

**CITY COUNCIL WORK SESSION  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, December 13, 2011, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Bob Ramsey  
Councilmember Randy Backous  
Councilmember David Elvig (arrived at 6:37 p.m.)  
Councilmember Colin McGlone  
Councilmember Sarah Strommen  
Councilmember Jason Tossey  
Councilmember Jeffrey Wise

Also Present: City Administrator Kurtis Ulrich  
Deputy City Administrator Heidi A. Nelson  
Public Works Director Brian Olson  
Police Chief James Way  
Senior Planner Tim Gladhill  
City Engineer Tim Himmer  
Park Supervisor Mark Riverblood  
Environmental Coordinator Chris Anderson  
Human Resources Representative Colleen Lasher  
Fire Chief Dean Kapler  
Development Manager Darren Lazan  
City Attorney William Goodrich

**CALL TO ORDER**

Mayor Ramsey called the City Council Work Session to order at 6:09 p.m.

**COUNCIL TOPICS FOR DISCUSSION**

**1) Development Costs Study Follow Up**

Deputy City Administrator Nelson reviewed the staff report. She explained builders/developers indicated the City's base building permit and plan inspection fees are consistent throughout the metro area but the additional processes put into place add to the cost to build in Ramsey. Those additional requirements include the top soil requirement, requiring copper pipe water hookup instead of PVC, plumbing for the sump pump, air test for sewer and water hookup, radon test, and requirement for silt fence on the entire lot versus street and pond areas. The builders/developer viewed the base building permit and processes as being builder friendly but the top soil and silt fence requirements as being punitive. The builders/developers requested

fewer permits, lower costs, and to speed the process. Payment options were considered; however, State code indicates building permits cannot be issued until fees have been paid.

Councilmember Wise stated he has never been a fan of basing building permit fees on evaluation because he does not think there is more work to inspect a 10,000 sq. ft. than 2,000 sq. ft. building. He also thinks it would encourage higher end homes if the building permit fee is not based on evaluation.

Councilmember McGlone asked if this item to accept fees is on tonight's agenda for public hearing and adoption.

Deputy City Administrator Nelson answered in the affirmative.

Councilmember McGlone referenced the staff report, noting the case example uses salaries for staff who are no longer part of the City's organization.

Deputy City Administrator Nelson indicated the report being referenced is from 2010 and much has changed with staffing since 2010. She explained it is intended to represent a broad analysis to say all staff is involved with a piece of the work so those percentages of time are being attributed. In 2011, this report will look differently but the ratio on expenses and revenues will be similar.

Councilmember McGlone asked whether the 15% rate came from the League's recommendation. He wondered how much involvement there was by the City Administrator or Police personnel with a \$100,000 home. Councilmember McGlone felt the analysis to arrive at the fees was "out of whack" and ventured to say the Council needs to take a more comprehensive look at how the City bases its permits and fees. He indicated he does not feel comfortable voting tonight in the affirmative on this issue.

Councilmember Strommen asked Councilmember McGlone what he means in terms of taking a "more comprehensive look."

Councilmember McGlone stated fees are a big issue for him so he talked with other people and cities. He explained he did not have answers for the questions he was asked, such as projected growth and sewer sizing, but they all relate to development fees. Councilmember McGlone stated he does not understand it enough to feel comfortable and thinks there is something wrong but does not know exactly what.

Councilmember Strommen stated the Council has spent a lot of time talking about this and staff has spent time to provide information. She stated if more information is wanted, the Council needs to define what it wants. Councilmember Strommen noted the Council reviews rates and fees every year so there is always annual reevaluation. She indicated fees are to cover the City's costs, to assure consistency in building of a certain quality, and protect current and future residents. She suggested the Council define its goal. Councilmember Strommen noted the Council wants the City to be competitive but all surrounding communities are in a different place of growth evolution. The Council needs to be sure it is comparing "apples-to-apples" and cover

Ramsey's needs. She did not support a goal of getting fees as low as possible, but to set reasonable fees. Councilmember Strommen suggested the Council consider the scale of change that can be made. She asked whether small reductions in fees will make a difference in the way Ramsey grows. She believed people decide to build in a certain location not based on several thousand dollars but considering the schools, quality of life, and jobs. Councilmember Strommen stated she wants to assure the Council is putting effort in the right place, noting there may be other issues such as process.

Councilmember McGlone stated he does not want to put residents of Ramsey behind the "8 ball" and wants Ramsey to be competitive. He stated as he looks at the case report, the League of Minnesota Cities' recommendation was to come up with a number (15%) and to not forget to look at other cities to see what they are charging before you set your rates. Councilmember McGlone felt when government entities and employees look at other governments it only goes one way, up. He feels the City is doing the same thing and the trend is up without a basis other than the League said to charge 15% and make sure others are doing the same. Councilmember McGlone stated a lot goes into how the fees are set and he thinks the Council needs to consider the kind of community it is building, Minneapolis or Ramsey.

Councilmember Strommen noted the Comprehensive Plan tells the Council the type of City being built and that Plan is updated. She indicated the Council uses the information it has at the time and the City is in one place in progression toward that goal but other communities are in different stages, some with and some without the infrastructure. She noted Ramsey is in the middle and still needs to build infrastructure and figure out how to pay for it.

Deputy City Administrator Nelson explained that for staff's purposes it would be good to separate the issues. The City will be conducting sewer and water studies to determine trunk and lateral costs, capital costs, and how to pay for it. That is a separate issue. With building permit fees, the Council can decide if it wants to select another value-based calculation or to only look at what it costs. She explained how to determine an analysis based on a labor multiplier formula.

Councilmember McGlone stated he understands government has the right to recoup costs but questioned where is the line and what is justifiable.

Deputy City Administrator Nelson asked what number the Council is comfortable with for the City to encourage development and cover costs. She noted that 65% of the City's costs are for police services, which has to be covered as well.

Councilmember McGlone noted police services also benefit current residents.

Mayor Ramsey stated the staff report is based on roundtable input from developers who indicated the fees were not the big issue; it was the extra requirements such as copper pipe for water connections. Mayor Ramsey indicated that 2012 rates and fees need to be adopted tonight and these other issues cannot be solved in one night.

Deputy City Administrator Nelson pointed out that some fees are proposed to be lowered in 2012.

Councilmember Wise noted it has been discussed before that the Council can approve the 2012 rates and fees and always lower them during the coming year.

Councilmember Tossey stated he had talked with builders, plumbers, and electricians about copper versus PVC pipe and only the electrician was opposed to going to PVC. He asked why the Council did not support allowing PVC piping into the homes. Councilmember Tossey stated he has been assured the technology exists and plastic technology is better than 4-5 years ago.

Mayor Ramsey clarified the issue is whether to allow PVC pipe underground between the curb and house.

Public Works Director Olson explained there is technology to put a tube into the PVC pipe and pressure steam the location of the freeze. However, the second it melts, the pressure from the tower pushes water into the house so you need to pull out the steam hose while water is rushing in. He indicated he does not want to put his staff or residents at risk. Another option is to purchase a \$3,700 piece of equipment and see if it works. A second issue is locating PVC when underground. A metal tape is to be placed on the PVC but if it is mistakenly clipped and not grounded, it cannot be located. Public Works Director Olson stated he is willing to consider changes in technology if those two issues are addressed.

Councilmember Tossey noted surrounding municipalities allow PVC piping and asked how they are addressing those issues.

Public Works Director Olson explained most have not had freezing issues but Ramsey has had freezing issues in foreclosed townhouses. He advised that New Brighton has had 35-40 freezing issues each winter.

Councilmember Elvig arrived at 6:37 p.m.

Councilmember Tossey stated the freezing issue with the townhomes in Ramsey was inside the townhome, above the ground, because it was foreclosed and not heated. It was not an issue with underground PVC piping.

Public Works Director Olson stated there are some with underneath piping that have frozen because heat was turned off in a middle townhouse. To resolve that problem, the City now requires individual services to each townhouse.

City Engineer Himmer stated he called Blaine and learned they are allowing PVC but do not know how they will address the freezing problem if it should occur. He stated he asked the PVC material representative how to solve those concerns and the representative indicated they are working on gathering that information.

City Administrator Ulrich indicated there has been enough discussion to give direction and it sounds like there is support for the City to invest \$3,700 in the machine, or borrow one, to test it out as a pilot program.

Mayor Ramsey asked what is the average cost difference for 80 feet of PVC and copper pipe.

Deputy City Administrator Nelson stated she was told it was a difference of \$200.

City Engineer Himmer stated his concern with the City's liability and employee safety if the City purchases the equipment to thaw a frozen PVC line and the home should flood. He asked why the City should become involved if a private company can provide that service.

Councilmember McGlone stated he would oppose the \$3,700 purchase of equipment because the City should be able to find enough information from other cities in Minnesota. He believed it was not the City's problem if a pipe freezes; it is the resident's problem if they use PVC instead of copper. He noted the City can turn the water off at the street.

Public Works Director Olson explained the City gets called, all of the time, on emergency issues like this. He stated they know the City can turn off service at the curb and it can then be determined if the problem is a frozen pipe. The City is the first contact when a resident runs into an issue and the City can come out and offer a diagnosis because the City sells the water.

Councilmember Backous felt builders do not care if PVC or copper is used, they only care about the cost and PVC is cheaper. He stated he would be opposed to allowing PVC because it would open the City to extra costs. Councilmember Backous supported continuing to lower fees and costs in other areas to offset other additional costs. He noted the City had given builders and developers a lot of opportunity to provide input and if they did not provide input, they do not have an issue. Councilmember Backous stated he was surprised that fees were not the biggest issue and suggested the Council continue to trend downward. He agreed with Councilmember Strommen that Ramsey is evolving, things are changing, and he would not support slashing fees and then having to raise them. He suggested the Council address the bigger issue of process and look at fees again next year.

City Engineer Himmer stated, as it relates to freezing PVC or copper, it is not the City's issue but it is the City's responsibility to locate the lines.

Mayor Ramsey stated he is on the side of thinking why does the City care since currently no one is having problems and the City is only responsible from the curb to the street. The homeowner is responsible from the curb to the house. Mayor Ramsey stated if no one else is having problems, why should the Council be worried.

Public Works Director Olson stated if it is the Council's policy direction to move forward with PVC, staff will deal with the issue. He explained Blaine may not have a freezing issue because PVC has only been used for several years. In addition, Blaine is more built out than Ramsey is. Public Works Director Olson noted Coon Rapids also allows PVC but it is 99% built out so only a small percentage of PVC is being used. If approved in Ramsey, there will be a preponderance of PVC.

Councilmember Wise stated he does not think \$200 makes a difference on a \$100,000 to \$200,000 house. He felt the Council needed to look at other ways to reduce fees or simplify processes.

## **2) Update on the Armstrong Boulevard Interchange**

City Engineer Himmer reviewed the staff report.

Public Works Director Olson stated this is the right-in proposal of Solomon Group and Mid America; however, it conflicts with the agreement to create pedestrian movement. He noted the grade differential is 18 feet higher and the grades could be 5% to 8% depending on the length of the transition, which would be steep grades. He asked whether the City would be responsible to plow this and indicated it would result in considerable safety concerns.

Councilmember Elvig asked who is the determining agency.

Public Works Director Olson stated his impression the County will have comment because it is under their jurisdiction. Mn/DOT may also comment because it may impact their signals at the interchange. He indicated staff met with Anoka County and they requested additional information. Staff asked Mid America to provide additional information on the design but has not yet heard back from them.

Councilmember Elvig stated he did not think this was the City's jurisdiction because Anoka County and Mn/DOT will weigh in heavily.

Public Works Director Olson stated staff is trying to assure the comment is being presented as a result of the interchange, not necessarily the interim improvements. He noted the reconstruction could be different if done for the interim improvements where the grade difference is only 5 feet and then introducing walls to make it higher.

City Administrator Ulrich advised the engineers have expressed safety concerns contrary to building this intersection because the principal reason to construct is to improve safety at the railroad and highway crossing. If this causes traffic conflicts and does not add to commercial value, staff believes it is going in the wrong direction.

Councilmember Wise stated he had not noticed this situation until this drawing. He felt there would be an adverse economic impact to any properties to the north because it creates another wall. He noted it also shrinks developable property

Mayor Ramsey noted the building would be double sided with no opportunity for parking if constructed this way. He indicated he can conceive a lot of problems with the grade and elevation.

Public Works Director Olson stated staff wanted the Council's initial reaction and input on who should be responsible for costs of construction if it is feasible from an engineering standpoint.

Councilmember Elvig indicated he does not see engineering feasibility with this plan and does not want to take time to find funding until it is known whether it is feasible.

Public Works Director Olson stated staff can ask for engineering drawings at their cost.

City Engineer Himmer indicated Mid America said this is their highest priority no matter what else or signage is allowed. This is their number one goal to accomplish access to their site. City Engineer Himmer explained staff told them it blocked visibility and limited parking but Mid America said that was not important.

#### **FUTURE TOPICS FOR DISCUSSION**

Noted

#### **MAYOR, COUNCIL AND STAFF INPUT**

None

#### **ADJOURNMENT**

Motion by Mayor Ramsey seconded by Councilmember Wise, to adjourn the Works Session meeting.

Motion carried. Voting Yes: Mayor Ramsey, Councilmembers Wise, Backous, Elvig, McGlone, Strommen, and Tossey. Voting No: None.

The Work Session of the City Council was adjourned at 7:00 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Jo Ann M. Thieling  
City Clerk

Drafted by Carla Wirth  
*TimeSaver Off Site Secretarial, Inc.*