

# REGULAR MEETING COTTAGE GROVE CITY COUNCIL

September 7, 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

Also Present: Ryan Schroeder, City Administrator  
Ron Hedberg, Finance and Administrative Services Director  
Howard Blin, Community Development Director  
Jennifer Levitt, City Engineer  
Michael Zurbey, Acting Public Safety Director  
Les Burshten, Public Works Director  
Corrine Thomson, City Attorney

Not Present: Council Member Pat Rice

No one stepped forward to speak during Open Forum.

## CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota held a regular meeting on Wednesday, September 7, 2005, at the Cottage Grove City Hall, 7516 80<sup>th</sup> 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

Also Present: Ryan Schroeder, City Administrator  
Ron Hedberg, Finance and Administrative Services Director  
Howard Blin, Community Development Director  
Jennifer Levitt, City Engineer  
Michael Zurbey, Acting Public Safety Director

Les Burshten, Public Works Director  
Corrine Thomson, City Attorney

Not Present: Council Member Pat Rice

ADOPTION OF AGENDA

MOTION BY BIGHAM, SECONDED BY BAILEY, TO APPROVE THE AGENDA AS PRESENTED. MOTION CARRIED 4-0.

PRESENTATIONS

- A. Swearing in Presentation – Police Officers Pete Harris and Jared Landkamer, and Police Officer/Paramedics Kevin Guenard and Brad Peterson.

Mayor Shiely stated that she is happy to announce the swearing in of four new Police Officers including Police Officers Pete Harris, Jared Landkamer and Police Officer/Paramedics Kevin Guenard and Brad Peterson. She asked the Council to step forward for the swearing in presentation.

City Administrator Schroeder explained that all four are replacement Officers, two Patrol Officers and two Police Officer/Paramedics.

City Administrator Schroeder provided the Council with brief histories and backgrounds and performed the swearing in ceremonies for Police Officer/Paramedics Kevin Guenard and Brad Peterson.

Julie Guenard, wife of Police Officer/Paramedic Kevin Guenard, presented him with his badge.

Jeanne Schulman presented Police Officer/Paramedic Brad Peterson with his badge.

City Administrator Schroeder provided the Council with brief histories and backgrounds and performed the swearing in ceremonies for Police Officers Peter Harris and Jared Landkamer.

Carrie Mason, wife of Police Officer Peter Harris, presented him with his badge

Mark Landkamer, father of Police Officer Jared LandKamer, presented him with his badge.

Acting Public Safety Director Zurbey congratulated the Officers stating that being involved in law enforcement is a unique position and they all have a duty to provide services to the public, even if it puts them in harm's way. He explained that because this job is so special anyone in this position is held to a higher standard, both on and off duty adding that they were selected because they are the best. He reminded them to always act with pride and honor. He wished them the best in their new positions and welcomed them to the City of Cottage Grove.

B. Honor Retiring Firefighter

Mayor Shiely noted Captain Mike Hannigan is retiring from the fire department after 20 years and reviewed his background with council noting he has done so much for the community and thanked him for all that he has done.

Fire Chief Byerly noted Dennis Leonard would present him with his plaque acknowledging his 20 years with the City of Cottage Grove. He thanked Mike for his years of service and dedication to the City.

APPROVAL OF MINUTES

A. July 20, 2005 Regular Meeting

Mayor Shiely stated that the minutes stand approved as presented.

CONSENT CALENDAR

Council Member Bailey asked to pull Item 4F. He stated that he would like to recognize the three donations given by 3M Cottage Grove in the amount of \$1,800.00; DLR Excavating in the amount of \$100.00; and Central Pediatrics in the amount of \$100.00. He explained that the donations, totaling \$2,000.00, were given by these three local business for the Cottage Grove's 12<sup>th</sup> Annual Youth Safety Camp. He stated that the donations are very much appreciated and thanked them for the donations.

Council Member Bigham asked to pull Item 4R for discussion. She stated that this item deals with adopting a policy to exempt local streets from requirements for traffic control warning signs and a Change Order for the Pinecliff Addition project. She asked Community Development Director Blin to clarify.

Community Development Director Blin explained that traditionally local streets do not receive traffic control warning signs and recently the Consulting Engineer received a legal opinion that states that they would have to specify signs in all those cases where an intersection and area does not meet the design standard of 30 miles per hour and would result in curb ahead signs in all residential areas. He stated that Staff researched other metro areas to determine how this issue has been addressed and found that what other Cities have done is to create a blanket policy that exempts local residential streets from the signage requirements.

Council Member Bigham asked if the City has taken on any liability with taking this action.

City Attorney Thomson clarified that the exemption is really for the installation at the initial development. She noted that should conditions be later determined to warrant the exemption then the City would go ahead and place the signs. She stated that the City shouldn't have any additional liabilities with installing the signs noting that it is very common in other communities. She explained that what they are doing here is balancing the cost of having the signs installed, managing the impact it would have on the neighborhood in terms of visual clutter, and also monitor potential harm to the safety of the residents. She noted that it has

been the experience within the City that there has not been an increased rate of accidents in the areas without this type of warning sign and public safety does not warrant the need to install these signs at every curb that doesn't meet the 30-miles per hour design standard. She stated that this is the assessment that has been made and the recommendation being made to the Council.

Council Member Bigham asked if other Cities have encountered problems doing a blanket approval.

Community Development Director Blin stated that it is his understanding that they have not found any Cities who have experienced problems with a blanket policy.

City Attorney Thomson stated that there is a correction that needs to be made. She noted that it should be Change Order #2 not Change Order #1 because Change Order #1 is Item 4H on the same Consent Agenda.

Mayor Shiely clarified that they are discussing Consent Agenda Item 4R and changing Change Order #1 to Change Order #2.

Mayor Shiely asked to pull Item 4Q. She stated that this is to consider the appointment of Rebecca Kronlund to an unexpired term on the Planning Commission. She referenced Ms. Kronlund's letter regarding her employment and asked if the letter from the City Attorney, that further clarifies Ms. Kronlund's responsibilities regarding potential conflicts would be included as part of the packet.

City Attorney Thomson stated that the letter included further explains and clarifies points related to potential for conflicts. She explained that Ms. Kronlund is an employee with Briggs and Morgan Law Firm, who serves as a bonds company to the City, and this letter further clarifies Ms. Kronlund's responsibilities as a Planning Commissioner versus her contact with individuals in a legal capacity for the City.

MOTION BY BAILEY, SECONDED BY GROSSKLAUS, TO:

- A. ACCEPT AND PLACE ON FILE THE FOLLOWING MINUTES:
  - i. PUBLIC WORKS COMMISSION OF JULY 11, 2005.
  - ii. PLANNING COMMISSION OF JULY 25, 2005 AND AUGUST 22, 2005.
- B. ADOPT THE FLAG DISPLAY POLICY.
- C. AUTHORIZE STAFF TO ISSUE THE REQUEST FOR PROPOSAL (RFP) IN ORDER TO SOLICIT BIDS FOR AUDITING SERVICES FOR 2005, 2006, AND 2007 FISCAL YEARS.
- D. ADOPT **RESOLUTION NO. 05-123** APPROVING FINAL PAYMENT IN THE AMOUNT OF \$5,746.84 TO RICE LAKE CONSTRUCTION GROUP FOR THE WELL NO. 11 PUMPING FACILITY PROJECT.
- E. APPROVE CHANGE ORDER #1 FOR THE MISSISSIPPI DUNES PHASE 2 PROJECT.

- F. ADOPT **RESOLUTION NO. 05-124** ACCEPTING DONATIONS FROM 3M COTTAGE GROVE (\$1,800.00), DLR EXCAVATING (\$100.00), AND CENTRAL PEDIATRICS (\$100.00), FOR COTTAGE GROVE'S 12<sup>TH</sup> ANNUAL YOUTH SAFETY CAMP.
- G. ADOPT **RESOLUTION NO. 05-125** APPROVING FINAL PAYMENT IN THE AMOUNT OF \$7,626.37 TO KEYS WELL DRILLING FOR THE DEEP WELL NO. 4 MAINTENANCE PROJECT.
- H. APPROVE CHANGE ORDER #1 FOR THE PINECLIFF FIRST ADDITION PROJECT.
- I. ADOPT **RESOLUTION NO. 05-126** APPROVING FINAL PAYMENT IN THE AMOUNT OF \$15,000.00 TO BARBAROSSA AND SONS, INC. FOR THE HIGHLAND HILLS UTILITY AND STREET IMPROVEMENT PROJECT.
- J. ADOPT **RESOLUTION NO. 05-127** AMENDING THE WORKPLACE ACCIDENT AND INJURY REDUCTION (AWAIR) PROGRAM SAFETY MANUAL; AMENDING RESOLUTION NO. 03-096.
- K. RECEIVE UPDATE ON CODE ENFORCEMENT ACTIVITIES IN THE CITY.
- L. APPROVE THE NARCOTICS UNIT JOINT POWERS AGREEMENT AND AUTHORIZE EXECUTION OF THE AGREEMENT BETWEEN THE CITY OF COTTAGE GROVE DEPARTMENT OF PUBLIC SAFETY AND WASHINGTON COUNTY, AND AUTHORIZE ACTING PUBLIC SAFETY DIRECTOR MICHAEL ZURBEY TO EXECUTE SUCH AN AGREEMENT ON BEHALF OF THE COTTAGE GROVE POLICE DEPARTMENT.
- M. ADOPT **RESOLUTION NO. 05-128** AUTHORIZING ENTRANCE INTO THE CONSERVATION PARTNERS GRANT WITH THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES.
- N. ADOPT **RESOLUTION NO. 05-129** DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR MISSISSIPPI DUNES ESTATES 2<sup>ND</sup> ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-130** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE MISSISSIPPI DUNES ESTATES 2<sup>ND</sup> ADDITION STREET AND UTILITY IMPROVEMENT PROJECT; ADOPT **RESOLUTION NO. 05-131** DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR SUMMERHILL CROSSING ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-132** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE SUMMERHILL CROSSING ADDITION STREET AND UTILITY IMPROVEMENT PROJECT; ADOPT **RESOLUTION NO. 05-133** DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR PINE ARBOR 2<sup>ND</sup> ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-134** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE PINE ARBOR 2<sup>ND</sup> ADDITION STREET AND UTILITY IMPROVEMENT PROJECT; ADOPT **RESOLUTION NO. 05-135** DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR TIMBER RIDGE 4<sup>TH</sup> ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-136** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE TIMBER RIDGE 4<sup>TH</sup> ADDITION STREET AND UTILITY IMPROVEMENT PROJECT; ADOPT **RESOLUTION NO. 05-137** DECLARING COSTS TO BE ASSESSED AND

ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR HIGHLAND HILLS 1<sup>ST</sup> ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-138** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE HIGHLAND HILLS 1<sup>ST</sup> ADDITION STREET AND UTILITY IMPROVEMENT PROJECT; ADOPT **RESOLUTION NO. 05-139** DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT ROLL FOR SUMMIT AT HIGHLANDS HILLS 1<sup>ST</sup> ADDITION STREET AND UTILITY IMPROVEMENTS; ADOPT **RESOLUTION NO. 05-140** CALLING FOR HEARING ON PROPOSED ASSESSMENTS FOR THE SUMMIT AT HIGHLANDS HILLS 1<sup>ST</sup> ADDITION STREET AND UTILITY IMPROVEMENT PROJECT.

- O. AUTHORIZE ENTRANCE INTO A LABOR AGREEMENT WITH INTERNATIONAL ASSOCIATION OF FIREFIGHTERS EMPLOYEE'S UNION, LOCAL NO. 2570 FOR FIREFIGHTERS FOR 2004-2005.
- P. ADOPT **RESOLUTION NO. 05-141** DENYING A VARIANCE FROM CITY CODE TITLE 11-3-3B, NUMBER AND SIZE OF ACCESSORY STRUCTURES IN THE R-3 ZONING DISTRICT, TO ALLOW A 1,248 SQUARE FOOT GARAGE AT 8886 GREYSTONE AVENUE SOUTH.
- Q. APPOINT REBECCA KRONLUND TO FULFILL AN UNEXPIRED TERM ON THE PLANNING COMMISSION, ENDING FEBRUARY 28, 2006.
- R. ADOPT **RESOLUTION NO. 05-142** ADOPTING A POLICY EXEMPTING LOCAL RESIDENTIAL STREETS FROM REQUIREMENTS FOR TRAFFIC CONTROL WARNING SIGNS; ADOPT **RESOLUTION NO. 05-143** TO APPROVE CHANGE ORDER NO. 2 TO THE PINECLIFF ADDITION PROJECT (48-04204-0).

MOTION CARRIED 4-0.

#### RESPONSE TO PREVIOUSLY RAISED OPEN FORUM ISSUES

Mayor Shiely stated that at the last meeting Mr. Harry Borg, 8905 Hallmark, appeared before Council during Open Forum noting that they do not have the answers to his question regarding the 4-way stop in his neighborhood and that the answers would be available at the September 21, 2005 Regular City Council meeting.

#### PUBLIC HEARINGS

- A. Hold a Public Hearing and Consider Authorizing Issuance of a Home Occupation Permit and License to Operate a Massage Business at 8045 Joliet Avenue South, and Issuance of a Massage Therapist License to Vicki Score/DBA Peaceful Touch, LLC. Contingent on Conditions Listed in Caron Stransky's Memo Dated August 31, 2005.

City Administrator Schroeder reviewed the request noting that, as reported, in order to qualify for a license the applicant was required to comply with specific construction, health and sanitation requirements, as well as specific education and training. He stated that Building Official Bob LaBrosse conducted an on-site inspection of the premises and evaluated the site in regard to public safety and housing/grounds maintenance. He stated that the results of the inspection indicate that there are no visible safety hazards and that the business is capable of

being confined from the intended residential nature of the home, and that the parking area is large enough to assure proper off-street parking by no more than two patrons. He stated that nothing was found during a follow-up police investigation and the applicant has satisfied the educational training as a massage therapist as required under City Code. He stated that Staff is recommending that a license be issued with the same conditions provided to other businesses of this nature, which include annual license renewal and payment of the established annual investigation and license fees, that parking in the driveway be limited to two vehicles and that the applicant complies with Cottage Grove City Code Title 3-8 relating to Massage businesses.

Mayor Shiely opened the public hearing at 7:56 p.m.

Frank Arnt, 8032 Jody Avenue, stated that he had three concerns, the parking, which was addressed by Staff, hours of operation, and signage. He asked what they could expect with respect to signage noting that the residents do not want to see a large sign posted.

City Administrator Schroeder stated the current requirements within the ordinance state that the hours of operation, inside the house, are from 6:00 a.m. to 10:00 p.m. He referenced the signage stating that there is a 2-foot by 2-foot limitation, which can be located anywhere on the property.

Richard Gott, 8095 Johanson, asked if the property is zoned commercial.

Community Development Director Blin stated that the property is currently zoned residential.

Mr. Gott asked how a business could be allowed in a residential zone. He clarified that he supports a home business 100-percent if the business is run on a computer and doesn't create a lot of activity adding that he is concerned about a business that involves people coming and going at various times of the day in a residential area. He stated that it is his feeling that a business like this should not be located in a residential area, and that it should be in a commercial area and urged the applicant to consider a strip mall type location.

Community Development Director Blin stated that certain occupations are allowed in residential areas as home occupations. He stated that they require a home occupation license noting that they are fairly limited in the number customers they can have at the location and the amount of parking.

Mayor Shiely asked how many home occupation licenses are in the City of Cottage Grove.

Community Development Director Blin stated that there are well over 100 home occupation licenses in the City of Cottage Grove.

Mayor Shiely closed the public hearing at 8:00 p.m.

Mayor Shiely noted the license is for a year and this is quite common in several cities. They are renewed on yearly basis. For most part have not had problems with the home licensed businesses and have received very few complaints.

MOTION BY GROSSKLAUS, SECOND BY BIGHAM, TO AUTHORIZE ISSUANCE OF A HOME OCCUPATION PERMIT AND LICENSE TO OPERATE A MASSAGE BUSINESS AT 8045 JOLIET AVENUE SOUTH AND ISSUANCE OF A MASSAGE THERAPIST LICENSE TO VICKI SCORE/DBA, PEACEFUL TOUCH LLC, CONTINGENT ON CONDITIONS LISTED IN CARON STRANSKY'S MEMO DATED AUGUST 31, 2005. MOTION CARRIED 4-0.

B. Hold a Public Hearing on a Proposed Rural Subdivision of a 24.8-Acre Parcel of Land Located at 9670 Kimbro Avenue South and Consider Approval of the Proposed Rural Subdivision.

Community Development Director Blin provided Council with a brief background stating that the applicants have applied for a rural subdivision to subdivide a 24.8-acre parcel located at 9670 Kimbro Avenue South into two parcels. He stated that the Planning Commission reviewed this application at their August 22 and August 29, 2005 meetings and unanimously recommended approval of the application. He stated that the proposed property is located in the East Ravine Planning District, adjacent to the Cottage Grove Ravine Regional Park. He stated that there are several small parcels that are remnants from Kimbro Avenue right-of-way acquisition that would be incorporated into the northern parcel that is being created. He stated that they are holding the public hearing with the City Council in order to allow the application to be expedited because the applicant would like to be able to close within the month.

Council Member Bigham noted that the section in the memo that addresses the Park Dedication recommends that a park fee would be paid in lieu of land dedication and asked for the total fee amount.

Community Development Director Blin stated that the fee would be one residential unit for \$3,000.00.

Mayor Shiely opened the Public Hearing at 8:04 p.m.

Lorraine Brown, 9670 Kimbro Avenue South, stated that it was her understanding that the Park Fee would be waived.

Community Development Director Blin stated that it is the question of paying for an existing residence that hasn't paid in the past noting that this is the City's opportunity to collect that park fee.

Ms. Brown asked if the City is requiring the fee. She stated that in reading through the papers they were of the understanding that the park fee had been waived.

Community Development Director Blin stated that he would review the documents noting that what they are waiving is the requirement for a land dedication fee.

Mayor Shiely noted that it is rural friendly noting that the total for a park dedication in this kind of subdivision is approximately \$80,000 and that the City is doing it as one residence.

Ms. Brown explained that it was her understanding that residents had already paid a \$1,000.00 park fee at that time.

Community Development Director Blin stated that he would investigate further adding that the City would waive the fee if they find that the park fee was already paid on the existing house.

Mayor Shiely further clarified to Ms. Brown that if it is found that the park dedication fee was not paid the applicant would have to pay the \$3,000.00 park dedication fee as outlined.

Mayor Shiely closed the Public Hearing at 8:14 p.m.

MOTION BY BAILEY, SECOND BY BIGHAM, TO ADOPT **RESOLUTION NO. 05-144** APPROVING A RURAL SUBDIVISION TO SUBDIVIDE A 24.8-ACRE PARCEL OF LAND INTO TWO PARCELS AT 9670 KIMBRO AVENUE SOUTH. MOTION CARRIED 4-0.

#### BID AWARDS

- A. Consider Awarding the Contract for the 103<sup>rd</sup> Street Storm Sewer Improvements Project to Jay Brothers, Inc. in the Amount of \$194,458.55.

City Engineer Levitt stated that the project had six bidders with Jay Brothers coming in with the lowest bid. She reviewed the bids with Council stating that Staff is recommending approval based on the values outlined in the application.

Council Member Bigham asked for an explanation on the differences between a base bid and an alternate bid.

City Engineer Levitt stated that this was a very unique situation noting that they met with the railroad to discuss replacement of the bridge. She explained that it was determined that they could not raise the bridge and would have to lower the road. She further explained that if they have to reconstruct the street the sewer system would not be able to accommodate a lower road. She stated that the alternate bid was done to accommodate the lowering of the road adding that for the amount of work and effort this project requires it would be money well spent.

Council Member Grossklaus asked if the railroad has given any impression that they would replace the bridge.

City Engineer Levitt stated that Staff is currently working with the railroad and engineering on a configuration. She stated that this would not affect the road project adding that this has been taken into account with respect to plans for future realignment. She indicated that they are hoping to begin in 2007 with a projected completion by 2010.

City Administrator Schroeder stated that he would like to add that the City also entered into an agreement with Bailey Nursery that resulted in Bailey donating approximately \$150,000.00 in funds towards the project.

MOTION BY BIGHAM, SECOND BY GROSSKLAUS, TO ADOPT **RESOLUTION NO. 05-145** AWARDDING BID FOR THE 103<sup>RD</sup> STREET STORM SEWER IMPROVEMENT PROJECT TO JAY BROTHERS, INC. IN THE AMOUNT OF \$194,458.55. MOTION CARRIED 4-0.

B. Consider Rejecting all Bids for the Highlands Pond Grading Project.

City Engineer Levitt explained that the Highlands pond is part of the City's regional pond system and is referenced in the Surface Water Management Plan for grading and shaping to aid in water quality and rate control for the corresponding sub-watershed. She further explained that plans and specifications were prepared in accordance with the City standards noting that the Engineer's estimate for the improvements was \$113,000.00. She noted that funding for this project was to be from the Stormwater Maintenance Fund. She stated that the project was bid on August 25, 2005 and as shown by the attached bid results; the value of the bids ranged from \$243,353 to \$516,964, all surpassing the Engineer's estimate.

City Engineer Levitt stated that when they originally put the estimate together it was felt that they needed plate linings and during this process the thinking was that the contractor would have other work sites where they would need the materials pulled from this site, which would have helped to lower the bid, but unfortunately it was found that they did not have a need for the materials at this time. She stated that it is not feasibly responsible to proceed with this project at this time adding that the project would most likely be re-bid in the spring/summer in conjunction with another project with substantial excavation and granular needs.

Mayor Shiely stated that she is in favor of holding out for a clay bottom in this pond so that it would hold water. She asked if there were any possibilities of swapping with the City of Woodbury.

City Engineer Levitt stated that it was their hope that one of the contractors would have had a site in Woodbury but unfortunately they did not find one.

MOTION BY BIGHAM, SECOND BY BAILEY, TO ADOPT **RESOLUTION NO. 05-146** RESOLUTION REJECTING ALL BIDS FOR THE HIGHLANDS POND GRADING PROJECT. MOTION CARRIED 4-0.

UNFINISHED AND NEW BUSINESS

A. Set Date for the 2005 / Payable 2006 Truth in Taxation Hearing.

Mayor Shiely stated that the Council has been given a list of possible dates to consider noting that the original hearing sometimes requires a follow-up hearing and asked the Council to consider two scenarios when considering the calendar.

Finance and Administrative Services Director Hedberg stated that as part of the Truth in Taxation process the City of Cottage Grove is required to pick a date to hold the hearing and to notify Washington County so that they can prepare the Truth in Taxation notices that would be mailed to property owners in the fall. He stated that one consideration when setting the date is if it is felt that there is a need for a continuation hearing it must be held no sooner than five days after the initial hearing or no later than fourteen days after the initial hearing. He stated that the initial hearing must be completed before December 13, 2005. He noted that in the past it has not been necessary for Cottage Grove to hold a continuation hearing. He stated that the final levy must be adopted prior to December 27, 2005 adding that the final levy might not be adopted at the initial Truth in Taxation hearing but it might be adopted during a regular City Council meeting date. He reviewed the available dates with Council noting that the County anticipates mailing the Truth in Taxation notices between November 11, 2005 and December 4, 2005.

The Council held a general discussion and agreed that the initial hearing would be scheduled for Wednesday, November 30, 2005 at 7:00 p.m. at City Hall; the continuation hearing would be scheduled for Wednesday, December 7, 2005 at 6:30 p.m. at City Hall. It was noted that the continuation hearing would be held in the Council Chambers prior to the regular City Council meeting.

B. Consider Adopting Resolutions Adopting the Proposed 2006 Budget and the Proposed 2005 Tax Levy Collectible in 2006 for the City of Cottage Grove.

Finance and Administrative Services Director Hedberg stated that the next step in the taxation process is to adopt the preliminary levy. He explained that the City is required to adopt a preliminary levy each year by September 15<sup>th</sup> adding that the preliminary levy would be used by Washington County to prepare the notices of estimated property taxes that are mailed to property owners in November. He stated that the preliminary levy may not be increased but can be reduced prior to December 28<sup>th</sup> when the final levy is required to be adopted. He stated that the importance for tonight is to set the maximum levy amount and also adopt the proposed preliminary budget for 2006. He stated that as discussed during the Council budget workshops, the biggest challenge during this budget year would be balancing the growth of the community and the increased costs associated with it, along with the planning for new Public Safety/City Hall facilities with the available resources while maintaining a reasonable property tax levy. He noted that one of the outcomes of the workshops was a maximum levy increase and the preliminary levy presented tonight meets that goal.

Finance and Administrative Services Director Hedberg provided the Council with a brief presentation of the 2006 Operating Budget, Expenditures and the Levy Process. He stated that the attached resolution adopts the 2006 preliminary operating budget for the General Fund and several Special Revenue Funds and Enterprise Funds and provided the Council with an overview of the budget additions that would be included in the General Fund Operating Budget. He stated that Staff would like to present updated budgets and utility rate calculations at the first meeting in October.

Mayor Shiely noted the phasing and asked if they are planning on any fiscal disparities.

Finance and Administrative Services Director Hedberg explained that they were supposed to study the fiscal disparities last year but they did not make it through the committee process. He stated that this year it increased by approximately \$70,000 adding that they would probably address the fiscal disparities next year.

Mayor Shiely clarified that fiscal disparities is a way of profit sharing within the metro area for communities with a relatively low tax base. She stated that the City of Cottage Grove has always been a beneficiary of fiscal disparities as compared to other Cities and they are now trying to build their tax base so that the City is not as dependent on this kind of funding.

MOTION BY BAILEY, SECOND BY GROSSKLAUS, TO ADOPT **RESOLUTION NO. 05-147** ADOPTING THE PROPOSED 2005 TAX LEVY COLLECTIBLE IN 2006. MOTION CARRIED 4-0.

MOTION BY BIGHAM, SECOND BY BAILEY, TO ADOPT **RESOLUTION NO. 05-148** ADOPTING A PROPOSED 2006 BUDGET FOR THE CITY OF COTTAGE GROVE. MOTION CARRIED 4-0.

C. Consider Authorizing an Application for a Quiet Zone at the Inman Avenue/River Acres Road Railroad Crossing.

Mayor Shiely stated that it is her understanding that in studying this area the railroad determined that the crossing qualifies for a quiet zone as it is with the current equipment. She further clarified that based on the safety features and the amount of traffic in the area it could be made a quiet zone without further investment.

Community Development Director Blin confirmed stating that the Federal Railroad Administration would monitor the system and if they find it necessary they would require the changes.

Mayor Shiely asked when they would implement the quiet zone area.

Community Development Director Blin provided Council with a brief overview of the application process noting that they plan to submit the application this week. He stated that they had also asked the Railroad Board to provide them with feedback on the initial application and received no comments back. He explained that they had submitted the application to get it under consideration adding that they would probably know the status by the end of December.

Kent Burn, 8279 River Acres Road, asked for clarification on what happened to the first application.

Community Development Director Blin explained that the City was authorized for the application and this evening Staff is asking in what form. He further explained that officially an application has not been filed, as they have to wait for the 60-day comment period to end.

Mr. Burns clarified that the crossing would pass without further improvements.

Community Development Director Blin confirmed stating that the first application was submitted in June 2005. He stated that the Railroad and the State were notified of the intent and now that the 60-day comment period has passed, Staff is in the process of submitting the final application.

Council Member Bigham stated that she has some concerns regarding the safety aspect of the crossing and asked for further clarification on the safety features. She stated that she does not want to have come back and fix this as a result of something happening at the crossing.

Community Development Director Blin stated that the current equipment has flashing lights and crossing gates. He stated that the next safety measure would be to build a median that would prevent someone from trying to go around the gates.

Council Member Bigham asked if this would be the only improvement that would be made and would they have to come back to the residents for assistance with the costs. Community Development Director Blin confirmed.

Community Development Director Blin stated that if the City receives any positive responses from the FRA that they would provide residents with a copy of their report. He noted that a traffic study was done to determine total trip crossings and counted 210 trips total.

MOTION BY GROSSKLAUS, SECOND BY BAILEY, TO ADOPT **RESOLUTION NO. 05-149** AUTHORIZING APPLICATION FOR QUIET ZONE FOR INMAN AVENUE/RIVER ACRES ROAD CROSSING. MOTION CARRIED 4-0.

#### RESPONSE TO PREVIOUSLY RAISED COUNCIL COMMENTS AND REQUESTS

- A. Receive Response to Questions Regarding Tree Removal within Xcel Utility Easements.

Mayor Shiely noted that the response was received.

- B. Receive Information on Zoning Controls on Utility Essential Service Structures.

Mayor Shiely noted that the response was received.

#### COUNCIL COMMENTS AND REQUESTS

Mayor Shiely stated that she would like to note that the Metro Cities have had requests for assistance for the victims of Hurricane Katrina. She asked if the City of Cottage Grove has been approached and if so, what they are considering.

Acting Public Safety Director Zurbey stated that the Police and Fire Departments met to discuss options and determine the resources they would feel comfortable sending if they are

needed. He stated that right now they are considering two Police Officers and possibly three medical. He stated that it appears that the relief organizations are getting more organized and are able to better identify their needs noting that they have submitted their availability request and would continue to review their needs. He stated that this situation would last for a long time and they could end up needing their help sometime in the future.

Mayor Shiely stated that City Administrator Schroeder provided her with a news release that states the best way to assist displaced people who arrive in Minnesota or are still in the area, is to donate money to the Red Cross, Salvation Army and the United Way. She stated that the news release also warns residents that there are charity scams out there and asked the residents to be careful when donating money to an organization. She stated that they don't know yet how many families could be making their homes in Cottage Grove noting that it is a possibility and at that point they would definitely be looking at ways to help the families.

Mayor Shiely stated that the Public Works Department is holding their annual Open House on September 22, 2005 from 3:00 p.m. to 7:00 p.m. at 8635 West Point Douglas Road. She stated that it would include demonstrations, booths and food noting that it would be a great opportunity for citizens to tour the Public Works building and view all of the equipment. She stated that she had received a call from the Cottage Grove Royalty expressing an interest in utilizing the Open House as an opportunity to collect money and items for Hurricane Katrina victims. She stated that they are not sure what is needed or where it would go noting that this would be determined as the need is identified.

Public Works Director Burshten stated Parks and Recreation, Finance, Waste Management, Washington County Recycling Programs and Xcel Energy would all be represented at the Open House. He stated that they plan a lot of activities and encouraged everyone to come out and have a good time.

#### PAY BILLS

MOTION BY BIGHAM, SECONDED BY GROSSKLAUS, TO APPROVE PAYMENT OF CHECK NUMBERS 141343 THROUGH 141747 TOTALING \$3,032,526.56. (CHECKS 141343 - 141427 IN THE AMOUNT OF \$1,108,251.72 ISSUED PRIOR TO COUNCIL APPROVAL.) MOTION CARRIED 4-0.

#### WORKSHOP SESSION – OPEN

NONE

#### WORKSHOP SESSION – CLOSED

NONE

ADJOURNMENT

MOTION BY BAILEY, SECONDED BY GROSSKLAUS, TO ADJOURN THE MEETING AT 9:00 P.M. MOTION CARRIED 4-0.

Respectfully submitted,

Bonita Sullivan  
*TimeSaver Off Site Secretarial, Inc.*