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

The Ramsey City Council conducted a regular meeting on Tuesday, March 13, 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
Public Works Director Brian Olson
Economic Development/Marketing Director Aaron Backman
City Clerk Jo Thieling
Fire Chief Dean Kapler
Finance Officer Diana Lund
Senior Planner Timothy Gladhill
Planning Intern Patrick Brama
City Attorney William Goodrich
Stacie Vilvang with Ehlers & Associates
Paul Donna, Senior Vice President of Northland Securities

1. CALL TO ORDER

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

2. PRESENTATION

Mayor Ramsey and Fire Chief Kapler commended Zola Malamen for her years of volunteer service to the Ramsey Seniors Club, as well as other organizations. Mayor Ramsey presented Ms. Malamen with the resolution acknowledging her service. Zola Malamen thanked the City for this recognition. All responded with a round of applause.

3. CITIZEN INPUT

None.

4. CONSENT AGENDA

Motion by Councilmember Tossey, seconded by Councilmember Backous, to approve the following items on the Consent Agenda, as presented:

- 4:01 Receive Cash & Investments for period Ending January 31, 2012
- 4:02 Receive Cash & Investments for Period Ending February 29, 2012
- 4:03 Receive January 2012 Financial Reports – General Fund and Enterprise Funds
- 4:04 Receive January 2012 Building Month End Activity Report
- 4:05 Note the following Commission and Board Meeting Minutes:
 - 1) Planning Commission Meeting Minutes dated February 2, 2012
 - 2) Environmental Policy Board Meeting Minutes dated February 6, 2012
 - 3) Economic Development Authority Meeting Minutes dated February 9, 2012
- 4:06 Adopt Resolution #12-03-XXX Approving Cash Disbursements Made and Authorizing Payment of Accounts Payable Invoicing Received During the Period of February 24, 2012 through March 8, 2012
- 4:07 Adopt Resolution #12-03-XXX Recognizing and Commending Zola Malamen for Her Years of Voluntary Service
- 4:08 Adopt Resolution #12-03-XXX Supporting Local Implementation Capacity (LIC) Grant
- 4:09 Adopt Resolution #12-03-XXX Supporting Local Match for Minnesota DNR Trail Grant Application Along T.H. #47 and CSAH #83
- 4:10 Adopt Resolution #12-03-XXX Supporting the Multi-City Beyond the Yellow Ribbon Program
- 4:11 Adopt Resolution #12-03-XXX Supporting Application for Transit Improvement Area (TIA) Designation
- 4:12 Report from Public Works Committee Meeting dated February 21, 2012:
 - 1) Discuss Trail Easement at 15620 Krypton Street NW – *Ratify the recommendation of the Public Works Committee and leave the trail as it is until a trail easement is signed along the lot line to create a recreational trail which is either shared with the neighboring property or singular on this property. To include that the trail easement would be dedicated and acceptable to the City Engineer for recreational trail purposes.*
 - 2) Discuss Investigations Related to 2011 Flooding Concerns – *Ratify the recommendation of the Public Works Committee that the cases that are the highest priority will be brought to the Public Works Committee, two at a time, and staff will follow-up with the abatement coordinator about debris and brush in backyards along 148th Avenue.*
 - 3) Consider Entrance into a Statewide Mutual Aid Agreement - MnWARN – *Ratify the recommendation of the Public Works Committee and approve the Statewide Mutual Aid Agreement/MnWARN naming the City Administrator as the Authorizing Official.*
 - 4) Review City of Ramsey Snowplowing Policy and Possible Cost Reductions – *Ratify the recommendation of the Public Works Committee and approve Option 3, to continue to allow the Public Work Department to use its best judgment on deciding what course of action is best to improve safety and winter driving conditions for the traveling public based on snow type, amount, time of year, current temperature and expected weather conditions after the snow ends, and past experience.*

5) Consider 2012 Street Maintenance Program – *This item is being presented as a separate case on tonight’s agenda.*

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

5. APPROVE AGENDA

Motion by Councilmember Wise, seconded by Councilmember Elvig, to approve the agenda as revised to Consider Case 7.04 prior to Case 7.01 and adding Item 7.06.5, Consider Report from Public Works Committee Meeting dated March 13, 2012.

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

6. PUBLIC HEARING

6.01: Public Hearing and Adopt Resolution Approving the Issuance of General Obligation Capital Improvement Plan Bonds, Series 2012A

Mayor Ramsey closed the regular portion of the City Council meeting at 7:11 p.m. in order to conduct a public hearing.

Public Hearing

Mayor Ramsey called the public hearing to order at 7:11 p.m.

Presentation

Finance Officer Lund reviewed the staff report.

Paul Donna, Senior Vice President of Northland Securities, stated the Council is considering issuing General Obligation Capital Improvement Plan Refunding Bonds to restructure the Municipal Center debt from its current interest rate of 4.44% to an expected rate of 2.5%, generating about \$400,000 in present value savings. This action is being considered at this time to take advantage of historic low interest rates.

Citizen Input

There was none.

Motion by Councilmember Elvig, seconded by Councilmember Wise, to close the public hearing.

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

The public hearing was closed at 7:15 p.m.

Council Business

Mayor Ramsey called the regular City Council meeting back to order at 7:15 p.m.

The City Council indicated staff has been monitoring interest rates for several years to determine the most advantageous time to refinance the City hall. It was acknowledged that this debt would be extended four years longer than the current term.

Motion by Councilmember Strommen, seconded by Councilmember Tossey, to Amend the 2012-2016 Capital Improvement Program (CIP).

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

Motion by Mayor Ramsey, seconded by Councilmember Backous, to Adopt Resolution #12-03-XXX Approving the Issuance of General Obligation Capital Improvement Plan Bonds.

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

7. COUNCIL BUSINESS

7.04: Authorize Sale of Bonds for The Residence at The COR – Flaherty and Collins Apartment Project

Stacie Vilvang, Ehlers & Associates, reviewed the staff report.

City Administrator Ulrich reported that Flaherty and Collins had deposited \$250,000 as a down payment on the property and the balance of \$500,000 will be paid at closing. He explained that if the proposed bond sale was not approved, the development agreement obligates the Council to determine some other means of financing.

The Council acknowledged the bond sale would result in the City borrowing money at a low interest rate and then providing mezzanine financing to the developer. The developer will also be responsible for paying all financing related costs, fees, and accrued interest.

Motion by Mayor Ramsey, seconded by Councilmember Wise, to Adopt Resolution #12-03-XXX Authorizing Sale of Bonds for The Residence at The COR.

Further discussion: Councilmember Backous indicated that while he found it to be a beautiful project, he had been an opponent of this project because of the level of participation by the City; however, the majority of the Council decided to move the project forward so he would support the bond sale. Councilmember Strommen stated she was not able to support the level of City participation, intended to vote against the motion, but wished the project well. Councilmember

Tossey stated he also did not support this level of participation and this will be his last opposition to the project.

Motion carried. Voting Yes: Mayor Ramsey, Councilmembers Wise, Backous, Elvig, and McGlone. Voting No: Councilmember Strommen and Tossey.

7.01: Introduce Ordinance Establishing Boundary Lines for the City of Ramsey Ward System

City Clerk Thieling reviewed the staff report.

Motion by Mayor Ramsey, seconded by Councilmember Tossey, to introduce Ordinance Establishing Boundary Lines for the City of Ramsey Ward System.

Further discussion: City Clerk Thieling advised staff continues to work on the precinct boundary lines and it will be presented, once completed. Notice will be sent to residents in June of 2012 to alert of polling locations and also posted on the City's website. Mayor Ramsey announced a new senate district will be created in the Ward 1 Precinct through this redistricting.

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

7.02: Request for an Interim Use Permit for an Online School at 7550 Highway 10 NW; Case of 2-OI, LLC

Senior Planner Gladhill reviewed the staff report.

Motion by Councilmember McGlone, seconded by Councilmember Backous, to Adopt Findings of Fact relating to the request for an Interim Use Permit to allow for the operation of an online school in the B-2 Business District.

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

Senior Planner Gladhill requested the City Council also provide direction on whether the City Council supported moving forward with a Comprehensive Plan amendment.

Following a brief discussion, Council consensus was reached that it was not urgent to amend the Comprehensive Plan and delayed that consideration for a year or two.

Motion by Councilmember McGlone, seconded by Councilmember Backous, to Adopt Resolution #12-03-XXX Approving the Request for an Interim Use Permit for a term of Five (5) Years or until the Property is Rezoned to Public/Quasi Public, whichever occurs first, and Declaring the Terms as Proposed, and not moving forward with a Comprehensive Plan amendment at this time.

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

7.03: Consider Accepting Public Road Right-of-Way in Lieu of Application and Escrow Fees Related to a Potential Minor Plat; Case of City of Ramsey

Senior Planner Gladhill reviewed the staff report.

Public Works Director Olson answered questions of the City Council relating to the process to acquire right-of-way during the platting process and to consider surrounding properties when a development occurs to determine whether traffic can be taken from larger County roads and limit ingress/egress onto County roadways.

Motion by Councilmember Elvig, seconded by Councilmember McGlone, to accept a dedicated right-of-way corridor in lieu of application and escrow fees for a minor plat contingent upon the owner of L9 B4 Alpine Woods dedicating a sixty (60) foot wide right-of-way corridor across the southern portion of Outlot B Alpine Woods.

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

7.04: Authorize Sale of Bonds for The Residence at The COR – Flaherty and Collins Apartment Project

This item was considered prior to Item 7.01.

7.05: Introduce Ordinance for Imposing Lodging Tax and Allowing for Membership in Convention & Visitors Bureau (CVB)

Economic Development/Marketing Director Backman reviewed the staff report and recommended several modifications to the ordinance.

Councilmembers McGlone, Tossey, and Mayor Ramsey stated their intention to vote against introduction of this ordinance since it results in imposing a form of tax.

Mayor Ramsey asked staff to provide the City Council with a copy of the State Statute that enacted this program.

Councilmember Backous stated that while he does not support imposing a lodging tax fundamentally, intended to support ordinance introduction as a practical effort since it is being requested by the hotel owner, will make the hotel more competitive, and will not cost the City to administer.

Motion by Councilmember Backous, seconded by Councilmember Strommen to Introduce Ordinance Imposing a Lodging Tax and Allowing for Membership in the Twin Cities Gateway Convention & Visitors Bureau (CVB), as revised.

Further discussion: Councilmember Strommen stated her intention to support the motion since membership is a tool to shore up the City's competitiveness and make businesses more viable through additional marketing. The Council agreed that in an ideal situation the hotels could freely join; however, that is not the system provided under Statute. Councilmember Wise stated he will support the ordinance because if another hotel comes to Ramsey and does not support this organization the City can opt out within six months. Mayor Ramsey and Councilmember Tossey stated their intention to vote against introduction and expressed frustration with the Legislature's support of this method of taxation.

Motion carried. Voting Yes: Councilmembers Backous, Strommen, Elvig, and Wise. Voting No: Mayor Ramsey, Councilmembers McGlone and Tossey.

7.06: Consider 2012 Street Maintenance Program

City Engineer Himmer reviewed the staff report.

The Council noted this program had been vetted and recommended by the Public Works Committee.

Motion by Councilmember Elvig, seconded by Mayor Ramsey to direct staff to move forward with the 2012 SMP by concentrating efforts on a sealcoat only program, including the elimination of assessments.

Further discussion: The Council acknowledged the bigger issue of funding street maintenance remains to be addressed.

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

7.06.5: Consider Report from Personnel Committee Meeting dated March 13, 2012:

- 1) **Consider Resolution to Accept the Resignation of Deputy City Administrator/Community Development Director and Direct Staff to Prepare a Plan to Address the Job Duties Left Vacant**
- 2) **Consider a Resolution to Offer a Voluntary Early Separation Package**
- 3) **Consider a Resolution to Appoint Board and Commission Members**
- 4) **Consider a Resolution to Accept the Resignation of Economic Development/Marketing Manager and Direct Staff to Prepare a Plan to Address Job Duties Left Vacant**

Councilmember Tossey presented the Personnel Committee Report and advised that he was elected Chair and Sarah Strommen was elected Vice Chair.

Motion by Councilmember Tossey, seconded by Councilmember Strommen, to Ratify the recommendation of the Personnel Committee and Adopt Resolution #12-03-XXX To Accept the

Resignation of the Deputy City Administrator/Community Development Director and to Direct Staff to Prepare a Plan to Address Job Duties Left Vacant; Adopt Resolution #12-03-XXX to Offer a Voluntary Early Separation Program; Adopt Resolution #12-03-XXX Appointing Board and Commission Members; and, Adopt Resolution #12-03-XXX to Accept the Resignation of the Economic Development and Marketing Manager and Direct Staff to Prepare a Plan to Address Job Duties Left Vacant.

Further discussion: The Council acknowledged this recommendation is being considered tonight due to two resignations on staff and the need to move forward to develop a transition plan and assure continued economic development. The Council thanked all who made application for committee appointment and urged them to reapply in the future if not appointed at this time.

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

7.07: Update on Property Acquisitions Related to the Riverdale Drive Road Extension to Traprock Street – (portions of this case were closed to the public)

City Engineer Himmer presented the staff report and answered the Council's questions related to the reconfigured road alignment in front of The Diamonds required to prove benefit and eligibility for Mn/DOT funds and meet MSA standards.

City Attorney Goodrich advised that under Minnesota Statutes 13.D.05, the meeting can move into closed session to discuss confidential or non-public appraisal data and acquisition negotiations. He indicated closed session discussion will relate to property acquisitions for the Riverdale Drive roadway extension to Traprock Street project. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Councilmember McGlone, seconded by Councilmember Backous, to move to closed session to discuss acquisition negotiations.

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

The City Council meeting moved into a closed session at 8:17 p.m.

The City Council meeting reconvened in open session at 8:33 p.m.

City Attorney Goodrich reported the Council held discussion during closed session related to acquisition, reached no decision, and gave direction to staff to undertake further negotiations. This item will come back to the City Council at a future meeting.

Public Works Director Olson commented on the potential impact to future grant opportunities.

7.08: Discuss Property Acquisition Related to Realignment of Sunwood Drive – (portions of this case were closed to the public)

Councilmember Wise recused himself at 8:39 p.m. due to a potential conflict of interest.

City Engineer Himmer reviewed the staff report.

City Attorney Goodrich advised that under Minnesota Statutes 13D.05, the meeting can move into closed session to discuss confidential or non-public appraisal data and acquisition negotiations. He indicated closed session discussion will relate to property acquisitions for the realignment of Sunwood Drive and Armstrong Boulevard/TH 10 grade separated interchange. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Councilmember Backous, seconded by Councilmember Strommen, to move to closed session to discuss acquisition negotiations.

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

The City Council meeting moved into a closed session at 8:45 p.m.

The City Council meeting reconvened in open session at 9:08 p.m.

City Attorney Goodrich reported the Council held discussion during closed session related to acquisition, reached no decision, and gave direction to staff to undertake further negotiations. This item will come back to the City Council at a future meeting.

Councilmember Wise returned to the meeting at 9:09 p.m.

8. MAYOR, COUNCIL AND STAFF INPUT

City Administrator Ulrich announced upcoming meetings and events.

The City Council briefly discussed Ramsey-related bills under consideration by the Legislature.

9. ADJOURNMENT

Motion by Councilmember Tossey, seconded by Mayor Ramsey, to adjourn the meeting.

Motion carried.

The regular meeting of the City Council adjourned at 9:11 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Carla Wirth
TimeSaver Off Site Secretarial, Inc.