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

The Ramsey City Council conducted a regular meeting on Tuesday, January 22, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen
Councilmember Randy Backous
Councilmember David Elvig
Councilmember Mark Kuzma
Councilmember John LeTourneau
Councilmember Chris Riley
Councilmember Jason Tossey

Members Absent: None

Also Present: City Administrator Kurtis Ulrich
Finance Director Diana Lund
Fire Chief Dean Kapler
Development Services Manager Timothy Gladhill
Management Analyst Patrick Brama
City Attorney William Goodrich
Development Manager Darren Lazan
Interim Engineer Shane Nelson

1. CALL TO ORDER

Mayor Strommen 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 Strommen.

2. PRESENTATION

2.01: Presentation to Out-Going Mayor Ramsey and Councilmembers McGlone and Wise

Mayor Strommen stated it is her honor tonight to recognize the service of out-going Mayor Bob Ramsey and Councilmembers Collin McGlone and Jeff Wise, noting Messrs. Ramsey and McGlone were unable to attend but Mr. Wise is present. Mayor Strommen reviewed the accomplishments of these outgoing Council members during their tenure and then presented out-going Councilmember Wise with a certificate of appreciation for his service to the City of Ramsey as a Councilmember At Large.

Former Councilmember Wise stated it was an honor to serve Ramsey's citizens and an eye-awakening experience as well. He wished the best of luck to the City Council and hoped they shared his good memories. The Council and audience responded with a round of applause.

3. CITIZEN INPUT

Wayne Buchholz, 14621 Neon Street NW, asked how many strategic planning companies had been considered before it was approved by the Council two weeks ago. Mayor Strommen explained she and the City Administrator had originally discussed other companies but in the end, decided to not go out for bid. Mr. Buchholz stated his objection that only one company was considered.

Mayor Strommen noted that planning process was launched and the first meeting held last week. She indicated she had recommended Anita S. Duckor of Duckor & Associates because she had seen Ms. Duckor's work product and was confident the process would create the Council's desired outcome.

4. CONSENT AGENDA

Motion by Councilmember LeTourneau, seconded by Councilmember Riley, to approve the following items on the Consent Agenda:

- 4.01: Receive Cash and Investments for Period Ending December 31, 2012
- 4.02: Schedule Public Hearing to Consider Adoption of the 2013-2017 Capital Improvement Program (CIP)
- 4.03: Approve the following Meeting Minutes:
 - 1) City Council Work Session dated December 11, 2013
 - 2) City Council Regular Session dated December 11, 2013
 - 3) City Council Work Session dated January 8, 2013
 - 4) City Council Regular Session dated January 8, 2013
- 4.04: Approve Attached License Applications for 2013
- 4.05: Approve Community and Business Event Participation
- 4.06: Approval from Exemption for a Gambling License for Minnesota Waterfowl Association – Rum River Chapter
- 4.07: Introduce Ordinance to Vacate a Portion of 147th Circle (Right-of-Way) and Drainage and Utility Easements in the Proposed SEASONS OF RAMSEY Plat
- 4.08: Accept State Fire Marshal Grant for Shared Fire Services and Enter into a Contract with Emergency Services Consulting International
- 4.09: Adopt Resolution 13-01-020 Approving Cash Disbursements Made and Authorizing Payment of Accounts Payable Invoicing Received During the Period of January 4, 2013, through January 17, 2013
- 4.10: Adopt Resolution #13-01-017 Supporting the Development of the Mississippi River Trail also known as United States Bicycle Route 45
- 4.11: Adopt Resolution #13-01-019 Authorizing Partial Payment to North Pine Aggregates, Inc. for IP 12-20; CSAH 83 (Armstrong Boulevard) – Sunwood Drive

- 4.12: Adopt Resolution #13-01-022 Authorizing Partial Payment to County Line Excavating for IP 12-25; North Commons
- 4.13: Adopt Resolution #13-01-024 in Support of Funding for Trunk Highway Improvements

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Riley, Backous, Elvig, Kuzma, and Tossey. Voting No: None.

5. APPROVE AGENDA

Motion by Councilmember Elvig, seconded by Councilmember Kuzma, to approve the agenda as revised to consider Case 7.04 prior to Case 7.01.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers Elvig, Kuzma, Backous, LeTourneau, Riley, and Tossey. Voting No: None.

6. PUBLIC HEARING

None.

7. COUNCIL BUSINESS

7.04: Consider Purchase of 14590 Armstrong Boulevard NW, Ramsey, Minnesota (Wiser Choice Liquor) from M&W Holding Company LLC (The “Property”) (Portions of this discussion were closed to the public)

City Attorney Goodrich reviewed the staff report and three possible alternatives: 1. Take no action and not consider City purchase of the Property; 2. Request that the HRA consider or not consider purchase of the Property; and/or, 3. Determine that the City should consider purchase of the Property and meet to consider purchase agreement terms. He indicated that since Mr. Wise has submitted countered terms, he would recommend that discussion be held during Closed Session. However, the Council can first decide if it supports purchase of the Property.

City Administrator Ulrich stated this property was planned for purchase as part of the Sunwood Drive Realignment Project and preparation for the future Armstrong Interchange. He explained why staff felt it was important to separate the purchase of this property for right-of-way purposes from the sale of the HRA property in The COR.

With regard to whether Ramsey would receive reimbursement for purchase of this right-of-way, City Administrator Ulrich indicated Anoka County is the lead agency and its engineers have indicated they thought it would be part of the City’s contribution to that \$33 million project.

Mayor Strommen asked the Council to first decide if it supported purchase of the 14590 Armstrong Boulevard NW property.

Councilmember Elvig described his past consideration of this property purchase and intent to maintain a position of support unless the terms of the deal change through a counter proposal. Should that occur, he would want to start the proposal over and may change his vote.

Councilmember LeTourneau stated his position that it is not a question as to whether to purchase but a matter of timing. He reviewed the issues he finds to be “unknowns” that would need to be answered before he would be comfortable making this decision. In addition, he shares the concern related to funding and reimbursement, thinking there may be other higher priority projects. Due to these unknown issues, Councilmember LeTourneau suggested delaying consideration for several months.

Councilmember Tossey stated he voted in support of this purchase last year because he found the Highway 10 overpass to be Ramsey’s biggest priority. He indicated there is a willing buyer/willing seller and he thinks it will cost the City more to go through eminent domain.

Councilmember Riley stated his concerns are “why now” and “why at this price.” At this time, he is not comfortable with either of those points and does not know whether the City will pay more with eminent domain since the City is following the same rules.

Councilmember Backous stated he had supported this purchase from the beginning and nothing has changed in his mind. He agreed the Highway 10 overpass is and has been the City’s number one priority since he started on the Council. Councilmember Backous stated he understands the new member’s questions and concerns but this is no different than other property the City has purchased and the price is not out of line considering previous purchases.

With regard to reimbursement, City Administrator Ulrich stated he does not have direct experience with that in terms of how it would be calculated, the whole purchase amount or only the value of the land, since it is a business relocation.

Councilmember Backous stated that is a moot argument because the property has to be purchased to build the overpass whether or not the City is reimbursed. He noted the City has done everything for that project except this purchase, which needs to be taken care of.

Mayor Strommen favored considering purchase of this property and discussing the counter offer. She noted a majority of the Council has indicated support to consider this purchase.

Development Manager Lazan clarified that the question has never been if Ramsey would be reimbursed but whether it would receive credit. He described the difference and clarified that the City will be reimbursed if it owns the right-of-way.

Jim Neilson, real estate attorney representing Jeff Wise, reviewed his background in real estate law and stated his client’s hope this purchase can be done amicably as Mr. Wise wants to sell his property. Mr. Neilson noted this has been going on for a long time, his client has had significant damages, and it would be of benefit to all if an agreement can be reached. He stated his agreement with the comment that eminent domain will result in additional costs to the City and indicated Mr. Wise has been advised by other attorneys that he may have a legal action against

the City of inverse condemnation. If Mr. Wise has that right, it would be a big expense for Ramsey. However, they prefer a consensual agreement.

Councilmember Tossey asked if changing the terms, such as the leaseback, would change the circumstances and lessen his client's argument.

Mr. Neilson stated that would address the sale with the purchase. He noted anything can be changed in a purchase agreement until both the buyer and the seller sign the agreement. The purchase agreement as originally proposed on the sale is one item and was coordinated with the sale of the HRA property but if you take off one, there is no reason the other cannot be changed.

City Attorney Goodrich advised that under Minnesota Statutes, 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 a revised purchase agreement to acquire property at 14590 Armstrong Boulevard NW, Ramsey, Minnesota (Wiser Choice Liquor) from M&W Holding Company LLC for right-of-way purposes and future development. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Councilmember Elvig, seconded by Councilmember Kuzma, to move to Closed Session to discuss acquisition negotiations.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers Elvig, Kuzma, Backous, LeTourneau, Riley, and Tossey. Voting No: None.

The City Council meeting moved into a Closed Session at 7:36 p.m.

The City Council reconvened in Open Session at 8:30 p.m.

City Attorney Goodrich stated the Council held discussion of the sale offer from M&W Holdings and consensus was reached that under certain terms it supports purchase of the property and authorized staff to make an offer and negotiate terms with Mr. Wise and his legal counsel.

7.01: Request for Site Plan Approval for a McDonald's Located on Lot 4, Block 1, COR TWO: Case of McDonald's USA LLC

Development Services Manager Gladhill reviewed the staff report and presented the Planning Commission's recommendation to approve the Site Plan as proposed, including 24-hour operation of electronic speaker devices associated with the drive-thru, contingent upon compliance with the Staff Review Letter dated December 28, 2012.

Brian Smith, representing McDonald's Restaurant, stated they do 500 site plans nationwide each year and believe this is the best scenario to eliminate potential pedestrian and vehicle conflicts at the drive thru.

Development Services Manager Gladhill answered questions of the Council relating to the two-lane shared access with SuperAmerica, restricted turning movement on Sunwood Drive, and points of full access/exit to the east and south.

Motion by Councilmember Elvig, seconded by Councilmember Tossey, to adopt Resolution #13-01-018 adopting Findings of Fact #0910 favorable to the applicant and to approve the proposed Site Plan contingent upon compliance with the staff Review Letter dated December 28, 2012, revised January 18, 2013, and upon review and approval as to legal form by the City Attorney.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers Elvig, Tossey, Backous, Kuzma, LeTourneau, and Riley. Voting No: None.

7.02: Introduce Ordinance to Amend City Code Section 117-118 Entitled The COR Related to twenty-Four (24) Hour Drive Thrus

Development Services Manager Gladhill reviewed the staff report and recommendation of the Planning Commission that the Council adopt an ordinance amendment to outright permit 24-hour drive thru operations within certain COR Sub-Districts based on its conclusion there would be no detrimental impacts by surrounding permitted uses.

Motion by Councilmember Riley, seconded by Councilmember Tossey, to introduce Ordinance Amending City Code Section 117-118 Permitting Outright Twenty-Four (24) Hour Drive-Thru Operations within the COR-2, COR-2b, and COR-3 Sub-Districts.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers Riley, Tossey, Backous, Elvig, Kuzma, and LeTourneau. Voting No: None.

7.03: Riverdale Drive Reconstruction and Extension – Approve Consultant Services

City Administrator Ulrich reviewed the staff report and staff's recommendation to approve the proposal from Hakanson Anderson for consultant services in an amount not to exceed \$29,600 to prepare the Riverdale Drive reconstruction and extension plans and specifications so the \$702,000 Cooperative Agreement Grant is not jeopardized.

With regard to upcoming time sensitive dates, Interim Engineer Nelson explained that currently this is the only major project with plans and specifications being ordered. He indicated that staff will discuss 2013 projects with the Public Works Committee in February including sealcoating and street reconstruction. It was noted that an Engineering Tech III employee would have been able to undertake in-house engineering and preparation of project plans.

Motion by Councilmember LeTourneau, seconded by Councilmember Elvig, to approve the proposal from Hakanson Anderson for consultant services in an amount not exceed \$29,600.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Elvig, Backous, Kuzma, Riley, and Tossey. Voting No: None.

7.04: Consider Purchase of 14590 Armstrong Boulevard NW, Ramsey, Minnesota (Wiser Choice Liquor) from M&W Holding Company LLC (The “Property”)

This Case was considered prior to Case 7.01.

8. MAYOR, COUNCIL AND STAFF INPUT

City Administrator Ulrich announced upcoming meetings and events.

9. ADJOURNMENT

Motion by Councilmember LeTourneau, seconded by Councilmember Tossey, to adjourn the meeting.

Motion carried.

The regular meeting of the City Council adjourned at 8:58 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.