the MN DNR address in St. Paul or email Daniel.petrik@state.mn.us

Feldman said the wastewater facility was built thinking we would be expanding our user base. Key to that is to expand our area for new and future developments. Our

thought to increase the population would increase our number of users. We do not want to lose our small rural effect but we also want to grow. We have a lot of wetland in the City too. We are asking for Representative Daudt's help. He is the one that suggested this mailing. Our ultimate goal is to try and reduce our utility rates. Just found out last week that Oak Grove will be hooking up with us.

Udvig we will all do our best to get the word out.

Bauer would like to see what the residents' concerns are. Supporting right now but want to hear what they have to say.

Muehlbauer is for these variances but would like to hear what the residents have to say. The area affected right now is where the developer wants to develop.

Robinson said the emphasis should be on the river too. But the developer has been very thoughtful on his development so far. Any development we can put on city utilities so septic's are not leaching into the river is good.

Feldman we are going to be good stewards of the river because we want to promote the river. Just as with the new street project on along Riverbank Lane there should no longer have the pipe running into the river. Want to show the DNR we are going to be good stewards of the river. Since 1977-78, we now have a new water treatment plant and wastewater treatment facility.

Kohlmann said we do not need any formal action on this tonight. We just wanted to let the residents know what was going on regarding the variance request.

Feldman said the best way to voice your concerns is by emailing the person at the DNR. This is a start. We want to get it out to the public and let them know how important it is.

10. **MEETING OPEN TO THE PUBLIC**

A. Bryan Peterson, 24203 Riverbank Lane said this is all new to us. Here more as a fact finder tonight. Moved here because of what it is. Questioned the setbacks and zoning.

Thunstrom said all property would remain at the current zoning until the property owner wants to develop. The only part now to be rezoned is the one the City has currently in front of us.

Feldman said there is nothing in the plan for MUSA in your area for now. We want to fix the road in your area.

What is the implementation for us? Peterson asked what is the 2030 plan.

Kohlmann explained the area by showing the map(s) again. We cannot predict the future but as of today, we do not see anything west of the river that I am showing. Right now, the area affected is just the southern eastern section east of the river.

Muehlbauer said it was brought up earlier by previous councils should we put pipe in a now, in the Riverbank Lane area. We said no why put in pipe when we have no idea when city utilities would go in that area.

Peterson just fact finding tonight. We just do not know your time frame for growth in our area.

Feldman said the only thing we are doing now is the area where we have a developer wanting to expand City utilities.

B. Shawn Davis, 24310 Riverbank Lane asked about the densities that was included with our information we received. Clarification was given on the density. Opposed right now, river, wildlife right now could have been better thought out. Those are my concerns. My understanding we are not getting water and sewer but we still will have the drainage going to the river.

Feldman said we will have discussion at the next meeting on the street project.

Davis will you make a decision at that meeting.

City Engineer Craig Jochum stated the official assessment hearing would be held at the next City Council meeting. That meeting the council will be determine if the project goes moves forward or not.

Kohlmann said what the variance request does is remove the rural designation. It allows for the change in density. Thunstrom said if we have a development that comes through in your area, you will have the ability to voice your opinion at a hearing.

Davis said why didn't more letters go out. By the way, public works did a heck of a job this winter with our road. Never had a problem getting out this winter.

Thunstrom said roughly 66 letters were sent out with this mailing. It went to anyone within the restricted area and properties within 350 feet of the designated area.

C. Mike Minkler, 24311 Riverbank Lane stated I have been there since 1995. What I am hearing, you want to change the zoning because you have a problem with your wastewater facility. You want the river to pay for your wastewater plant. This is what I am hearing from you. That culvert or drainage pipe is on one lot. The street assessment went from \$8,000 to over \$10,000. My lot is 1.2 acre. Minkler addressed the river setbacks. This map is not a true representation of the city. Why

do you want a special variance for this area when you have plenty of property to develop? Minkler spoke of the development that was being platted in the early 2000's. Final plat approval was shut down by the DNR. Hope the DNR has the same opportunity today. We have a scenic river in this town. I am passionate about this. Not sure why we need to change this when other cities do not.

Feldman said our goal is not to have this help pay for the wastewater facility. I have no intension to charge the well and septic property owners for our wastewater facility, by the way I was against it in the first place. That is why we reached out to the Met Council. No development plan right now to see the MUSA go out that far for now.

Feldman said we are listening to you, you never had that before. We sat here with you multiple times regarding your street and concerns. We will talk about that more at the next meeting.

Muehlbauer said we do care about the environment. The development is already started, it is for the area east of the river.

Feldman asked Kohlmann to explain the reason for the variance again.

Kohlmann again explained the reason what happened 40 years ago. At that time, the city could have said it could be urban and more than likely, they would have allowed it.

Feldman gave different lot sizes regarding lot density. We want responsible growth not building for building sake. Just look at Hwy 47, we are looking at all options. Hoping to have this council in place for a long time.

Robinson said good points were brought up. Glad the residents came; you have the option to voice your opinion.

Muehlbauer had nothing further to add.

Bauer said if we get this variance it does not mean there will city water and sewer everywhere in this area. Look at the big picture. Who knows in 30 years if Riverbank Lane may be city water and sewer. Develop in a responsible way. Open to it for this portion. If it is possible, would like to have this sectioned off in portions.

Udvig thanked the resident for showing up. Email us if you cannot show up. This email is a good way to communicate with the DNR on what you want. We are not always going to think alike. If you choose not to participate than you live with it.

Feldman stated we are not looking at putting homes right on the river. Responsible growth. Your input is important.

D. Joseph Murrell, 24360 Yukon Street that property to the north of property you are talking about will never be sold. I was talking to the owner of the property at the St. Francis Forward Plan meetings. Spoke on the river crossing discussion. Pushing urban in this area is futile.

No action was needed this evening from the council.

11. **REPORTS**

A. Department Reports – Community Development Quarterly Report
Thunstrom gave her quarterly report. Thunstrom opened by saying MnDOT will be holding a community engagement event regarding Hwy 47 on Tuesday, April 23 from 4:30 – 7:30 pm. The open house will be held at the First Baptist Church, 22940 St. Francis Blvd. This event is to target residents and users of Hwy 47. Next Thunstrom discussed the status on the different business/development projects, housing development, building department activity, and the different administration projects that are being worked on such as DNR Variance, remote access for building official, vacant/rentals and Comprehensive Plan. Along with the ongoing code enforcement efforts.

Feldman likes the remote access for the building inspector. Spoke on the commercial values being higher this year because of the school remodels and Kwik Trip.

Udvig asked about code enforcements extensions. Thunstrom stated they are working with us. Both have contacted us and they are showing progress. There is still a ways to go on both. Feldman said do they understand there are no more extension. Thunstrom said they are aware but we will continue to monitor them.

Bauer said I do not have questions on report. I do have questions on points 1-6 of the a DNR letter.

Kohlmann said a 75' structure setback gives us options as in the southern portion of the city has an urban setting. Rivers Edge development right now, the homes are farther than 75' from the river.

Feldman I see it in the future of beautiful homes along the river. Does not mean they will be 75' from the river. They may be farther away.

Bauer agreed if we get the variance it does not mean every house will be 75' from the river.

Feldman stated is not there buffer zones we have to follow.

Thunstrom said there are very strict rules in the river district ordinances. They cannot clear-cut, natural vegetation, stabilization, keep certain distance from the high water marks. Some of that is still very protected. There is one area where they farm

much closer to the river than our homes would be and have chemicals run off into the river.

Feldman said we want to be good stewards of the river.

Muehlbauer good report.

Robinson good report too. What do you hear about the building climate? I have heard scuttlebutt about some builders that don't want to build in St. Francis. But I have not seen any facts.

Thunstrom said just today our building inspector brought me a list of the top twenty builders in the state. Six of the top twenty builders have or are building in St. Francis. Have a lot of repeat builders. We have a good relationship with quite a few builders.

Robinson asked on the rules and regulations for builders how do we compare to other communities. Should we tweak anything? Thunstrom said I think our process is pretty good. Some cities may be more relaxed when it comes to the enforcement and some more strict. Some people need to let go of the past. We have had some bumps in the past. We are more efficient now.

Feldman I think we are on the right track. Some of the past still lingers with us today. Commend staff going the right direction.

Again, Tuesday, April 23 MnDOT community engagement open house at St. Francis Baptist Church. Anyone that wants to be listened to, please attend. How do you use this road and what do you want to see. Need the people to show up. We have the MnDOT link on our website. If they subscribe to get their emails, they will get all notices too. The meeting will be posted in case a quorum of the council attends.

B. Councilmember Reports -

Robinson stated Recycling Day is April 27. Spring is here, kids on bikes.

Muehlbauer had the privilege of going to Winning with Cops, movie night. Casey's provided the pizza. Want to thank them.

Udvig went to special school board regarding Bar None. Saturday volunteered at the St. Francis Elementary carnival and in the evening went to Show Choir event. This Saturday Cedar Creek has their annual carnival; theater group is putting on a production the last weekend of April. Today was my first stint of crossing guard.

Bauer next school board they will decide if graduation will be outside. Get your voice heard about graduation outside.

Feldman said the Drug Take Back Day 10 am to 2pm and Recycling Day April 27. Recycling Day is 8 am to 2 pm. Thanked the people who came out tonight. Want to do what's right. If you have questions or concerns please call ahead, before you dig or do anything. Want to work with everyone but at the same time you also have to take responsibility too. I truly believe the way the government is working now with staff and council there is no problem we cannot solve. We will do the best we can with what we have to work with.

C. Upcoming Events -

Apr 15 City Council Meeting @ St. Francis Area Schools District Office 6:00 pm

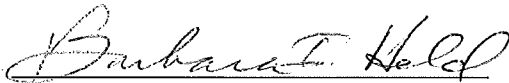
Apr 17 Planning Comm. Meeting @ St. Francis Area Schools District Office -
CANCELLED

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 8:07 pm.


Barbara I. Held, City Clerk