

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, January 22, 2019, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor John LeTourneau  
Councilmember Nadine Heinrich  
Councilmember Mark Kuzma  
Councilmember Debra Musgrove (arrived at 5:52 p.m.)  
Councilmember Melody Shryock

Members Absent: Councilmember Chris Riley

Also Present: City Administrator Kurtis Ulrich  
Finance Director Diana Lund  
Police Chief Jeff Katers  
Parks and Assistant Public Works Superintendent Mark Riverblood  
Public Works Superintendent Grant Riemer  
Community Development Director Timothy Gladhill  
City Engineer Bruce Westby  
City Planner Chris Anderson  
Stacie Kvilvang, Ehlers

**1. CALL TO ORDER**

Mayor LeTourneau called the City Council Work Session to order at 5:34 p.m.

**2. TOPICS FOR DISCUSSION**

**2.01: Discuss Funding Options for Possible Public Works Campus**

City Administrator Ulrich noted that the purpose of this exercise was to determine a long-term funding plan for a future public works campus.

Stacie Kvilvang provided background information on the bonding process that municipalities use for the construction of public facilities. She stated that if there is truly a need for a facility, which in this case there is, this bonding method would be the lowest cost option. She provided additional details on the funding spreadsheet that was created that reviews four different options.

Finance Director Lund provided additional clarification on the calendar year for bonding and a higher interest rate that could be triggered if a certain threshold in bonding is exceeded.

City Administrator Ulrich provided additional details, noting that 25 percent of the funds would come from the sewer and water fund as a portion of the facility would be used for that purpose. It was noted that there are additional funds available as unrestricted in the landfill trust fund that could also be used on this project.

Councilmember Kuzma asked the recommendation from staff for the best-case scenario.

Finance Director Lund replied that she would recommend option three or option four, to ensure bank qualification and provided additional clarification. She stated that \$3,750,000 would come from the sewer and water funds as that would equate to 25 percent of the project cost. She confirmed that those are available funds and would not be paid back. She explained that for option three, the additional funds would come from an internal loan from the sewer and water fund in the amount of \$3,750,000 which would be paid back over time. She stated that in order to get to option four, those two funding options would be utilized with an additional \$2,000,000 being contributed from the landfill fund. She confirmed that contribution from the landfill fund would then close out that account and the funds would not be available for future projects.

Councilmember Musgrove arrived at 5:52 p.m.

Councilmember Shryock provided an example of how this debt would interact with the road debt and received confirmation.

Councilmember Kuzma acknowledged that the facility is needed but struggled that this would add two percent to the levy, with the increase for personnel and would not even consider any additional budget considerations.

Councilmember Shryock noted that this is simply a planning step at this point and would not lock the Council into a decision at this time.

Mayor LeTourneau stated that there seems to be consensus about the need for the facility, but the discussion is when that will take place and how. He stated that once the financing is decided the Council will need to weigh the budget implications. He stated that this is an investment in the community, which does cost money. He stated that the question will be whether the Council is willing to make that investment; it will also have an impact on the other budget discussions that are made. He stated that the Council is not making a decision at this time but is weighing different funding options. He stated that he would prefer funding option four, as that would bring the most to the table and slow the cost implications on the budget and levy.

Councilmember Shryock agreed that she would prefer option three or four. She asked the balance of the landfill trust fund.

Finance Director Lund replied that the balance is \$2,500,000.

Mayor LeTourneau stated that the work at this point is to structure all the elements to determine the most attractive funding options.

Councilmember Kuzma stated that in his time on the Council there has been an investment in staff to ensure that the City can provide sufficient services to the community. He stated that staffing has become stable. He stated that he would prefer option four but would then want to go back to staff to say that if this facility is going to be constructed, there will need to be budget cuts in other areas to support the construction of this facility.

Mayor LeTourneau stated that the Council has been charged with a responsibility of growth and that growth is being managed with these investments to the community. He stated that staffing is an area that has been thoroughly reviewed and managed, along with fire and police in order to make the investments in staff that the community needs. He stated that he would be cautious not to negatively affect the work that has been done.

Councilmember Heinrich agreed that if option four is chosen, she would want to look at tightening other items in the budget to equate to that two percent impact to the levy. She referenced the estimated cost of \$15,000,000 for the facility and asked if a more accurate cost estimate could be obtained that would provide a better picture.

Public Works Superintendent Riemer replied that this was simply a concept and in order to obtain a better quote, a more formal bidding and design process would need to be followed.

Ms. Kvilvang replied that the general cost for this type of facility ranges between \$12,000,000 and \$20,000,000.

Councilmember Shryock stated that she would like to have additional background on the potential funding sources; using the example of the landfill trust fund and the implications that using those funds could have on future opportunities.

Mayor LeTourneau stated that when a facility of this type is constructed, it is built to the needs of today and the potential needs of the future to ensure that the asset will function for generations to come.

Public Works Superintendent Riemer provided additional details, noting that the facility would be built for adaptability in the future.

Councilmember Musgrove thanked public works staff for allowing her to tour the facility to gain additional knowledge on the topic. She stated that because she was late, she would read the minutes and submit any additional questions to staff.

City Administrator Ulrich reviewed the next steps, which would include putting this more into concept with the budget for the next year that would include assumptions about growth and staffing. He stated that additional costs could attempt to be refined and staff could also bring back additional information on the landfill trust fund and the potential uses of those funds should they not be used for this facility.

Councilmember Kuzma stated that currently the City has bonding for road debt, but if the City were to move to franchise fees, that debt would be removed from bonding which would provide a better situation for this facility. He stated that future land sales could also offset this facility.

City Administrator Ulrich stated that staff can review the land sale policy to determine if this project could be included.

Mayor LeTourneau thanked staff for the work they have done thus far. He stated that the purpose of the conversation was to move down the path discussing options and, in the future, there will be decisions that need to be made.

**2.02: Confirm Approval Process for Accessory Structures and Animals at 6230 167<sup>th</sup> Ave NW; Case of Blackjack Farms, LLC (Michael Sykes)**

City Administrator Ulrich stated that this is a case involving building code and zoning code enforcement. He stated that there have been some issues with this property owner, but the discussion tonight will focus on the building on the property at 167<sup>th</sup> Avenue and to review options moving forward. He stated that the discussion tonight will provide information to the Council in order to provide direction for moving forward.

Community Development Director Gladhill reviewed the staff report.

Mayor LeTourneau stated that the City has had an opportunity to meet with the property owner on several occasions in an attempt to have an open discussion and dialogue on this topic. He stated that what is important is to find a balance to allow the property owner to have what they would desire on their property while balancing that with the zoning code.

Councilmember Heinrich thanked the property owner, Mayor LeTourneau, City Administrator Ulrich and Community Development Director Gladhill for taking the time to have that meeting. She acknowledged that there are channels that need to be gone through for this process. She stated that the property owner has a plan and it would be very helpful if that could be provided to staff.

Community Development Director Gladhill stated that the building height and materials are missing from the plan, along with compliance from wetlands and basic site plan elements that are required for a project of this magnitude.

Councilmember Kuzma stated that the City has approved a lot of projects and there are policies and procedures which allow the process to be followed with ease. He noted that if a Conditional Use Permit is needed, the property owner needs to follow that process in order to get the project approved. He stated that if the property owner resists following the proper path, the project would not be able to move forward. He stated that ordinances are in place for everyone and special allowances are not granted.

Councilmember Shryock stated that there seems to be a lot of concessions being made. She stated that there are guidelines in place for a reason and those should be followed. She stated

that the guidelines do not obstruct anyone from doing what they would like to do. She stated that it appears that a lot of concessions are being made that could be precedent setting for future applications.

Councilmember Heinrich stated that the meeting with Mr. Sykes encouraged the property owner to follow the steps of the Conditional Use Permit and there would be a good likelihood of the application being approved. She stated that she likes that the case states that there would be flexibility in escrow costs and believed that was generous and thanked staff for that flexibility.

City Administrator Ulrich stated that Mr. Sykes stated that timelines were an issue and staff attempted to develop a timeline that would allow the process to move more quickly. He acknowledged that some of those dates have passed and asked for an updated timeline.

Community Development Director Gladhill stated that the Planning Commission meets only once per month and therefore the next deadline for application submission would be February 7<sup>th</sup>, which would allow the 30-day review period prior to the public hearing by the Planning Commission. He stated that the Planning Commission would then hear this application at their March meeting and the ten-day period between Planning Commission and City Council review could be waived, allowing for the application to be heard by the City Council on March 12<sup>th</sup>.

Councilmember Shryock stated that she would like to hear from staff regarding the concessions that are being offered and why the rates have been discounted.

Community Development Director Gladhill stated that there is a \$200 application fee for land use applications. He stated that an escrow is then collected for additional costs that may be incurred throughout the review process. He stated that there has been discussion from the Planning Commission to review that escrow process for residential permit applications, perhaps charging a flat fee or estimating more actual costs.

Mayor LeTourneau stated that he would be looking at discussing potential efficiencies which could include requesting a special Planning Commission meeting, which could expedite the process.

Councilmember Kuzma stated that a special meeting is an inconvenience to the Planning Commission. He stated that this matter has been going on for some time and it is not the job of the City to provide additional concessions to make this work.

Councilmember Heinrich stated that the concern of Mr. Sykes is with the animals.

Michael Sykes stated the animals are not part of his concern at this time. He stated that he will be leaving this meeting as the fight is over a building the size of this conference room.

Councilmember Shryock stated that she is confused as this was what she thought was an amiable discussion and the resident just walked out. She stated that she would then be concerned that the City is willing to do all these things to help the resident and he is not even willing to sit at the table and have the discussion.

Mayor LeTourneau agreed that this has been a consistent trend throughout this process.

Councilmember Shryock stated that this was a fair discussion and the Council was in favor of working with the resident and he instead became belligerent and walked out. She did not foresee that this process would move smoothly going forward.

Councilmember Heinrich stated that the concern of Mr. Sykes was getting a structure for his animals that would be heated during the winter. She stated that her request would be to present the option to the Planning Commission to hold a special meeting. She stated that a lot of time and energy has been put into this topic and agreed that she felt that this had been an amiable discussion.

Mayor LeTourneau stated that Mr. Sykes made the comment that the animals were not a level of his concern at this time, which leads him to believe that the animals have been moved to another location as the resident had mentioned in previous conversations that he did have additional locations.

Councilmember Kuzma stated that until the required documents and application are received, he would direct staff not to move forward further on this request.

Mayor LeTourneau stated that he would also support the City staying inside of all the compliances of the zoning code and ordinances moving forward and would need to react appropriately to whatever the choices of the property owner are.

City Administrator Ulrich stated that if the applicant submits the necessary documents and application for the Conditional Use Permit, he has heard support for this moving forward. He stated that if the homeowner continues to move forward on the building without the proper permits, there would be an action the City could take that would prevent further construction until the issue is resolved. He stated that the City is in the position that it needs to enforce the code.

Councilmember Kuzma stated that if the agricultural determination is made by the County, that would alleviate some of the pressure from the City, but that necessary documentation has not been provided to the County.

Community Development Director Gladhill stated that there is a high risk that the property owner will continue to move forward whether the proper approvals are obtained based on prior history. He stated that the building materials have been purchased, the site has been graded and the footings for the foundation have been poured.

### **2.03: Continued Discussion on Administration and Enforcement of City Code Violations**

Community Development Director Gladhill reviewed the staff report.

Councilmember Musgrove stated that there is already an established policy for sign location and therefore the other element would be the look of the sign. She asked if the intent would be to have additional discussion on that topic.

Community Development Director Gladhill stated that the discussion would focus more on temporary signage, using the example of the large portable black signs with neon letters and the use of banners that are on buildings or staked into the ground. He stated that additionally there would be discussion in the future on sign height.

Mayor LeTourneau stated that he appreciates the additional information and the ability to look further at a possible proactive approach for some elements.

Councilmember Musgrove stated that when speaking to residents she heard comments about outdoor storage at residential properties that are visible from other residential properties because of the way properties are situated in some neighborhoods.

Community Development Director Gladhill stated that people will have some items stored outside on their residential property. He provided additional clarification on items that would meet the definition of nuisance under the City Code. He stated that the goal is to regulate the difference between junk and usable items that are stored outdoors.

Mayor LeTourneau stated that he would hope that the resident would be able to first attempt to work with the neighbor and if that does not work, the resident could speak with City staff to determine if there is a violation or whether that is simply permitted.

### **3. TOPICS FOR FUTURE DISCUSSION**

#### **3.01: Review Future Topics/ Calendar**

City Administrator Ulrich stated that there are some residents interested in organized garbage collection and asked if there is a desire for the Council to discuss that option at a future worksession.

Mayor LeTourneau agreed that this topic does arise from time to time and asked whether the Council would like to revisit the topic.

Councilmember Kuzma stated that he would not be interested in revisiting the topic, wasting time on an issue that would be controversial.

Councilmember Musgrove agreed that the Council should pick its battles. She stated that by having a choice in provider, that does provide a more competitive market. She acknowledged that there is wear on the roads from garbage trucks but noted that other large trucks also have impacts on the roads.

Councilmember Shryock stated that she likes the ability for residents to choose.

Councilmember Heinrich stated that she brought this forward for discussion as she had heard the comment about the wear the trucks have on the roads. She agreed that it is fair to allow residents to continue to make the choice about the business they would like to contract with for that service.

**4. MAYOR / COUNCIL / STAFF INPUT**

None.

**5. ADJOURNMENT**

The Work Session of the City Council was adjourned at 6:55 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Katie M. Schmidt  
Administrative Assistant

Drafted by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*