

TABLE OF CONTENTS

1. CALL TO ORDER 2

2. PRESENTATION..... 2

3. CITIZEN INPUT 2

4. CONSENT AGENDA 3

5. APPROVE AGENDA 4

6. PUBLIC HEARING 4

 6.01: Public Hearing to Introduce Ordinance Vacating Portions of Drainage and Utility
 Easement and Consider Easement Encroachment Agreement at 6012 146th Avenue NW; Case
 of Jesse VerBeek..... 4

7. COUNCIL BUSINESS..... 5

 7.01: Report from the Personnel Committee – Meeting Dated November 13, 2012..... 5

 7.02: Consider Deferral for Development Fees – Sunwood Retail Area..... 5

 7.03: Consider Modification of TIF District 14..... 6

 7.04: Consider EDA Revolving Loan Fund (RLF) Application 7

8. MAYOR, COUNCIL AND STAFF INPUT 8

9. ADJOURNMENT 8

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

The Ramsey City Council conducted a regular meeting on Tuesday, November 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
Finance Director Diana Lund
Fire Chief Dean Kapler
Police Chief James Way
Human Resources Manager Colleen Lasher
Development Services Manager Timothy Gladhill
Management Analyst Patrick Brama
City Attorney William Goodrich
Development Manager Darren Lazan
Interim Engineer Shane Nelson
Councilmember-Elect Mark Kuzma
Councilmember-Elect Chris Riley
Councilmember-Elect John LeTourneau

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

None.

3. CITIZEN INPUT

Al Pearson, 14821 Bowers Drive, President of the Anoka County Historical Society, announced that Ramsey was chosen to sponsor a Christmas ornament for the Anoka County tree. He asked the Council to designate someone to present the ornament on December 4, 2012, at 7 p.m.

4. CONSENT AGENDA

Motion by Councilmember McGlone, seconded by Councilmember Backous, to approve the following items on the Consent Agenda as revised to remove Case 4.05:

- 4.01: Receive Cash & Investments for Period Ending October 31, 2012
- 4.02: Receive September 2012 Financial Reports – General Fund and Enterprise Funds
- 4.03: Receive Building Permit Revenue Report for 2012
- 4.04: Consider Lease Agreement with Independent Auto Service, Inc. for use of Cold Storage Area; and Consider Sublease Agreement with First Choice Towing (6745 Highway 10)
- ~~4.05: Consider EDA Revolving Loan Fund (RLF) Application~~ This item was removed from the Consent Agenda and considered as Case 7:04.
- 4.06: Introduce Ordinance to Amend City Code Chapter 117, Article II, Division 8 (Signs) Related to Temporary, Construction, Real Estate, and off-Premises Signs
- 4.07: Introduce Ordinance for 2013 Schedule of Rates, Fees and Charges
- 4.08: Approve Request to Declare Surplus Property
- 4.09: Adopt Resolution #12-11-169 Approving Cash Disbursements Made and Authorizing Payment of Accounts Payable Invoicing Received During the Period of October 17, 2012 through November 7, 2012
- 4.10: Adopt Resolution #12-11-170 Adopting the 2013 Parking Ramp Maintenance Budget and Adopt Resolution #12-11-171 Allocating the Parking Ramp Maintenance Costs per the Adopted 2013 Budget based on each parcel's allocated share as outlined
- 4.11: Adopt Resolution #12-11-172 Accepting the City Administrator's Performance Evaluation
- 4.12: Report from Finance Committee – Meeting dated October 23, 2012:
 - 1) Award Contract for Banking Services – *Ratify the recommendation of the Finance Committee and adopt Resolution #12-11-173 Awarding Banking Services to Bank of the West for services to begin January 1, 2013.*
- 4.13: Report from Public Works Committee – Meeting dated October 16, 2012:
 - 1) Review Bid for Snow Removal at Parking Ramp and Municipal Center – *Ratify the recommendation of the Public Works Committee to approve the \$16,850 bid for snow removal service with Complete Grounds Maintenance for the Municipal Center and use City staff and equipment for snow removal services at the parking ramp for the 2012-2013 snow season.*
 - 2) Resident Concern – 167th Avenue (IP 08-27) – *Ratify the recommendation of the Public Works Committee to direct staff to explore options and obtain two bids for raking out soil, adding top soil, and installing sod with the work to be completed by May 1, 2013.*
 - 3) Sunwood Drive Project – Completion of Signal System, Irrigation System, and Sidewalks – *Ratify the recommendation of the Public Works Committee to approve the requested extension of time to December 31, 2012, or 10 days after delivery of mast arm, for completion of the signal system with the understanding that the work*

will be completed as soon as possible after receiving the components and an extension of time to May 15, 2013, for completion of the irrigation system and the sidewalk, if necessary, for City Project 12-20, Sunwood Drive Project, with the contractor signing the written agreement

4.14: Report from Personnel Committee – Meeting dated October 23, 2012:

- 1) Consider a Resolution to Accept a Paid-on-call Firefighter’s Resignation and to Hire a Paid-on-call Firefighter – *Ratify the recommendation of the Personnel Committee to and adopt Resolution #12-11-174 to Immediately Accept Mr. Tim Bergersen’s Resignation and to hire Mr. Jeff Kagol as a Paid-on-call Firefighter at \$12.88 per hour effective November 14, 2012.*

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

5. APPROVE AGENDA

Motion by Councilmember McGlone, seconded by Mayor Ramsey, to approve the agenda as presented.

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

6. PUBLIC HEARING

6.01: Public Hearing to Introduce Ordinance Vacating Portions of Drainage and Utility Easement and Consider Easement Encroachment Agreement at 6012 146th Avenue NW; Case of Jesse VerBeek

Mayor Ramsey closed the regular portion of the City Council meeting at 7:02 p.m. in order to conduct a public hearing.

Public Hearing

Mayor Ramsey called the public hearing to order at 7:02 p.m.

Presentation

Development Services Manager Gladhill reviewed the staff report and recommended approval subject to review of legal counsel as to form. He answered questions of the Council relating to adjacent uses (buffer and transition area between uses) and indicated the building has to remain consistent to the grading plan to assure there are no potential issues with flooding.

Citizen Input

There was none.

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

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

The public hearing was closed at 7:07 p.m.

Council Business

Mayor Ramsey called the regular City Council meeting back to order at 7:07 p.m.

Motion by Mayor Ramsey, seconded by Councilmember Elvig, to introduce An Ordinance Vacating a Portion of an Easement for Drainage and Utility Purposes in the City of Ramsey, Anoka County, Minnesota and Approve the Easement Encroachment Agreement at 6012 146th Avenue NW; Case of Jesse VerBeek, subject to review by legal counsel as to form.

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

7. COUNCIL BUSINESS

7.01: Report from the Personnel Committee – Meeting Dated November 13, 2012

Human Resources Manager Lasher presented the consideration by and recommendation of the Personnel Committee to hire Ms. Shannon Schlender, effective on or near November 27, 2012, at \$21.87 per hour, Step 1 of the 2012 Wage Scale.

Motion by Councilmember McGlone, seconded by Councilmember Tossey, to adopt Resolution #12-11-175, A Resolution to Hire a Patrol Officer.

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

7.02: Consider Deferral for Development Fees – Sunwood Retail Area

Development Manager Lazan reviewed the staff report and recommendation that the City Council approve recording the plat now but deferring the development fees related to the plat of COR TWO until the first closing on one of the three HRA lots (Lots 3, 4, 5). He advised this is an unusual case involving grant funding.

The Council acknowledged this consideration to defer fees is the exception, not the rule, but in this case makes sense since it would allow the City to obtain grant dollars.

Development Manager Lazan addressed the process to track deferred fees and recommendation of Finance Director Lund to defer until the initial closing.

Motion by Councilmember Elvig, seconded by Councilmember McGlone, due to the fact of an outstanding grant that requires closing to approve the deferral of the development fees related to the plat of COR TWO until the first closing on one of the three HRA lots – Lots 3-5, COR TWO.

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

7.03: Consider Modification of TIF District 14

City Administrator Ulrich reviewed the staff report and recommendation that it is in the City's best interest to keep TIF District 14 in place until existing obligations are met, totaling \$24 million.

Motion by Mayor Ramsey, seconded by Councilmember Tossey, to decertify TIF District 14 for any properties not encumbered.

Further discussion: Mayor Ramsey stated there is no mistaking the results of the election because the people who won ran on the message that the City should not be involved in development. He noted TIF was created to offset costs developers were usually required to pay and to protect the businesses who built in The COR. However, "the people spoke" at the recent election to not have the City involved in private development so there was no reason to keep TIF District #14 intact. Councilmember Backous stated he had seconded a similar motion at the last meeting and agreed the City should not be in the private development business or compete/manipulate the free market; however, he felt it would be disrespectful to consider decertification of TIF District #14 before the new Councilmembers are sworn in. Councilmember Backous stated he would support this effort in January once the new members, who are duly elected officials, have a chance to state their position. Councilmember Strommen agreed "the people spoke" in the recent election that the City needed to get out of the development business but that does not mean "pulling the plug" tomorrow. She found this to be a strategic issue the new Council needs to address once it is seated in January. Councilmember Strommen stated the issue of TIF is nested within that larger strategic discussion, which she welcomes. She supported staff gathering additional information, bringing forward options for modification of the TIF District, and a comprehensive financial analysis so the Council can hold deliberate and thoughtful discussion once the new members are seated. Councilmember Tossey stated he had made the motion to decertify at the last meeting but it was not supported by a majority. He believed that it was still the right thing, noting TIF can become a "political football." He felt Ramsey should compete with other cities by keeping its tax capacity lower to attract developments. Councilmember Tossey stated the way to "starve the beast of government-controlled development" is to cut the HRA levy in half and decertify TIF District #14. He felt TIF plays favorites in choosing one business over another and that TIF should be eliminated Statewide. Councilmember McGlone stated he spent the most time of any staff or Council member at the Capitol to put TIF District #14 and design build authority into place. He stated if this Council or next year's Council thinks Ramsey should be out of the development business, it should also be out of the TIF District business. He stated that he has more TIF knowledge than any "newbie." Regarding the comment that "the people spoke" at the recent election, he would question the pamphlet distributed by "Citizens for Responsible Government," a pact that supported those who

won the election by campaigning that the City should be out of the development business. Councilmember McGlone stated he worked to create TIF District #14 solely for the residents who elected him but things appear to be changing so he can no longer support keeping that role. Councilmember Wise stated he does not support decertifying this TIF District because it puts Ramsey back on an “uneven playing field” with other communities. He noted The COR was encumbered with a massive amount of bureaucracy and TIF has allowed Ramsey to resolve those issues and attract businesses. Councilmember Wise noted the City has used TIF to make capital improvements/infrastructure that otherwise would not be financially feasible in the private sector. He felt if Ramsey did not have TIF to offer, development would go elsewhere. In addition, Armstrong Boulevard and TIF will attract a big box business to The COR. Councilmember Wise stated he would not encumber a future Council by making this decision tonight. Councilmember Elvig stated he would like to leave the election behind but agrees the overpass is a major issue, an issue of safety and convenience, that the Council needs to stick to. He noted the City’s cost will be nearly \$30 million and the overpass will either be paid from TIF or be spread to all of the residents. He would like those costs paid by the TIF District so the people who benefit pay for it. Councilmember Elvig stated the use of TIF and the City’s role needs to be well thought out.

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

7.04: Consider EDA Revolving Loan Fund (RLF) Application

City Administrator Ulrich presented the staff report and recommendation of the EDA to approve the requested Revolving Loan.

Motion by Councilmember Elvig, seconded by Councilmember Strommen, to confirm the recommendation of the EDA and approve a Revolving Loan Fund (RLF) Application.

Further discussion: Councilmember McGlone stated his rationale and intent to oppose the motion because he thinks it is a second position loan for a start up business with up to a 90% failure rate and inability to recoup funds. Councilmember Tossey expressed his reservation to support the motion because the original loan term did not comply with EDA guidelines and had to be revised from ten years to seven years. In addition, because this involved taxpayer money, he was conflicted. Councilmembers Elvig, Strommen, and Backous advocated in support of the motion since the application, as revised to a seven-year term, fits the EDA policy, included an extensive business plan, the strong financial position of the personal guarantors, and recommendation of the EDA and Mr. Mulrooney who has a spotless reputation. It was noted that these loan funds were raised through a grant and the EDA has experienced a 100% success rate in administering its revolving loan program using the same criteria and consultant. Councilmember Wise clarified that government has no money; all is taxpayer’s money; however, he supported the application based on the recommendation of the EDA and Mr. Mulrooney, an expert consultant with a proven track record. Mayor Ramsey stated he would oppose the motion because the loan collateralized exercise equipment that has a high depreciation and if the person putting up the personal guarantee has a lot of money, he could put up this money without a loan from Ramsey.

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

8. MAYOR, COUNCIL AND STAFF INPUT

City Administrator Ulrich announced upcoming events and meetings and provided an update on construction projects. He extended his appreciation to City Clerk Thieling and staff for efforts expended on the recent election.

Interim Engineer Nelson reported on streetlight and outlet installation.

The Council thanked the country's veterans for their service and residents who voted at the recent General Election. Congratulations were extended to Mayor-Elect Strommen and Councilmembers-Elect Mark Kuzma, Chris Riley, and John LeTourneau.

9. ADJOURNMENT

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

Motion carried.

The regular meeting of the City Council adjourned at 8:03 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.