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

The Ramsey City Council conducted a regular meeting on Tuesday, February 14, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Bob Ramsey  
Councilmember Randy Backous  
Councilmember David Elvig  
Councilmember Colin McGlone  
Councilmember Sarah Strommen  
Councilmember Jason Tossey  
Councilmember Jeffrey Wise

Members Absent: None

Also Present: City Administrator Kurtis Ulrich  
Deputy City Administrator Heidi A. Nelson  
Fire Chief Dean Kapler  
Public Works Director Brian Olson  
City Engineer Tim Himmer  
Senior Planner Timothy Gladhill  
Police Chief James Way  
Economic Development/Marketing Director Aaron Backman  
Fire Marshal Matt Kohner  
Building Official Lee Gladitsch  
Planning Intern Patrick Brama  
City Attorney William Goodrich  
Development Manager Darren Lazan  
Landform Project Principal and Planner Kendra Lindahl

**1. CALL TO ORDER**

Mayor Ramsey called the regular meeting of the Ramsey City Council to order at 7:00 p.m., and led in the Pledge of Allegiance.

**2. PRESENTATION**

**2.01: State of the City Annual Report**

Mayor Ramsey presented the State of the City Annual Report.

### 3. CITIZEN INPUT

None.

### 4. CONSENT AGENDA

Motion by Councilmember Tossey, seconded by Councilmember Wise, to approve the following items on the Consent Agenda as revise to remove Item 4:05:

- 4:01 Receive 2011 Building Division Month End Report: December
- 4:02 Note the following Commission and Board Meeting Minutes:
  - 1) Planning Commission Work Session minutes dated December 1, 2011
  - 2) Planning Commission Meeting minutes dated December 1, 2011
  - 3) Environmental Policy Board meeting minutes dated January 9, 2012
  - 4) Economic Development Authority meeting minutes dated January 12, 2012
- 4:03 Approve the following Meeting Minutes:
  - 1) City Council Work Session dated January 10, 2012
  - 2) City Council Work Session dated January 17, 2012
- 4:04 Approve Exemption for a Gambling License for Isanti Chapter of MN Deer Hunters Association
- ~~4:05 Consider Approval of Easements Necessary for the Ramsey Rail Station~~ This item was removed from the Consent Agenda and considered as Case 7.08
- 4:06 Consider Authorization to Apply for Grant Funds to Assist with the Implementation of the City's Wellhead Protection Plan
- 4:07 Adopt Resolution #12-02-016 Approving Cash Disbursements Made and Authorizing Payment of Accounts Payable Invoicing Received During the Period of January 20, 2012 through February 8, 2012
- 4:08 Adopt Resolution #12-02-017 Supporting Application for Metropolitan Council TOD Grants
- 4:09 Adopt Resolution #12-02-018 Adopting the 2012 Enterprise Fund Budgets and Adopt Resolution #12-02-019 Amending the 2011 Enterprise Fund Budgets
- 4:10 Adopt Resolution #12-02-020 Decertifying Tax Increment Financing District No. 1
- 4:11 Adopt Resolution #12-02-021 Amending the 2011 General Fund Budget
- 4:12 Adopt Resolution #12-02-022 Adopting the 2012 Economic Development Authority Budget and Adopt Resolution #12-02-022A Amending the 2011 Economic Development Authority Budget
- 4:13 Adopt Resolution #12-02-023 Calling for a Public Hearing on the Intention to Issue General Obligation Capital Improvement Plan Refunding Bonds
- 4:14 Report from the Public Works Meeting dated January 17, 2012
  - 1) Election of Chairperson and Vice Chair of the Public Works Committee – *Informational; no action necessary.*
  - 2) Consider Stormwater Utility Rate Change for 14600 Nowthen Boulevard – *Ratify the recommendation of the Public Works Committee to approve the Stormwater Utility Rate change from Commercial to one Residential unit for 14600 Nowthen Boulevard NW*

- 3) Consider Lighting Retrofit for Parking Ramp Project – *Ratify the recommendation of the Public Works Committee to stay with the existing 100 watt metal halide light fixtures.*
- 4) Consider Guard Rail Enhancements for the Parking Ramp – *This item is being presented as a separate case on tonight’s regular agenda.*
- 5) Consider Crosswalk Signage Options along Sunwood Drive in The COR – *Ratify the recommendation of the Public Works Committee to move forward with staff’s recommendation to purchase and install the kid alert safety signs and in-street pedestrian crossing signage within The COR, in an amount not to exceed \$1,000.*
- 6) 2011 Review of Engineering Consulting Services – *Informational; no action necessary.*
- 7) Consider Request for Moving Mailboxes on Dysprosium Street – *Ratify the recommendation of the Public Works Committee to direct staff to send an informational letter to each resident outlining the request and decision on the potential mailbox relocation, as well as describing the concern related to placement of obstructions in the right-of-way (garbage cans and recycle bins).*

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

## **5. APPROVE AGENDA**

Motion by Mayor Ramsey, seconded by Councilmember Wise, to approve the agenda as revised to consider Case 7.05 prior to Case 7.01.

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

## **6. PUBLIC HEARING**

None.

## **7. COUNCIL BUSINESS**

### **7.05: Consider Implementation of Long Term Road Maintenance Policy**

Public Works Director Olson reviewed the staff report.

The City Council debated the options for financing road projects including instituting franchise fees and/or special assessments so revenue bonds can be issued and each stated their position.

Mayor Ramsey stated his preference to cut costs and build the cost of road projects into the general fund budget, over a period of years. He stated he would rather consider all other opportunities for road financing and to consider franchise fees, which he viewed to be another form of tax, only as a last resort after all other options have been exhausted.

Councilmember Wise stated his position that all use the roads, with the exception of undeveloped properties, and a franchise fee would include participation by governmental properties, schools, and tax-exempt properties. However, franchise fees were not the only funding option. He indicated the decision in how to fund road projects cannot continue to be delayed because the City's roads are deteriorating.

Councilmember Backous indicated all use the roads, the roads need to be fixed, and all should pay for road projects. He supported a franchise fee/tax because it is the most fair by pulling all property into the equation; however, while he supports the concept, was not comfortable with the amount. He also supported doing away with or phasing out the assessment process, believing it was archaic and wasted City money and staff productivity. Councilmember Backous did not support paying for road projects through increased property taxes, which are based on property value, because that and road frontage have nothing to do with road usage.

Councilmember Tossey believed there were other funding opportunities and the State budget forecast is not yet known. Of all the scenarios to fund roads, he believed a franchise fee was the most fair option because it includes properties that do not pay taxes. However, he thought the City needed to maintain an assessment of 20% to keep up with the road projects and allow the flexibility to bond. Councilmember Tossey noted 30% of the residents he represents live in new housing and their roads do not need reconstruction/repair so it would be unfair for those residents to pay an additional \$366/year in franchise fees. He stated he would support a lower franchise fee with a 20% assessment paid by revenue bonds over increasing the levy but was not sure of the fee amount.

Councilmember Strommen stated support for a franchise fee for the enumerated benefits described. She agreed all of the City's money comes from the same source, resident's pockets, but the City Council is not yet done with budget discussions and there may be other options. She noted it may be possible to phase out assessments, over time, and a franchise fee could be removed if costs can be covered by the general fund. Councilmember Strommen stated she and Councilmember Elvig served on the City Council when a franchise fee was placed and then removed. She indicated there is no "perfect way" to finance roads so she supports a balance (franchise fees and assessments), noting it also provides flexibility.

Councilmember Elvig stated his support for a comprehensive plan, noting the City Council is still considering budget cuts and there is a multitude of ways to fund road projects. He agreed that this decision has been delayed and noted, perhaps, the City Council should consider changing the TIF policy to allocate additional funds for roads. Councilmember Elvig stated he did not consider franchise fees to be the total solution and would like a more comprehensive approach.

Councilmember McGlone stated he likes the City's Charter and its protections but found it also makes it difficult to use the public's money to fund road projects, as demonstrated with the 51% counter petition against Andrie Street. He indicated he does not support charging both a franchise fee and 20% special assessments but if an assessment is used, all should pay the same and it should not be based on property valuation. Rather, he supported using a franchise fee to

fully fund road projects, which would spread the cost over thousands of properties and solve the problem for all immediately.

Public Works Director Olson explained that a franchise fee of \$28/month generates \$3.6 million a year, the amount needed for average street projects. The cost estimates have been refined and significantly lowered 35% from \$1 million/mile to \$648,000/mile for reconstruction but the cost for maintenance activities (sealcoat/overlays) was added, generating the same costs. He advised the City cannot handle 20 miles of roads per year so the projects will have to be evened out.

The City Council discussed whether staff should be directed to bring back a proposal including the franchise fee as a component and to continue its initiative to find additional funding options to fold into a more comprehensive plan. Support was also expressed that if assessments were part of the plan, consideration should be given to an approach that would phase out that method of financing over a five to ten year period.

Motion by Councilmember Elvig, seconded by Councilmember Wise, to move forward with the Long Term Road Maintenance Initiative to be financed by use of franchise fees and/or a combination of other lawful revenue generating resources and direct staff to report back at the City Council's March 27, 2012 meeting, (after the City Council has met to identify all reasonable expense, deductions measures) with recommendations based on this evening's discussion.

Further discussion: Public Works Director commented on the need to approve a funding mechanism for the 2012 Street Maintenance Program and timeline to hold a public hearing and adopt an ordinance to institute a franchise fee. Mayor Ramsey noted the motion on the floor would force a decision in March.

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

Councilmember Elvig left the Council Chambers at 8:40 p.m.

**7.01: Adopt Ordinance to Repeal Minnesota Building Code Chapter 1306 Entitled Special Fire Protection Systems (Optional)**

Senior Planner Gladhill reviewed the staff report.

Motion by Councilmember McGlone, seconded by Councilmember Wise, to Waive the City Charter requirement to read the ordinance aloud and Adopt Ordinance No. 12-02 to Remove Minnesota Building Code Charter 1306 from the Ramsey City Code.

A roll call vote was performed by the Recording Secretary:

Councilmember Elvig	absent
Councilmember McGlone	aye
Councilmember Tossey	aye
Councilmember Strommen	aye

Councilmember Backous     aye  
Councilmember Wise         aye  
Mayor Ramsey                aye

Motion carried.

**7.02: Consider Amending Resolution #11-11-234 related to the Operation of a Church in the B-1 Business District on the Property Located at 5900 167<sup>th</sup> Avenue NW; Case of Rum River Retail Ventures, LLC**

Senior Planner Gladhill reviewed the staff report.

Motion by Councilmember McGlone, seconded by Mayor Ramsey, to direct staff to amend Resolution #11-11-234 to only reference MN State Building Code rather than Chapter 1306 specifically, contingent upon approval of the property owner.

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

Councilmember Elvig returned to the Council Chambers at 8:44 p.m.

**7.03: Introduce Ordinance to Amend City Code Chapter 117-118 (The COR)**

Senior Planner Gladhill reviewed the staff report.

Kendra Lindahl, Landform Project Principal and Planner, provided a presentation on The COR Design Framework.

The City Council discussed the importance of assuring adequate flexibility to attract development.

Motion by Councilmember Tossey, seconded by Councilmember McGlone, to introduce an Ordinance Amending City Code Section 117-118 entitled The COR as well as The COR Design Framework.

Further discussion: Senior Planner Gladhill answered questions of the City Council relating to the purpose of the conditional use process to provide more control and respond in a site-specific manner. Ms. Lindahl requested direction on the floor area ratio in COR 2 and how to deal with temporary signs. The City Council indicated no objection to small pedestrian-scaled “sandwich board” signage but directed that larger sized temporary signage was not appropriate.

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

**7.04: Consider Amendment to the Joint Powers Agreement with Anoka County Highway Department**

Public Works Director Olson reviewed the staff report.

Motion by Mayor Ramsey, seconded by Councilmember McGlone, to approve an amendment to the Joint Powers Agreement with the Anoka County Highway Department.

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

**7.05: Consider Implementation of Long Term Road Maintenance Policy**

This item was considered prior to Case 7.01.

**7.06: Consider Guard Rail Enhancements for the Parking Ramp**

Public Works Director Olson reviewed the staff report.

Motion by Councilmember McGlone, seconded by Councilmember Backous, to approve security enhancements to the fourth floor as per direction received from the Public Works Committee on January 17, 2012, and approve a change order for a cost not to exceed \$34,344.

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

**7.07: Consider Process for Acquisition of Parcel owned by M & W Holdings – Jeff Wise (14590 Armstrong Boulevard NW) and Adopt Resolution #12-02-XXX Defining Process for Acquisition of Parcel Owned by M & W Holding Company LLC – Jeff Wise (14590 Armstrong Boulevard NW)**

Councilmember Wise recused himself from this discussion due to a conflict of interest and left the Council Chambers at 9:09 p.m.

Deputy City Administrator Nelson reviewed the staff report and read the proposed Resolution in full.

City Attorney Goodrich requested a typographical error correction: “1) That the City Council and the HRA of the City Council will...”.

Motion by Councilmember McGlone, seconded by Mayor Ramsey, to direct the City Attorney, COR Development Manager, and HRA Executive Director to proceed with negotiations on the land and building owned by Mr. Jeff Wise as outlined in the background and observation sections of this case and proposed resolution and adopt Resolution #12-02-024 Defining Process for Acquisition of Parcel Owned by M & W Holding Company LLC – Jeff Wise (14590 Armstrong Boulevard NW), as corrected above.

Further discussion: The City Council further discussed the motion, acknowledging it provided a transparent process. Councilmember Elvig stated he remained concerned that the resolution language was steering the City towards a larger project that it was not able to fund. Public Works Director Olson answered questions of the City Council and described the configurations of the interchange project, Sunwood Drive/Armstrong Boulevard realignment, at grade signalization at Sunwood Drive, Highway 10 overpass, and points of access. City Attorney Goodrich advised that the fact the liquor store wants to relocate to The COR facilitates the City's acquisition because under State Law the City is required to do minimum compensation to relocate the business. He recommended those two transactions occur within one document.

The City Council debated whether it was necessary, at this point to fully acquire all three properties, or perhaps a premature consideration without first reviewing the dashboard, financing options, and potential impact. Mayor Ramsey pointed out the case report and resolution do not include any reference to dollar amounts or an indication the City is purchasing; it only gives staff authorization to move forward with negotiation. City Administrator Ulrich advised that funds expended to purchase impacted property for the Sunwood Drive realignment and overpass would be eligible as part of the City's local match. Deputy Administrator Nelson indicated the City Council will be presented with financing options at its February 28, 2012 meeting. Following further debate, the City Council agreed to the resolution amendment as proposed by Councilmember Strommen and City Attorney Goodrich.

Amendment motion by Councilmember Backous, seconded by Mayor Ramsey, to amend Resolution #12-02-024 Defining Process for Acquisition of Parcel Owned by M & W Holding Company LLC – Jeff Wise (14590 Armstrong Boulevard NW) as follows: Remove ninth WHEREAS paragraph; and, add a new tenth WHEREAS paragraph: "WHEREAS, the acquisition of the property at 14590 Armstrong Boulevard will facilitate the location of this business as required by State Law for minimum compensation."

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

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

Councilmember Wise returned to the Council Chambers at 9:46 p.m.

## **7.08 Consider Approval of Easements Necessary for the Ramsey Rail Station**

Public Works Director Olson reviewed the staff report.

Motion by Councilmember McGlone, seconded by Councilmember Elvig, to approve granting easements necessary for the Ramsey Rail Station subject to City Attorney and City Administrator review as to form and content.

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

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

City Administrator Ulrich announced upcoming meetings and events.

Public Works Olson provided an update on parking ramp construction.

Mayor Ramsey reported he found a local job and will be moving back April 1, 2012, and stated his appreciation to those who voiced support while he worked in North Dakota.

## **9. ADJOURNMENT**

Motion by Councilmember McGlone, seconded by Councilmember Wise, to adjourn the meeting.

Motion carried.

The regular meeting of the City Council adjourned at 9:52 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.*