

REGULAR MEETING COTTAGE GROVE CITY COUNCIL

June 15, 2005

OPEN FORUM – 7:15 p.m.

Open forum provides a person an opportunity to inform the Council of a problem or to request information related to City business not scheduled for Council action and on the Agenda. Mayor Shiely encouraged persons to limit their remarks to two (2) minutes per issue.

Present: Mayor Sandy Shiely
Council Member Myron Bailey
Council Member Karla Bigham
Council Member Mark Grossklaus
Council Member Pat Rice

Also Present: Ryan Schroeder, City Administrator
Howard Blin, Community Development Director
Jennifer Levitt, City Engineer
Mike Zurbey, Deputy Public Safety Director
Mike Norton, City Attorney

1. Strawberry Fest Update

Jennifer Osborne, Strawberry Fest Committee, provided the Council with a brief update on the upcoming Strawberry Fest stating that most activities would occur on Saturday. She stated that the parade is scheduled for 10:00 a.m. and noted some of the highlights including Bruce the Bug Guy; the University of Minnesota Raptor Center; and the Senior Jam Band. She stated that a horseshoe tournament is scheduled for Sunday. She encouraged everyone to come out and enjoy the activities.

City Clerk Stransky referenced the Bulletin article and clarified that no admission fees would be charged for the carnival. She stated that the fee of \$15.00 would be charged for anyone wanting to participate in the Motorcycle show but there would be no admission fee for those just wanting to look.

Mayor Shiely noted that the Bulletin had a great insert on the Strawberry Fest adding that the Committee has done an incredible job planning all of the events for this year's festival. She thanked everyone for their hard work and support and encouraged everyone to come out and enjoy the weekend.

Bob Galish, Cottage Grove Jaycees, confirmed that a Motorcycle Show is planned for Saturday beginning at 11:00 a.m. He reviewed the entry process noting visitors of the event would be judging the entrants and first and second place plaques would be awarded. He stated that there would not be a kickball tournament this year due to the lack of interest. He

stated that there would be a dance Saturday evening from 8:00 p.m. to Midnight and the cost would be \$5.00 for adults and \$7.00 for 18 and up. He stated that Sunday is the pancake breakfast from 8:00 a.m. to 10:00 a.m. and the horseshoe tournament will begin at 12:00 noon.

2. David Schindeldecker, DPC Industries, Rosemount, Minnesota

David Schindeldecker, representing DPC Industries in Rosemount, Minnesota, stated that they are one of two water treatment chemical providers located in the Twin Cities. He stated that he would like to draw Council's attention to an issue with the hopes of getting direction and possible assistance in the future. He stated that they are currently going through an exercise within the company contacting Cities that have been long-time customers of their competition and are finding considerable cost savings across the board for Cities that have not gone out for quotes or pricing. He stated that he made a cold call contact and was given the contact to speak to. He met briefly to determine the quantity and type of chemicals used with the plan to come back at a later date to provide competitive pricing and savings advantages. He stated that the morning of the meeting he had received a call stating that the City of Cottage Grove was not interested in reviewing the pricing and that they are happy with their current service. He stated that he did speak with the individual and was told the same. He stated that he had contacted the City Clerk's office and was able to obtain the current pricing for two products currently used and with that, put together a cost comparison. He stated that the price they are currently paying is significantly higher than the Twin Cities average. He asked Council to forward the pricing on to the individual responsible noting that they are not asking for preferential treatment but would like an opportunity for fair competition.

Mayor Shiely stated that Council would forward the information on to Staff for review and Staff will respond at the next meeting, July 6, 2005.

3. Peter Staloch, Xcel Energy – Tree Removal

Peter Staloch stated that he is here to request help. It was brought to his attention yesterday that Xcel Energy is coming through the area to remove trees out from under transmission lines. He stated that in his yard he has five trees that they would be removing adding that this would affect their home value and the look of the land. He explained that they are planning to take the trees at the stump and leave the stumps for the homeowners to deal with. He stated that they have not provided the residents with any information on this until yesterday when they went through the neighborhood, door-to-door, handing out brochures. He stated that he has discussed his concerns with Public Works Director Burshten and was encouraged to present his concerns to the Council.

Mayor Shiely asked if he has contacted anyone at Xcel. Mr. Staloch stated that he did contact Xcel and it was confirmed that this process is policy. He stated that he is not fighting the removal but he does have a problem with them leaving the stumps and not replanting. He noted that a similar situation is occurring in Richfield but they are removing the stumps and replanting the trees. He stated that it is his hope that he could get assistance from the Council on this issue.

Mayor Shiely assured Mr. Staloch that they would look into this situation. She asked him to document his concerns and put it in writing.

4. Aaron Rolloff, 7380 Lamar Avenue, Military Road Realignment

Aaron Rolloff, 7380 Lamar Avenue, member of the East Ravine Citizens Advisory Task Force for the East Ravine pre-design, stated that he has come to express his disappointment with the Task Force public input process. He stated that he feels that the objections on the Military Road realignment have not been taken seriously noting that no alternatives have been presented to preserve the road. He stated that this road is on the City's list of historic sites and landmarks noting that it is apparent that this is not enough reason to try and preserve this road in the process adding that this is not appropriate.

Mr. Rolloff referenced a presentation recently shown at the Planning Commission meeting stating that a particular slide was shown that supposedly identified all of the historic resources in the study area and it did not include Military Road. He stated that this omission of Military Road has been pointed out repeatedly yet no action has been taken to include the road. He indicated that he is not sure if the Council hears very much from the Advisory Committee on Historic Preservation adding that he is not sure what would have to happen to get the attention of this group. He expressed concerns stating that residents owning historical homes have to come before the board before making any repairs to their homes yet historic Military Road can just be planned away, without any process in place. He explained that by not addressing the problem through this process it basically passes the buck back to Council to consider the value of Military Road. He stated that this would be a real test whether anything in the plan would be adjusted according to what the residents want or if the whole plan would be the consultants and planning departments own first choices.

CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota held a regular meeting on Wednesday, June 15, 2005, at the Cottage Grove City Hall, 7516 80th Street South. Mayor Sandy Shiely called the meeting to order at 7:30 p.m.

ROLL CALL

Present: Mayor Sandy Shiely
Council Member Myron Bailey
Council Member Karla Bigham
Council Member Mark Grossklaus
Council Member Pat Rice

Also Present: Ryan Schroeder, City Administrator
Howard Blin, Community Development Director
Jennifer Levitt, City Engineer
Mike Zurbey, Deputy Public Safety Director
Les Burshten, Public Works Director

Mike Norton, City Attorney

Mayor Shiely presided over the meeting.

ADOPTION OF AGENDA

MOTION BY RICE, SECONDED BY BAILEY, TO APPROVE THE AGENDA AS PRESENTED. MOTION CARRIED 5-0.

PRESENTATIONS

A. Preservationist of the Year Awards

John Burbank, Senior Planner, stated that there are two new items this year. First, the Historic Preservation Committee has decided to tie Historic Preservation Week with the annual Strawberry Fest. Second, this year the Historic Preservation Committee decided to give two awards this year noting that normally only one award is presented each year.

Senior Planner Burbank stated that the first recipient this evening is Katie Holm. He explained that Ms. Holm did a photographic documentation of the Atkinson Cemetery utilizing a grant provided through an organization located in Minneapolis. She stated that Ms. Holm did in-depth research of the cemetery and surrounding area adding that she did an excellent piece of work in preserving the history of Cottage Grove.

Senior Planner Burbank stated that the second recipient this evening is Daniel and Patricia Hackl in recognition of their restoration efforts to the historic 'Forest Home' at 7405 Lamar Avenue (the Dr. Arthur L. Steen home).

Senior Planner Burbank asked the Mayor and City Council to step forward and join him in presenting Daniel and Patricia Hackl with their award.

Mayor Shiely read the plaque and thanked Daniel and Patricia Hackl for working with the City in maintaining and preserving the history of Cottage Grove. She stated that they have done a wonderful job and that this is an outstanding contribution towards the preservation and restoration of their home and the history of Cottage Grove.

B. City of Cottage Grove Trail Development

Senior Planner John Burbank stated that things are starting to gear up again now that they are near the completion of the East Ravine planning process and park facility study. He stated that the existing Comprehensive Plan identifies the current trailways in Cottage Grove noting that the information is old and outdated and should be updated. He explained that they wanted to hold off on updating the trailways so that the East Ravine area could be included noting that the Commission worked on setting the goals for the Trailway Master Plan in order to give the plan a basis to do the trail network. He stated that they have installed new sidewalks as part of the development based on some of the decisions that have occurred.

Senior Planner Burbank stated that one of the key items in the railway plan is the neighborhood links to the schools and commercial centers. He explained that the plan is to focus on these links to key locations in an effort to complete a loop between the residential areas, the commercial areas and parks. He reviewed the process noting that it includes a review and determination of the standards. He stated that there is a need to identify multiple routes and focus around the parks, open spaces and schools. He stated that the current network is actually quite extensive adding that the East Ravine is a key part of this plan and would be incorporated. He explained that the design of the trails would be included in the process noting that they would be reviewing ways to address the trails that are not used as frequently.

Senior Planner Burbank indicated that part of the plan is to expand upon the existing corridor noting that the Minnesota DNR plans to plant natural prairie grasses in some areas. He stated that also within the East Ravine planning process they have planned corridors to the existing parks and residential areas and reviewed with Council. He stated that they also have recreation trails included as part of the design as brush cut trails. He stated that they would work to improve the trails with hard surfacing, but would also continue to maintain a natural balance between the natural wood chip and hard surface trailways. He stated that pedestrian safety is an important consideration and key design feature in determining the safety zones in the new right-of-ways noting that the bike traffic, in addition to pedestrian traffic, should be addressed and include signage. He stated that as rural developments occur it is their goal to incorporate this process into the development plans and create links to the development areas. He stated that they already have trails and pathways identified in areas that are currently being reviewed for further improvement. He stated that they are also reviewing design amenities, and accessibility, including new handicap ramps.

Senior Planner Burbank stated that funding is also a part of the process that has to be addressed. He explained that they are currently working to determine the development process, the rest areas and the pedestrian links for commercial areas, trail identification, major roadways and locations, natural trails, formal landscaping or semi-managed trails and school access. He indicated that there are some obstacles to consider including topography, physical distractions, low land areas, and stormwater ponds. He stated that the draft should be ready for Council review shortly.

APPROVAL OF MINUTES

A. May 18, 2005 Regular Meeting

Council Member Bigham had the following correction:

- Open Forum, Representative Sieben, second paragraph, lines 3 and 4
 - Read: 'She stated that the bill passed in both the Legislative session and in the Senate adding that if the Governor passes the Bill some of the bus routes for Cottage Grove would be eliminated.'
 - Should read: She stated that the bill passed in both the House and in the Senate adding that if the Governor signs the Bill some of the bus routes for Cottage Grove would not be eliminated.'

Mayor Shiely stated that the minutes stand approved as amended.

CONSENT CALENDAR

Mayor Shiely asked to pull Item 4C. She stated that she would like to remind the citizens that this item proclaims Tuesday, August 2, 2005 as National Night Out in the City of Cottage Grove. She invited all citizens to join the members of the Police Department at Woodridge Park beginning at 5:00 p.m. for a community celebration and barbeque.

Council Member Bailey asked to pull Item 4R. He stated that he would like to take a moment to acknowledge the donation of candy from Sather's Candy of Round Lake Minnesota for use at the Strawberry Fest. He stated that the donation was from Kurt Aaronstorf and is intended to be thrown out to the crowd by the City Council during the parade. He thanked them for their support and donation.

MOTION BY RICE, SECONDED BY BIGHAM, TO:

- A. ACCEPT AND PLACE ON FILE THE FOLLOWING MINUTES:
 - i. HUMAN SERVICES/HUMAN RIGHTS COMMISSION, JANUARY THROUGH MAY 2005.
 - ii. PUBLIC SAFETY, HEALTH AND WELFARE COMMISSION, FEBRUARY THROUGH APRIL 2005.
- B. ADOPT **RESOLUTION NO. 05-090** APPROVING FINAL PAYMENT IN THE AMOUNT OF \$93,521.33 TO RYAN CONTRACTING COMPANY FOR THE MISSISSIPPI DUNES PHASE 1 UTILITY, STREET AND STREET LIGHTING IMPROVEMENT PROJECT.
- C. PROCLAIM TUESDAY, AUGUST 2, 2005 AS NATIONAL NIGHT OUT IN THE CITY OF COTTAGE GROVE AND INVITE ALL CITIZENS TO JOIN THE MEMBERS OF THE POLICE DEPARTMENT AT WOODRIDGE PARK.
- D. REVIEW AND ACCEPT THE ARBITRATION AWARD FOR TEAMSTERS LOCAL NO. 320 REPRESENTING PUBLIC SAFETY DISPATCHERS FOR THE 2004-2005 LABOR AGREEMENT WITH THE CITY OF COTTAGE GROVE.
- E. APPROVE THE DECLARATION OF FENCE COVENANTS AND EASEMENTS AGREEMENT BETWEEN THE CITY OF COTTAGE GROVE, COLONIAL MANOR ASSOCIATION, OAK PARK COMMONS LLC, WASHINGTON COUNTY, WASHINGTON COUNTY HOUSING AND REDEVELOPMENT AUTHORITY, AND HEALTHEAST.
- F. ADOPT **RESOLUTION NO. 05-091** APPROVING THE FINAL PLAT NAMED OAK WOOD GLEN ADDITION.
- G. ADOPT **RESOLUTION NO. 05-092** GRANTING A VARIANCE FROM TITLE 11-3-4D, VISIBILITY, TO ALLOW AN ELEVATED DECK TO BE SETBACK 10 FEET FROM THE CORNER SIDE PROPERTY LINE AT 9178 JANERO AVENUE SOUTH WHEN 20 FEET IS THE MINIMUM REQUIREMENT.
- H. ADOPT **RESOLUTION NO. 05-093** APPROVING THE FINAL PLAT NAMED PINECLIFF 2ND ADDITION.

- I. AUTHORIZE ISSUANCE OF A SINGLE-OCCASION GAMBLING PERMIT TO SOUTH WASHINGTON COUNTY SCHOOLS COMMUNITY EDUCATION/DBA SOUTH WASHINGTON SENIOR CENTER TO CONDUCT A RAFFLE AT THE DISTRICT PROGRAM CENTER, 8400 EAST POINT DOUGLAS ROAD SOUTH, ON OCTOBER 7, 2005.
- J. ADOPT **RESOLUTION NO. 05-094** APPROVING PLANS AND SPECIFICATIONS AND ESTABLISHING A BID DATE FOR THE TIMBER RIDGE 6TH ADDITION UTILITY, STREET AND STREET LIGHTING IMPROVEMENTS PROJECT.
- K. APPROVE THE TRAIL EASEMENT AND AGREEMENT WITH THE WASHINGTON COUNTY HOUSING AND REDEVELOPMENT AUTHORITY (HRA).
- L. APPROVE THE AGREEMENT WITH APACHE CHIEF THEATER COMPANY FOR A TEMPORARY WATER SERVICE CONNECTION TO THE COTTAGE VIEW DRIVE-IN PROPERTY.
- M. APPROVE CHANGE ORDER #1 FOR THE 65TH STREET WATER MAIN EXTENSION AND HADLEY AVENUE REALIGNMENT PROJECT.
- N. APPROVE CHANGE ORDER #2 FOR THE 65TH STREET WATER MAIN EXTENSION AND HADLEY AVENUE REALIGNMENT PROJECT.
- O. ACCEPT THE 2005 REVISIONS OF COTTAGE GROVE'S STANDARD DETAIL PLATES.
- P. AUTHORIZE DISTRIBUTION OF THE EAST RAVINE AUAR.
- Q. AUTHORIZE AN AMENDMENT TO THE LOWER ST. CROIX WATER MANAGEMENT ORGANIZATION JOINT POWERS AGREEMENT.
- R. ADOPT **RESOLUTION NO. 05-095** FOR THE CITY OF COTTAGE GROVE ACCEPTING A DONATION FROM SATHER'S CANDY OF ROUND LAKE MINNESOTA FOR USE AT STRAWBERRY FEST.

MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED OPEN FORUM ISSUES

NONE

PUBLIC HEARINGS

NONE

BID AWARDS

- A. Consider Awarding the Contract for the 2005 Trail Improvement Project to Ace Blacktop, Inc. in the Amount of \$191,679.15.

City Engineer Levitt stated this project is one of the key elements that would link some of the vital trail elements and reviewed the bid process with Council.

Council Member Rice clarified that this does not include anything beyond August. City Engineer Levitt confirmed and reviewed the trail segments to be constructed under the contract with Council.

MOTION BY RICE, SECOND BY BAILEY, TO ADOPT **RESOLUTION NO. 05-096** AWARDING BID FOR THE 2005 TRAIL IMPROVEMENT PROJECT TO ACE BLACKTOP, INC., IN THE AMOUNT OF \$191,679.15. MOTION CARRIED 5-0.

B. Consider Awarding the Contract for the Gateway Storm Sewer Improvements Project to Lametti and Sons, Inc., in the Amount of \$511,738.00.

MOTION BY BAILEY, SECOND BY BIGHAM, TO ADOPT **RESOLUTION NO. 05-097** AWARDING BID FOR THE GATEWAY STORM SEWER IMPROVEMENTS PROJECT TO LAMETTI AND SONS, INC., IN THE AMOUNT OF \$511,738.00. MOTION CARRIED 5-0.

UNFINISHED AND NEW BUSINESS

A. Consider Approving a Variance to Allow an Attached Garage to Setback 10 Feet from the Side Property Line when 25 Feet is the Minimum at 9278 - 70th Street South.

Community Development Director Blin stated that the applicant, Douglas Zellmer, 9278 – 70th Street South, has applied for a variance to City Code Title 11-8A-2(6A), Lot Dimensions and Setbacks, to allow an attached garage to setback 10.8 feet from the side property line when 25 feet is the minimum requirement. He stated that the property owner proposes to demolish the existing detached two-car garage located west of their home and construct a 26-foot by 36-foot attached garage on the west side of the home. He stated that Mr. Zellmer has provided a certificate of survey that shows the distance between his west property line and the existing dwelling to be 36.8 feet. He explained that the new addition would be a one-story structure noting that the exterior walls for the new addition would match the horizontal vinyl siding and color of the house. He reviewed the location map and the property owner's site plan drawing with Council. He stated that the Planning Commission held a public hearing on May 23, 2005 noting that no public testimony or written comments were received at the hearing. He stated that the Planning Commission unanimously approved the variance application and that Staff is recommending approval based on the findings of fact and conditions of approval listed with the draft resolution.

Douglas Zellmer, 9278 70th Street South, explained that the existing garage is probably about 11.8 feet off the property line right now and that the new garage, when attached, would be approximately one foot closer, 10.8 feet, to the property line.

Mayor Shiely asked if the setback has always been grandfathered in and was always less than 25 feet. Mr. Zellmer explained that when he first had the property surveyed there was about a foot of the garage off the property and he had to work with title insurance and eventually part of it was taken care of and the garage is now on the property.

Mayor Shiely asked Mr. Zellmer why he felt that this was the only place on the property where he could build the garage. Mr. Zellmer explained that he would like to be able to utilize the current driveway.

Roger Grossklaus, representing Rose of Sharon Lutheran Church, 6875 Jamaica Avenue, stated that they do not have any objections to the variance request but they do have some concerns as to what the future might bring with the East Ravine development. He explained that they are also concerned about the area adjacent to their property as well noting that items in Mr. Zellmer's variance request opened some issues that he would like to discuss but do not directly relate to the Council's discussion on the variance request. He asked to be excused and allowed to come back and speak after Council has finished their discussion on the variance.

Mayor Shiely acknowledged that he had requested to speak during Open Forum and agreed to have Mr. Grossklaus come back and speak after Council has finished with their actions on the variance request.

MOTION BY RICE, SECOND BY BAILEY, TO ADOPT **RESOLUTION NO. 05-098** GRANTING A VARIANCE FROM TITLE 11-8A-2(6)A, LOT DIMENSIONS AND SETBACKS IN THE AGRICULTURAL PRESERVATION DISTRICT, TO ALLOW AN ATTACHED GARAGE TO BE SETBACK 10 FEET FROM THE SIDE PROPERTY LINE AT 9278 – 70TH STREET SOUTH WHEN 25 FEET IS THE MINIMUM REQUIREMENT. MOTION CARRIED 5-0.

Mr. Grossklaus stated that the issues that came up with Mr. Zellmer's variance are that the Planning Department mailed a letter to the church, which the church did receive on May 11th and forwarded on to the proper people to deal with it. He stated that he received a call on May 16th from the Board of Trustees asking what the plan is and what they should do about the variance request. He stated that he met with the Trustees on May 17th to discuss the letter and walk the site. He stated that he then met with Senior Planner John McCool to discuss the setbacks noting that Senior Planner McCool provided him with a brief review of the 16-foot setback. He explained that he then went back to the Trustees and reviewed the results of his meeting with Senior Planner McCool and asked for their feedback. He indicated that the Trustees conveyed to him that they did not have any problems with the 16 feet. He stated that he attended the May 23rd Planning Commission meeting and found through the course of their review that the footage had been changed from 16 feet to 10.8 feet. He stated that he was not able to respond to these changes because the discussion and feedback he received from the Trustees was based on 16 feet. He stated that this does present a problem for the Church and they are concerned because they are not able to respond on such short notice. He clarified that their concern is not with the variance but with the lack of communication. He asked the Council what kind of notification the Church could expect to receive, especially with respect to changes in a request on such short notice.

Community Development Director Blin explained that adjacent property owners are notified by mail at least ten to fourteen days in advance of the public hearing. He apologized for the short notice on the changes. He assured Mr. Grossklaus that public hearings regarding the East Ravine development would be held well ahead of the development to allow residents in the area to come in and view the plans and provide feedback on the proposals. He also assured Mr. Grossklaus that the Church and the Trustees would be kept updated and informed of any changes well ahead of the development.

B. Consider Approving a Zoning Text Amendment to bring City Ordinances into Conformance with State Statutes regarding Nonconforming Uses.

Community Development Director Blin stated that an amendment is proposed to Title 11-3-1, Nonconforming Uses and Structures, noting that this amendment conforms to recent state legislation that requires cities to allow reconstruction of nonconforming structures that have been destroyed. He explained that the new law allows a nonconforming structure to be rebuilt adding that the property owner would still apply for a building permit and all uniform building code requirements must be complied with. He further explained that if the building permit application is filed after 180 days of the fire or other cause that destroyed more than 50 percent of its market value, then the city could impose reasonable conditions upon a building permit in order to mitigate any newly created impact on adjacent property. He stated that rebuilding a nonconforming structure does not require a public hearing or approval by any City Advisory Commission or City Council. He stated that if a building permit to reconstruct the nonconforming structure is not filed within one year, then the City could require that the structure and use conform to all City regulations.

Community Development Director Blin stated that a new bill, H.F. No. 1670, was introduced to the State Legislature this year that modifies this law requirement that was approved last year. He explained that the proposed State Law amendment pertains to regulating nonconformities in floodplain, shoreland, and wild and scenic river areas, which requires municipalities to regulate these nonconformities. He stated that if the Legislature passes this bill another amendment to the nonconformities section of the City Codes would be introduced later this year.

Mayor Shiely noted that Council would have to be extremely careful when asked to grant requests for nonconforming use. She indicated that there are some situations in the City that are nonconforming in rural residential areas, which does make it very difficult for the City. She asked if this would include properties in critical areas. Community Development Director Blin confirmed that it does.

Council Member Bailey referenced a new bill currently being discussed in the legislature and asked if it would help with the river issues and along the bluff line. Community Development Director Blin noted that there is something to that effect currently being discussed in the legislature adding that he would do some research and provide Council with an update.

MOTION BY SHIELY, SECOND BY GROSSKLAUS, TO ADOPT **ORDINANCE NO. 773** AMENDING TITLE 11-3-1 OF THE COTTAGE GROVE CITY CODE RELATING TO NONCONFORMING USES AND STRUCTURES. MOTION CARRIED 5-0.

C. Consider Approving a Zoning Text Amendment to Allow Health and Exercise Clubs with less than 3,500 Square Feet of Gross Floor Area and without Locker Room Facilities as Permitted Uses in all Commercial Zoning Districts.

Community Development Director Blin stated that a zoning code amendment is proposed to Title 11-10A-2, Permitted Uses and 11-10B-4, Conditional Uses, relating to health and exercise clubs. He explained that the amendment proposes to allow smaller health and

exercise clubs, that do not provide locker room facilities, as permitted uses in all commercial zoning districts. He stated that currently all health and exercise clubs are allowed as conditional uses in the B-2 and B-3 zoning districts. He stated that the Planning Commission held a public hearing on May 23, 2005 noting that no comments were received. He stated that the Planning Commission unanimously recommends approval of the amendment. He stated that Staff is also recommending that City Council approve the proposed text amendment.

Council Member Rice asked what would happen to the current conditional use permits. Community Development Director Blin stated that they would be effectively void.

MOTION BY RICE, SECOND BY BIGHAM, TO ADOPT **ORDINANCE NO. 774** AMENDING CITY CODE TITLES 11-10A-2, PERMITTED USES, AND 11-10B-4, CONDITIONAL USES, RELATING TO HEALTH AND PHYSICAL EXERCISE CLUBS. MOTION CARRIED 5-0.

D. Consider Adopting an Ordinance relating to the Salaries of the Mayor and City Council Members

Mayor Shiely explained that the Mayor and City Council positions are paid positions. She noted that neither the City Council nor the Mayor have received salary increases in over ten years. She stated that Staff believes that because of this the City has fallen well below the local average paid in other cities. She explained that Staff came to Council and suggested that it is time to review the salaries and consider adjustments. She further explained that the adjustments would not take place for two years. She stated that this change is more for the future Council and Mayor and the people who choose to run.

City Administrator Schroeder stated that this is a Staff initiated request adding that this subject has been brought up to the Council at least four times over the last ten years. He stated that each time it was presented Council voted down the increase. He explained that under Minnesota Statute 415.11 any increase in salaries for municipally elected officials cannot take effect until after the next municipal election in November 2006 or January 1, 2007. He stated that the last increase in salaries was enacted on September 21, 1994, at which time the Council passed Ordinance No. 602 establishing the salary of mayor at \$7,800 annually and Council Members at \$6,000 annually, effective January 1, 1995. He stated that annually the Association of Metropolitan Municipalities conducts an 'Elected Officials Salary Survey.' He reviewed the process used to prepare the report noting that the average pay established for the Mayor and City Council members for all of 2005 for communities over 12,000 population is \$9,035 for Mayor and \$6,892 for City Council Members.

City Administrator Schroeder stated that Cottage Grove's salaries are currently under the market average noting that past practice for employees has been to establish salaries at a minimum of 97 percent of the market average. He stated that the Council has four options to consider:

1. Increasing the salaries at 97 percent of market average;
2. Increasing the salaries at 100 percent of market average;
3. Delay the decision until September 2006, prior to the 2006 City General Election;
4. Or choose to do nothing.

He explained that by taking no action the salary for the Mayor and Council Members would have remained constant for 12 years. He stated that Staff is recommending that Council approve Option 1 and establish the salary for the Mayor at \$8,800 per year and City Council Members at \$6,700 per year, effective January 1, 2007.

Mayor Shiely clarified her understanding that they are considering a salary adjustment that would not be effective for another two years. She explained that her concern is that they are going to narrow the field from which they draw new council members and future mayors if they do not consider the adjustments. She noted that the city has had a wonderful group of Council Members in the past who have said that they would do this for free and this is to be commended. She stated that people in this community should understand that the job responsibilities and the time and costs required have increased considerably over the years noting that most of their expenses are paid out of their own pockets. She clarified that it doesn't matter to her if she never sees an increase but it does matter if they are willing to take a risk that would affect future council members and mayors. She stated that she sees potential for a great influx of growth in the East Ravine and the per capita does make a difference.

Council Member Bailey clarified that when he first decided to run it wasn't because of the money, which is true for most of the members. He stated that from his standpoint he does not feel that the increase is necessary for him personally and acknowledged Mayor Shiely's concerns that they are narrowing the candidate source pool. He noted that the cost of running would also narrow the candidate source pool. He stated that when you take into consideration all of the budget cuts out there and the cuts that they are asking of staff he does not feel that this is the right time for an increase in the salaries for council members or the mayor.

Council Member Rice stated that he has voted against this twice in the past six years and in reviewing a council member's pay he determined that it averages to approximately \$2.00 a day. He noted that all of the council members and the mayor do receive a lot of phone calls, in addition to all of the meetings and ribbon cutting ceremonies that the Council attends. He agreed with Mayor Shiely that it does require a lot of time and commitment and for the sake of the people who could be here in two years there should be an incentive.

Council Member Bigham asked if they could wait to make their decision after they have an opportunity to review the budget. She stated that this would not make a difference to her and it would not hinder her from running, as she enjoys what she is doing and appreciates the opportunity. She suggested that Council revisit this issue in the fall after budgets.

Mayor Shiely stated that she would be open to further discussion on this issue. She agreed that the per capita number would make a difference.

Council Member Grossklaus stated that he would like to know if all of city staff is at 97 percent. He stated that he has no problem with the council salaries remaining as is adding that because of the amount of time and responsibility, the mayor should receive an increase.

Mayor Shiely clarified that she is hearing Council stated that they would prefer to hold off on a motion and direct staff to research this issue further and discuss at a future Council meeting. Council concurred.

E. Consider Adopting a Resolution Authorizing an Application for State Bond Funding for Highway 61 Gateway Corridor Enhancements.

Community Development Director Blin explained that this is the application process for state bond funding for the Highway 61 Gateway Corridor enhancements and general improvements.

Council Member Bigham asked if they would be able to specify where they want the funding to go based on the master plan. City Administrator Schroeder confirmed adding that the master plan would probably be completed at the end of July and that this would be included into the plan.

MOTION BY BAILEY, SECOND BY BIGHAM, TO ADOPT **RESOLUTION NO. 05-099** APPROVING CITY OF COTTAGE GROVE TO SUBMIT A PRELIMINARY CAPITAL BUDGET REQUEST TO THE MINNESOTA DEPARTMENT OF FINANCE FOR THE COTTAGE GROVE – STATE HIGHWAY 10 AND 61 GATEWAY CORRIDOR ENHANCEMENT PROJECT. MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED COUNCIL COMMENTS AND REQUESTS

NONE

COUNCIL COMMENTS AND REQUESTS

Council Member Grossklaus expressed concerns stating that the city has received a number of variance request lately and asked if there was a reason for the increase. He noted that since he has been a member of the Council a variance has never been denied. He questioned whether the code is too strict. He suggested that the Council add this item for discussion at a later date and suggested tightening the hardship clause.

Mayor Shiely agreed stating that staff should provide Council with a report outlining the details of the request. She stated that she has a hard time granting variance requests if she does not receive an explanation of the hardships.

Community Development Director Blin explained that most of the applicants do come in to discuss the hardships prior to submitting an application. He stated that he would be willing to look into it if the Council would prefer that they tighten up the process.

Council Member Bailey stated that Strawberry Fest is coming and provided the Council with a brief overview of the activities for the event. He stated that the parade is scheduled to begin at 10:00 a.m. on Saturday morning and will move down 80th to Jamaica. He noted that there are 80 participants in the parade this year including the Council, who will be throwing candy to the onlookers along the parade route. He stated that this year's Grand Marshal would be

Sam Jacobson, a former Park High, Minnesota Gopher, and NBA Basketball star. He reviewed the various events noting that there would be a band competition that would include four bands competing for cash prizes. He invited everyone to come out to attend the parade and enjoy the events.

Council Member Bailey stated that Cottage Grove experienced another power outage this past weekend and expressed concerns about the frequency of the outages. He asked if the city has heard back from Xcel as to the possible cause and what they plan to do to fix the problem. He stated that it also appeared to take quite a while for the stop lights near Jamaica and Cub Foods to come back online and asked how this could be fixed going forward.

City Administrator Schroeder stated that there were two outages; a bird flying into a transformer caused the first and a ground splice or a fault in the splice for the in-ground line caused the second. He stated that Xcel is currently working on it and they are expecting a response back from them shortly. He stated that when he does speak with Xcel he will ask how the city's recent outages compare to the rest of the market areas and then forward their response to Council.

Public Works Director Burshten briefly reviewed the power outages and procedures with Council. He agreed that it does get a bit difficult at times because they don't have 24-hour coverage most of the time. He stated that they have been debating as to whether the city should place stop signs at the major intersections when outages occur noting that things were working well at most of the intersections. He indicated that he plans to bring this issue up again for further discussion at budget time.

Mayor Shiely reminded everyone that the Royalty Pageant for Cottage Grove would be held tomorrow, Thursday, June 16, 2005. She stated that tonight is Kim Anderson's last opportunity to report on the City Council meetings for the Bulletin. She stated that Ms. Anderson has accepted a new position and will be moving on. She thanked her for all of her contributions and wished her well in her new position.

PAY BILLS

MOTION BY BIGHAM, SECONDED BY GROSSKLAUS, TO APPROVE PAYMENT OF CHECK NUMBERS 140317 THROUGH 140529 TOTALING \$1,200,719.60. (CHECKS 140317 – 140331 IN THE AMOUNT OF \$85,129.18 ISSUED PRIOR TO COUNCIL APPROVAL.) MOTION CARRIED 5-0.

WORKSHOP SESSION – OPEN

NONE

WORKSHOP SESSION – CLOSED

NONE

ADJOURNMENT

MOTION BY RICE, SECONDED BY BIGHAM, TO ADJOURN THE MEETING AT 8:55 P.M.
MOTION CARRIED 5-0.

Respectfully submitted,

Bonita Sullivan
TimeSaver Off Site Secretarial, Inc.