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

The Ramsey City Council conducted a regular meeting on Tuesday, September 10, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen
Councilmember Randy Backous
Councilmember Jill Johns
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
Parks and Assistant Public Works Superintendent Mark Riverblood
Public Works Superintendent Grant Riemer
City Engineer Bruce Westby
Development Services Manager Timothy Gladhill
Assistant to the City Administrator Patrick Brama
City Attorney Joe Langel

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: Proclamation Declaring October as Domestic Violence Awareness Month

Mayor Strommen read in full a Proclamation declaring October as Domestic Violence Awareness Month. She noted this Proclamation is on tonight's Consent Agenda.

3. CITIZEN INPUT

None.

4. CONSENT AGENDA

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

- 4.01: Receive Cash and Investments for Period Ending August 31, 2013
- 4.02: Receive July 2013 Financial Reports – General Fund and Expenditure Funds
- 4.03: Receive 2013 Building Division Month End Report: August
- 4.04: Receive Calendar Upcoming Public Processes Related to Land Use Review
- 4.05: Approve License Applications

Transient Merchant

Better Business Consultants, 8120 Penn Avenue, Bloomington, MN 55431

- 4.06: Approve the following Meeting Minutes:
 - 1) City Council Work Session – August 27, 2013
 - 2) City Council Regular – August 27, 2013
- 4.07: Adopt Resolution #13-09-159 Approving Cash Disbursements Made and Authorizing Payment of Accounts Payable Invoicing Received During the Period of August 22, 2013, through September 4, 2013
- 4.08: Adopt Resolution #13-09-151 Approving the First Amendment to Amended and Restated Parking Improvement Use and Maintenance Agreement for Parking District A
- 4.09: Adopt Resolution #13-09-150 Granting Amendment to Planned Unit Development Approval of Town Center Gardens Third Addition
- 4.10: Adopt Resolution #13-09-157 Declaring Cost to be Assessed and Calling for a Public Hearing on Proposed Assessment for Past Due Charges on Municipal Utility Bills (which may include water, sewer, street lighting, recycling, storm water charges, and penalties incurred) and Current Services Rendered
- 4.11: Adopt Resolution #13-09-158 Approving the Cooperative Agreement with MnDOT for Signing the Mississippi River Trail
- 4.12: Adopt Resolution #13-09-160 Granting Final Plat Approval of Oakwood Acres Located along 167th Avenue, West of Nowthen Boulevard; Case of Oakwood Land Development
- 4.13: Adopt Resolution #13-09-152 Proclaiming October 2013 Domestic Violence Awareness Month

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

5. APPROVE AGENDA

Motion by Councilmember Riley, seconded by Councilmember Johns, to approve the agenda as presented.

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

6. PUBLIC HEARING

- None.

7. COUNCIL BUSINESS

7.01: Adopt Resolutions Approving Proposed 2014 Payable Tax Levies and Schedule Public Meeting for December 10, 2013

Finance Director Lund presented the proposed 2014 payable tax levies totaling \$8,723,341, reflecting a 9.07% increase over the adopted levy in 2013. The majority of the increase is due to the Municipal Center Debt Service being levied at its full debt service amount of \$1,018,063 versus \$492,629 in 2013. Staff recommended the public hearing be scheduled for the City Council's December 10, 2013 meeting with adoption of the 2014 General Fund Budget and levy to immediately follow. It was noted the levies can be reduced prior to City Council adoption on December 10, 2013.

Councilmembers Tossey and Backous indicated they will support the 2013 payable tax levy as it lowers the tax capacity rate almost one percentage point; however, both would like the EDA levy lowered or eliminated prior to final adoption.

Councilmember Riley noted this levy is almost \$1 million below the limit and the tax rate is going down, resulting in a decrease in City taxes.

Motion by Councilmember Riley, seconded by Councilmember Kuzma, to adopt Resolution #13-09-154 Approving the Proposed 2013, Payable 2014, Tax Levy, and schedule the public hearing for the City Council's December 10, 2013, meeting; and, to adopt Resolution #13-09-155 Approving the Proposed 2013, Payable 2014 EDA tax levy based on the recommendation of the EDA Committee.

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

7.02: Review and Adopt Proposed 2014 General Fund Budget

Finance Director Lund presented the 2014 General Fund Budget of \$9,894,184, a decrease of \$399,653, or 3.88%, over the adopted 2013 General Fund Budget. She answered questions of the City Council relating to the change in the overall personnel line item from \$5,806,331 in 2013 to \$6,235,216 in 2014, or a difference of just under \$400,000. It was noted this cost is partially attributable to additional staff positions (25-hour per week Office Assistant, part time IT Tech, five position reclassifications, seven interns, and a patrol officer to start June 1 to bring police staffing to prior levels) and an increase in salary and cost of benefits (health insurance).

The Council acknowledged the staff increase is not a result of adding many staff positions but only those positions needed to accomplish the Council's Strategic Plan and Goals. The action

under consideration tonight will approve funding for the positions but not grant authority to fill those positions. That will require a later Council action.

Councilmember Tossey stated the budget does not include filling the Economic Development Director position as it was budgeted for last year.

Finance Director Lund clarified that position is not funded from the General Fund but through EDA/HRA, and TIF funding.

Motion by Councilmember LeTourneau, seconded by Councilmember Riley, adopt Resolution #13-09-156 Adopting the Proposed 2014 City of Ramsey General Fund Operating Budget.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Riley, Backous, Johns, and Kuzma. Voting No: Councilmember Tossey.

7.03: Consideration of Approving Draft Franchise Agreement and Ordinance Terms and Ordering Public Hearing

City Engineer Westby reviewed the staff report and recommendation to approve the draft Franchise Agreement and Ordinance terms and order two public hearings, one for the proposed Franchise Agreement and Ordinances and one for the Right-of-Way Ordinances, to be held at the October 8, 2013, City Council meeting. If approved, staff will work with the gas and electric utilities to prepare the documents. In addition, public hearing notices will be published.

The Council acknowledged that creating a sustainable model to repair roads has been discussed for many years and that regular and routine maintenance will result in lower project costs and allow continued development.

City Engineer Westby answered questions of the City Council relating to the costs for sealcoat and overlay, noting this year the City seal coated 13.6 miles at a cost of \$360,000. He stated it costs over a million dollars to reconstruct one mile of urban roadway. City Engineer Westby indicated that of resident's surveyed, 66% preferred use of franchise fees and 46% preferred assessments to maintain roadways. With regard to using a PACER of 7 in the analysis, City Engineer Westby explained that serviceability begins to drop and maintenance costs increase substantially once past a PACER of 7.

The City Council discussed its consensus that the franchise fees would be placed in a dedicated fund restricted for roads and have a five-year sunset. In addition, the intent is to eliminate using special assessments for funding. It was noted that an estimated road reconstruction assessment is in the \$8,000 range with a 15-year term for repayment, or \$533 per year. The franchise fee under consideration results in a cost of \$192 per year and would take 41.7 years to pay what the assessment would total.

Councilmember Tossey stated his intent to not support franchise fees as it would create an additional tax/revenue stream that he considered to be a regressive tax as it charged the same rate to a senior citizen or resident on housing assistance as it charged to a resident living in an

expensive house. He felt taxes, which were a dedicated revenue stream, should be used to pay for road reconstruction projects and that budget cuts should be made to eliminate the EDA levy and not hire additional staff.

The City Council acknowledged the need to address road reconstruction funding and noted the consideration tonight is to schedule a public hearing to hear from the City's residents and to provide education on how this funding issue came to be.

City Administrator Ulrich confirmed the City Council is not considering approval of the franchise fee at tonight's meeting but to schedule a public hearing. To approve a franchise fee, first and second reading of an ordinance is required.

Motion by Councilmember Kuzma, seconded by Councilmember Johns, to adopt Resolution #13-09-161, Ordering Public Hearing for Adoption of Gas and Electric Utility Franchise Agreements and Ordinances, and Resolution #13-09-162 Ordering Public Hearing for Adoption of Right-of-Way Ordinances with Electric Utilities.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers Kuzma, Johns, Backous, LeTourneau, and Riley. Voting No: Councilmember Tossey.

7.04: Introduce Ordinance #13-17 to Amend 2013 Rates and Fees Related to Water Trunk and Existing Reimbursement Agreement and Call for Public Hearing

Development Services Manager Gladhill reviewed the staff report and recommendation to introduce an ordinance to amend 2013 rates and fees to create a two-tier fee. The second tier of water trunk fee is required in order to honor an existing reimbursement agreement with 21st Century Bank related to the extension of sanitary sewer and water trunk lines to the Brookfield and Sweetbay Ridge developments.

Motion by Councilmember LeTourneau, seconded by Councilmember Kuzma, to introduce Ordinance #13-17 Establishing Permit Fees, Service Charges, and Various Other Fees to be Collected by the City of Ramsey, and schedule the public hearing for the City Council's December 10, 2013, meeting.

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

7.05: Adopt Resolution #13-09-136 Approving the Joint Powers Agreement and Accepting Bids for the Mississippi River Trail

Parks and Assistant Public Works Superintendent Riverblood reviewed the staff report and recommendation to approve the Joint Powers Agreement (JPA) and accept bids for that portion of the Mississippi River Trail (MRT) within Ramsey. It was noted that Sunram Construction of Corcoran was the low bidder at \$1,219,072.50 for the entire project. The cost to Ramsey is anticipated to be \$645,000 with that amount being reduced following reimbursement by Anoka County of \$126,800 and the Federal grant of \$164,200, bringing an estimated amended total

project cost to Ramsey of \$354,000. It was noted the funds to be used were paid by developers and dedicated for park use.

Motion by Councilmember Johns, seconded by Councilmember Backous, to adopt Resolution #13-09-136 Approving the Joint Powers Agreement and Accepting the Bids for the Mississippi River Trail.

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

7.06: Approve Amendment #2 to The Tinklenberg Group Contract for Additional Services

City Administrator Ulrich reviewed the staff report and need for a short-term extension to the 2013 Consulting Services Agreement with The Tinklenberg Group to prepare for the upcoming bonding session. He stated Mr. Tinklenberg has scheduled meetings with Senator Dibble and Congressman Nolan to discuss the project and potential grant funding.

The City Council noted the Transportation Subgroup met last week with Mr. Tinklenberg and discussed this contract extension. The City Council agreed with the importance of constant contact with Legislators to keep this issue before them.

Motion by Mayor Strommen, seconded by Councilmember Tossey, to approve Amendment #2 to the 2013 Consulting Services Agreement with The Tinklenberg Group to extend the term of the original agreement through January 31, 2014, at a monthly cost not to exceed \$2,000.

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

8. MAYOR, COUNCIL AND STAFF INPUT

- 8.01 Highway 10 Access Planning Study Public Open House – Thursday, September 12 – 6-8 p.m. – Anoka Ramsey Room
- 8.02 Farmer’s Market – Thursday, September 12 – 3-7 p.m. – adjacent to Amphitheater in The Draw
- 8.03 Park Patron Picnic – Thursday, September 12 – 5:30 – 7 pm – The Draw
- 8.04 Mississippi River Corridor Critical Area Public Collaborative Process – Monday, September 16 – Anoka Ramsey Room
- 8.05 Anoka County Sheriff’s Office Open House – Wednesday, September 18 – 4-7 p.m. – 13301 Hanson Boulevard, Andover
- 8.06 Stoney River Assisted Living/Memory Care Groundbreaking – Wednesday, September 18 – 3:30 p.m. – 14501 Nowthen Boulevard NW
- 8.07 167th Avenue Node Future Land Uses – Thursday, September 26 – Anoka Ramsey Room

City Administrator Ulrich announced upcoming meetings and events. He reported on Happy Days and thanked all who assisted to make it a successful event.

The City Council added its thanks to staff and volunteers who worked with Happy Days, noting it was the best event to date.

The City Council encouraged residents to attend and participate at meetings being held relating to the Highway 10 Access Planning Study Public Open House, Mississippi River Corridor Critical Area Public Collaborative Process, and 167th Avenue Node Future Land Use.

Mayor Strommen asked residents to navigate road construction projects carefully.

9. ADJOURNMENT

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

Motion carried.

The regular meeting of the City Council adjourned at 8:19 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.