



Approved: October 10, 2016

**CITY OF ARDEN HILLS, MINNESOTA
REGULAR CITY COUNCIL MEETING
SEPTEMBER 26, 2016
7:00 P.M. - ARDEN HILLS CITY COUNCIL CHAMBERS**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Mayor David Grant called to order the regular City Council meeting at 7:00 p.m.

Present: Mayor David Grant, Councilmembers Brenda Holden, Fran Holmes, Dave McClung and Jonathan Wicklund

Absent: None

Also present: Interim City Administrator and Director of Finance and Administrative Services Sue Iverson; Interim Public Works Director/City Engineer Andy Brotzler; Senior Planner Matthew Bachler; Finance Analyst Dave Perrault and City Clerk Julie Hanson

PLEDGE OF ALLEGIANCE

1. APPROVAL OF AGENDA

MOTION: Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the meeting agenda as presented. The motion carried unanimously (5-0).

2. PUBLIC INQUIRIES/INFORMATIONAL

Gregg Larson, 3377 North Snelling Avenue, noted it was the one-year anniversary of the resignation of the former City Administrator and Public Works Director. He questioned why both of these positions were still vacant and why the City Council was not trying to hire new employees. He anticipated the new City Administrator would want to hire the new Public Works Director; however, it was noted the City has also lost its Community Development Director, City Planner, Public Works Superintendent, and Acting Public Works Director/Assistant City Engineer in recent months.

Mr. Larson explained that the numerous vacancies have led the City to hire Ehlers and WSB to serve as consultants on behalf of the City. He believed the City had a real staffing issue and questioned who was responsible for this situation. It was his opinion that the City Council was at

fault. He feared that the Personnel Committee, made of Mayor Grant and Councilmember Holden, were also to blame. He believed that the staffing situation at City Hall was a mess that was damaging the morale of the remaining staff. He feared the City would have a hard time hanging onto its valued employees. He took his hat off to Interim City Administrator Sue Iverson and former Acting Public Works Director John Anderson for their efforts on behalf of the City. He believed the City Council has failed to follow through with its hiring responsibilities. He anticipated that excuses would be offered and no fault would be accepted. He encouraged the City Council to provide better leadership on behalf of the residents of Arden Hills.

3. STAFF COMMENTS

A. Rice Creek Commons (TCAAP) and Joint Development Authority (JDA) Update

Interim City Administrator and Director of Finance and Administrative Services Iverson provided the Council with an update on TCAAP and JDA noting the following information:

Meetings

- On September 19, the City Council met with the Master Developer team to review updated site plans.
- On September 20, Bob Lux of Alatus met with the Mayor and Council Member Holden to discuss their concerns regarding development in Town Center.
- Another meeting with the Master Developer was be scheduled for October 10 at 6:00 p.m.

Communications/Media

- On September 14, the Mayor, along with County representatives and the Developer spoke at a Twin Cities North Chamber event regarding TCAAP.

B. Transportation Update

Interim Public Works Director/City Engineer Brotzler reported work on westbound I-694 would continue through November. He noted a portion of the roadway would be closed for bridge painting September 30 through October 3.

Interim Public Works Director/City Engineer Brotzler stated work continues on I-35W at County Road H. Ramps for County Road H would be closed through late fall.

Interim Public Works Director/City Engineer Brotzler explained the bridge lighting on County Road E was being reviewed and staff was waiting to hear back from MnDOT on the lighting options.

Councilmember Holden requested an update from staff on the intersection of Lexington Avenue and Red Fox Road.

Interim Public Works Director/City Engineer Brotzler indicated he would investigate this and would report back to the City Council.

Mayor Grant requested the light pole and sign that was hit near the E-Street Flats be replaced by Xcel.

Councilmember Holmes asked if the temporary stop signs at County Road E2 and Old Snelling had become permanent.

Councilmember Holmes requested the cones and barrels be removed at the intersection of Highway 10 and County Road H.

C. State of the City Update

Senior Planner Bachler stated the State of the City event would be held on Thursday, September 29, 7:30 to 9:00 a.m. at Flaherty's Arden Bowl. Representatives from the TCAAP Master Development Team, Land O'Lakes, and MnDOT would be providing updates to the community. There would also be time for questions and networking following the presentations. Arden Hills businesses and residents were encouraged to attend the event. An evening State of the City event will be scheduled for a future date.

D. Fall 2016 Community Cleanup Day Update

Senior Planner Bachler explained the Fall Cleanup Day event is scheduled for Saturday, October 8 from 7:00 a.m. to 12:00 p.m. It will be held at the Ramsey County Public Works Facility at 1425 Paul Kirkwold Drive. The event is co-sponsored by Arden Hills and Shoreview and open to residents of both cities.

Senior Planner Bachler reported residents that participate in the event would pay a small fee based on vehicle type and load. Car loads would be charged \$10; trucks, sport utility vehicles, and vans would be charged \$25; and small trailers would be charged \$35. Oversized loads, such as U-Haul trucks, would be subject to extra charges.

Senior Planner Bachler stated proof of residency, such as a driver's license or utility bill, would be required. Payment would only be accepted in the form of cash or check. No credit cards are accepted. Notice of the Fall Cleanup Day was advertised on the City's website and Facebook page, and a flyer was mailed to all City residents.

4. APPROVAL OF MINUTES

A. September 12, 2016, City Council

MOTION: Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the September 12, 2016, Regular City Council meeting minutes as presented. The motion carried unanimously (5-0).

5. CONSENT CALENDAR

- A. Motion to Approve Consent Agenda Item - Claims and Payroll
- B. Motion to Approve Planning Case 16-019 Holiday Station PUD and CUP

- C. Motion to Approve Resolution 2016-030 Authorizing the Application for Recycling SCORE Grant Funds from Ramsey County
- D. Motion to Approve Planning Case 16-022 Variance – 1500 Arden Place
- E. Motion to Adopt Snowplowing, Snow Removal and Ice Control Policy
- F. Motion to Accept Proposal for Engineering Services – Bethel Trail

MOTION: Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the Consent Calendar as presented and to authorize execution of all necessary documents contained therein. The motion carried unanimously (5-0).

6. PULLED CONSENT ITEMS

None.

7. PUBLIC HEARINGS

None.

8. NEW BUSINESS

- A. Set Preliminary Levy and Establish Truth-In-Taxation Public Hearing Date for Proposed Hearing Date for Proposed Taxes Payable in 2017**

Interim City Administrator and Director of Finance and Administrative Services Iverson reviewed the preliminary tax levy with the City Council. She noted the preliminary levy had to be adopted by the Council in September of each year. She discussed the median value of homes in Arden Hills and how these properties would be impacted by the proposed tax levy. The City’s tax capacity and tax rate was reviewed along with the proposed operating budget for 2017. It was noted a tax levy of 4.7% was being proposed. Staff recommended the Council set the preliminary levy and truth-in-taxation public hearing.

Councilmember McClung asked when the City would start seeing tax revenue from the TCAAP redevelopment.

Interim City Administrator and Director of Finance and Administrative Services Iverson explained it would take two years after the property was sold in order for revenues to be seen on the tax rolls.

Mayor Grant discussed the raw value of land versus developed land. It was noted the entire TCAAP site would not come onto the tax roles as the same time.

Councilmember Holden addressed the consulting engineering expenses projected for 2017 and reported the City would actually be saving money by staying with an engineering firm versus hiring another City Engineer.

Interim City Administrator and Director of Finance and Administrative Services Iverson stated this was the case. She explained it was unusual for a City the size of Arden Hills to have their own City Engineer and Public Works Director.

Councilmember Holmes indicated if the Council were to approve the 4.7% tax levy, the City would have a budget deficit in the amount of \$238,324. It was noted this amount would have to be covered by reserves.

Interim City Administrator and Director of Finance and Administrative Services Iverson stated that a 7.6% levy increase would be needed to cover the ongoing operating costs.

Councilmember McClung asked how much budget savings the City realized in 2015.

Interim City Administrator and Director of Finance and Administrative Services Iverson reported after the 2015 audit was completed it was determined the City had a 62.9% fund balance which meant there was an excess of \$565,121 in the General Fund that could be transferred over to the PIR Fund.

Councilmember Holmes questioned why excess funds should be transferred to the PIR Fund.

Interim City Administrator and Director of Finance and Administrative Services Iverson explained the purpose for this transfer would be to assist with building up the City's capital funds.

Councilmember McClung commented a portion of the transfer could also be used to buy down the 2017 tax levy in order to reduce the impact on Arden Hills' residents.

Councilmember Wicklund supported a 4.7% preliminary tax levy increase knowing this number could be reduced by December.

Mayor Grant explained that some of the extra expenses budgeted for 2017 were related to the Comprehensive Plan and should be covered by the PIR Fund.

Councilmember Holden supported the 4.7% preliminary tax levy and hoped the Council would be able to reduce this percentage before final approval is granted in December.

Councilmember McClung stated he could support 4.7% this evening and looked forward to further discussions on how to reduce this percentage in the coming months.

MOTION: **Councilmember McClung moved and Councilmember Wicklund seconded a motion to Adopt Resolution #2016-031 – Setting the Preliminary Levy for Taxes Payable in 2017.**

Mayor Grant believed the 4.7% tax levy was too high and stated he would not be supporting a 4.7% tax levy in December.

Councilmember Holmes was of the opinion the City should be approving a higher tax levy in order to cover the City's expenses. She recommended the Council listen to the residents and have more work completed on the City's trails.

The motion carried 4-1 (Holmes opposed).

MOTION: Councilmember McClung moved and Councilmember Holmes seconded a motion to Adopt Resolution #2016-032 – Adopting Truth In Taxation Public Hearing Date for Proposed Taxes Payable in 2017. The motion carried (5-0).

9. UNFINISHED BUSINESS

A. Shorewood Drive Bituminous Mill and Overlay

Interim Public Works Director/City Engineer Brotzler stated while Shorewood Drive has existing bituminous curb along most of the roadway, there are portions of curb that are missing or damaged. The initial proposal included a unit price to remove and replace curb, the specific areas were not identified and the total cost of the replacement was not included in the proposal. In addition, there was a concern that milling the pavement in close proximity to the bituminous curb would create additional damage to the already deteriorating curbing.

Interim Public Works Director/City Engineer Brotzler explained after visiting the site with the Contractor, staff requested a revised proposal to include curb removal and replacement, including site restoration and driveway tie-ins that were not included in the initial proposal. The revised proposal is in the amount of \$79,694.30.

Interim Public Works Director/City Engineer Brotzler reported as presented at the August 29 Council meeting, the City has budgeted \$150,000 for this type of work in 2016. To date the City has spent \$68,471 of this budget. The work on Thom Drive totaled \$30,159 and \$33,519 was spent on the Sandeen Road mill and overlay. The remaining budget for Street Maintenance / sealcoat and resurfacing was \$81,529. Staff had worked with Midwest Asphalt in the past and found their work to be acceptable and recommend accepting their proposal.

Councilmember Holden questioned how long the mill and overlay project would take to complete.

Interim Public Works Director/City Engineer Brotzler anticipated the project would take one or two weeks to complete.

Councilmember Holden requested further information on the life expectancy of a mill and overlay project.

Interim Public Works Director/City Engineer Brotzler stated generally a mill and overlay roadway would have a 10- to 15-year lifespan.

Councilmember Holmes asked if this project would have to be rebid given the fact it came in over what was expected.

Interim Public Works Director/City Engineer Brotzler reported typically projects under \$100,000 were not required to be bid. He explained the City initially solicited bids and four bids were received.

Councilmember Holmes inquired if the project would be completed yet in 2016. **Interim Public Works Director/City Engineer Brotzler** stated this was the case.

Mayor Grant understood this project would be completed in conjunction with work required at County Road D. He supported the project as presented.

Councilmember Wicklund questioned why the bid amount came in at almost double the engineer's estimate.

Interim Public Works Director/City Engineer Brotzler explained the original RFP did not include the full replacement of the bituminous curb and gutter.

MOTION: **Councilmember Wicklund moved and Councilmember McClung seconded a motion to Accept the Proposal from Midwest Asphalt Corporation for the Bituminous Mill and Overlay in the Amount of \$79,694.30. The motion carried (5-0).**

10. COUNCIL COMMENTS

Councilmember Holden encouraged the Council to read the memo in an email provided by staff on August 4 regarding "Openness of Government".

Councilmember Holden requested staff follow up with the individual that has a TCAAP cartridge in Europe.

Councilmember Holden recommended the Council have a recap discussion on State Fair parking at an upcoming work session meeting.

Councilmember Holden understood the Lake Lane PMP warranty was up this fall. She requested staff investigate this neighborhood to see if any cracks needed to be filled.

Councilmember Holden provided a Personnel Committee update and noted City Administrator candidates were recently interviewed. She reported background checks were being completed at this time. It was noted the Public Works Superintendent would be starting with the City of Arden Hills on October 10.

Councilmember Holden requested the Council discuss the City's engineering situation at an upcoming work session meeting.

Councilmember Holden explained Arden Hills was featured in the July issue of Top Doctors.

Mayor Grant indicated the City has had a City Engineer and Public Works Director in recent years. However, looking back the City of Arden Hills hired a consultant for these services. As

stated previously by staff, it was not uncommon for a City of Arden Hills' size to consult these services.

Mayor Grant reported the customer service specialist would begin working for the City on October 3.

Mayor Grant asked if any road patching would be done prior to winter. He requested that the proper mix be used.

Mayor Grant explained the "No Parking" signs were posted during the State Fair to improve safety in these areas of the City. He understood that a bus sideswiped several vehicles and the Council was hoping to improve this situation.

Mayor Grant invited the public to attend the Youth and Family Services Taste of Northeast Event on Thursday, October 6.

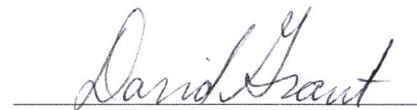
Mayor Grant discussed the number of staff vacancies and noted the Council was working through the situation in order to bring the right members on board with the City. He explained all work was getting done and City Hall was running well.

ADJOURN

MOTION: Councilmember McClung moved and Councilmember Holmes seconded a motion to adjourn. The motion carried unanimously (5-0).

Mayor Grant adjourned the Regular City Council Meeting at 8:15 p.m.


Julie Hanson
City Clerk


David Grant
Mayor