

REGULAR MEETING COTTAGE GROVE CITY COUNCIL

January 4, 2006

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
Ron Hedberg, Finance and Administrative Services Director
Howard Blin, Community Development Director
Craig Woolery, Deputy Public Safety Director
Les Burshten, Public Works Director
Corrine Thomson, City Attorney

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, January 4, 2006, 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
Ron Hedberg, Finance and Administrative Services Director
Howard Blin, Community Development Director
Craig Woolery, Deputy Public Safety Director
Les Burshten, Public Works Director
Corrine Thomson, City Attorney

Mayor Shiely presided over the meeting.

ADOPTION OF AGENDA

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

PRESENTATIONS

- A. Presentation to Retired Cottage Grove Police Officer Jim Neuenfeldt from Washington County Sheriff's Office.

Mayor Shiely asked the Council to join her in presenting the Unit Citation Award to Police Officer James Neuenfeldt. She stated that Washington County Sheriff Steve Pott and Commander Scott Melinoski would present the award.

Sheriff Pott stated that this is a very significant award for the Narcotics unit noting that Officer Neuenfeldt was a part of this unit until his retirement. He provided Council with a brief background noting that retired Officer Jim Neuenfeldt was the first police officer from the City of Cottage Grove that was assigned to this unit. He thanked the City Council and the Cottage Grove Police Department for their support stating that this is a great partnership and that it is his hope that the partnership continues for years to come. He reviewed the recipient names with Council and presented the Citation Award to retired Officer Jim Neuenfeldt.

APPROVAL OF MINUTES

NONE

CONSENT CALENDAR

MOTION BY BIGHAM, SECONDED BY RICE, TO:

- A. ACCEPT AND PLACE ON FILE THE FOLLOWING MINUTES:
i. NONE
- B. DESIGNATE THE SOUTH WASHINGTON COUNTY BULLETIN AS THE CITY'S OFFICIAL NEWSPAPER FOR 2006.
- C. ADOPT **RESOLUTION NO. 06-001** DESIGNATING DEPOSITORIES FOR CITY FUNDS AND AUTHORIZING THE INVESTMENT OF SURPLUS FUNDS FOR 2006.
- D. ADOPT **RESOLUTION NO. 06-002** DNR ENVIRONMENTAL AND CONSERVATION PARTNERS GRANT PROGRAM.
- E. APPROVE THE 2006 TRAINING PLAN.
- F. ADOPT **RESOLUTION NO. 06-003** REAFFIRMING THE TRAVEL, TRAINING AND EDUCATION POLICY THAT INCLUDES ELECTED OFFICIALS.
- G. APPROVE THE 2006 - 2008 GENERAL LEGAL SERVICES CONTRACT WITH KENNEDY AND GRAVEN.
- H. REAFFIRM THE PUBLIC PURPOSE POLICY EFFECTIVE JANUARY 4, 2006.
- I. ADOPT **RESOLUTION NO. 06-004** AUTHORIZING PUBLICATION OF

ORDINANCE NO. 782 BY TITLE AND SUMMARY.

MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED OPEN FORUM ISSUES

NONE

PUBLIC HEARINGS

NONE

BID AWARDS

NONE

UNFINISHED AND NEW BUSINESS

- A. Consider Appointment of the Acting Mayor for 2006; Consider Ratification of Mayor Shiely's Appointments of Representatives or Liaisons to Various Commissions and Committees for 2006.

Mayor Shiely provided a brief overview of the responsibilities of the Council Liaison position and announced that Council Member Pat Rice would be the Mayor Pro Tem for 2006. She reviewed the Commission and Board Liaison assignments with Council.

MOTION BY BIGHAM, SECOND BY BAILEY, TO APPROVE THE APPOINTMENT OF COUNCIL MEMBER PAT RICE AS ACTING MAYOR FOR 2006 AND TO RATIFY MAYOR SHIELY'S APPOINTMENTS OF REPRESENTATIVES TO THE FOLLOWING COMMISSIONS OR COMMITTEES FOR 2006 AS FOLLOWS:

Economic Development Authority: Myron Bailey/Pat Rice
Human Services/Human Rights: Karla Bigham
Historic Preservation: Sandy Shiely
Parks, Recreation & Natural Resources: Karla Bigham
Planning: Mark Grossklaus
Public Safety, Health & Welfare: Myron Bailey
Public Works: Mark Grossklaus
Strawberry Fest: Myron Bailey
Red Rock Corridor: Sandy Shiely/Karla Bigham (alternate)
So. Wash. Cable Telecommunications: Pat Rice
Lower St. Croix Watershed WMO: Cheryl Kohls/Bob Eddy (alternate)
South Washington Watershed District: Howard Blin/Jennifer Levitt (alternate)
Holiday Train: Sandy Shiely
Investment Committee: Karla Bigham/Mark Grossklaus

MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED COUNCIL COMMENTS AND REQUESTS

NONE

COUNCIL COMMENTS AND REQUESTS

Mayor Shiely stated that she would like to schedule a City Council goal setting session sometime in January or the beginning of February 2006.

The Council briefly discussed the schedule and agreed to meet at the end of the next regular City Council meeting on January 18, 2006.

Mayor Shiely stated that she would also like to have regularly scheduled meetings with the various commissions and asked that a joint Planning Commission/City Council work session be scheduled in March 2006. She noted that the City Council also missed their review time for the City Administrator's annual review and asked that a meeting be scheduled in January.

PAY BILLS

MOTION BY RICE, SECONDED BY BIGHAM, TO APPROVE PAYMENT OF CHECK NUMBERS 143182 THROUGH 143302 TOTALING \$538,028.57. (CHECKS 143182 – 143199 IN THE AMOUNT OF \$60,576.36 ISSUED PRIOR TO COUNCIL APPROVAL.)
MOTION CARRIED 5-0.

WORKSHOP SESSION – OPEN

A. 2006-2010 Capital Improvements Plan (CIP)

Finance and Administrative Services Director Hedberg explained that this is actually a planning document and asked Council to review and provide Staff with their feedback.

Mayor Shiely noted that had this been published as part of the CIP plan and discussed at a Council goals work session that she would be talking about Council goals as it applies to the CIP. She stated that in reviewing the document she was not sure if Staff had considered Council goals at the time CIP was developed and noted that one of the Council's goals over the last couple of years was to find an access along the Mississippi River. She expressed concerns stating that she has not seen this item included in the CIP plan for the last five years and asked Staff if Council clearly communicated what they wanted done over the last five years. She stated that the City Council goals should be more specific and clear.

Council Member Bigham noted that some of the items, such as playground equipment, are coming out of the General Fund and asked why these items are not coming out of the Parks fund.

City Administrator Schroeder explained that the rule of thumb is that maintenance items and replacement of playground equipment is part of General Fund and new playgrounds are

funded via new developments through the Park Trust Fund. He noted that the Park Trust Funds are also used for parkland acquisitions.

Council Member Bailey noted that the 2005 Thompson Grove Streetscape, which was allocated \$200,000.00, was not done and asked if this project would be moved forward.

City Administrator Schroeder confirmed noting that when the project does happen that there would be approximately \$200,000 available from the developer for the landscaping.

Council Member Bigham asked why the funds for the Jamaica Street lighting are not coming from the Street Maintenance Utility fund. Finance and Administrative Services Director Hedberg explained that this fund is not used for new traffic signals.

City Administrator Schroeder stated that minor amounts could be used adding that Staff does not want to start paying for traffic signals with the Street Light fund. City Engineer Levitt agreed stating that the signals could include County or State participation.

Council Member Grossklaus stated that he has some concerns with respect to the Water Utility fund and asked for clarification on the funding process for future water towers, repairs and replacements, and treatment facilities. He asked if they plan to eliminate the majority of the fund to buy one building versus moving items around. He asked if there is a replacement cycle for playground equipment. He asked if the City has enough money to cover some of the identified projects.

Finance and Administrative Services Director Hedberg explained that a playground equipment replacement schedule was developed four years ago noting that it also included a budget to cover the costs for the replacement of playground equipment. He stated that Staff also plans to begin addressing the replacement of Park shelters noting that it would take approximately two years to pull together the funding. He explained that currently the area funds come from new developments, which covers the area charges and development fees. He further explained that some of the maintenance and repair costs come from the Utility fund adding that funds would eventually decrease. He stated that the City would have to do one of two things when this happens, increase area charges or re-prioritize/postpone projects.

City Engineer Levitt noted that the Area fund is showing a deficit due to the water towers and treatment plant.

Finance and Administrative Services Director Hedberg indicated that the funding for the treatment plant would come from the Area fund and the Utility fund.

City Administrator Schroeder explained that Staff, from an operational side, agrees that there is a need to do some of these projects but, from a revenue side, there are difficulties with respect to funding. He indicated that Staff would have to review and re-prioritize projects.

Council Member Grossklaus referenced the ice arena improvements stating that 2010 is too long. He stated that he is concerned that the project could be pushed out to 2015 noting that

by 2020 the East Ravine could possibly increase to 20,000 residents.

Council Member Bailey referenced the Water Tower located west of Highway 61 and asked for clarification of the costs. He asked if the \$200,000 identified for land purchase is part of the Canadian Pacific Railway proposal. He asked if the land could possibly be donated.

City Administrator Schroeder confirmed that it is part of the Canadian Pacific area adding that it is possible that it could end up as part of the proposal, which would mean that the \$200,000 might not be needed.

Council Member Bailey asked if they would proceed with the expansion of the park sooner than later if it is part of this project. City Administrator Schroeder stated that right now this is still out in the future noting that things could change quickly and reviewed potential project changes with Council.

Council Member Bailey asked how the funding for the County Road 19 Bridge replacement fits into the CIP. City Administrator Schroeder stated that this project is slated for 2010 noting that Staff has been talking with Washington County about the possibilities of including funds for this project in the CIP. He indicated that there could also be an opportunity to generate development revenues that could be used to pay for this project.

Council Member Bigham suggested providing the County and State Legislators with a copy of the CIP once it has been approved. She stated that it is important for them to be able to see what the City is actually doing. City Engineer Levitt assured the Council that the County and the State Legislators are all very familiar with the County related projects adding that Staff does meet with them regularly to review the projects.

Council Member Bailey stated that if this is post-2010 he would not want to see new developments crowded into areas of the City. He expressed concerns stating that he does not want to see the City in a situation where new developments have poor County road conditions.

Mayor Shiely agreed and suggested that the Council and Staff discuss this issue in more detail at their workshop session.

City Administrator Schroeder assured Council that the City has not used the pace of development any differently than what has already been experienced. He indicated that if the City continues to develop at their current pace that the funding should be fine. City Administrator Schroeder explained that Staff's fear, from an operational perspective, is that if the development is more than 400 units the area would be under a strain. He stated that it is his belief that Staff is on board with the Council with respect to supporting the moderate rate of growth over the last four to five years, and that the City does have some East Ravine expenditures included noting that Staff's biggest concern is that nothing happens with the development after the City goes in and installs utility connections for 400 units.

Council Member Bailey referenced the ice arena stating that it is not realistic to have to wait until 2010 for a nice ice arena. He expressed concerns stating that it is unbelievable what

parents and children have to go through right now to get a half-hour of ice time.

City Administrator Schroeder explained that it would take approximately two years to determine what needs to be done and another two years to raise the funds. He clarified that it is his understanding that the Council would like to see some involvement from the Athletic Association.

Council Member Bailey expressed concerns stating that it was not explained to the Athletic Association that if they could come up with \$1 million that the City would help put this project together. He stated that this should be discussed noting that the City cannot put together all of the funds needed for this project. He suggested that Staff meet with the various Athletic organizations to discuss this concern and provide these organizations with an opportunity to begin working on fund raising projects to help put together funding for the arena.

Council Member Grossklaus noted that the CIP is basically all development projects and expressed concerns that there are no amenities coming back to the citizens who have been in this area for the last five to ten years. He asked what the plans are for a community pool or community center.

City Administrator Schroeder acknowledged Council Member Grossklaus' concerns and provided Council with examples of the amenities residents received from the Kohl's development, Hardwood Drive street improvements, and the Hamlet Park expansion. He noted that it has only been in the last few years that the CIP has started to deal with park system improvements and prior to that the park system never received funds from the General Fund.

Council Member Rice agreed that there are several benefits from these developments stating that it is the City Council's responsibility to help educate the residents on the amenities. He noted that as a City, they have worked to improve the trails, expand Hamlet Park, in addition to working to improve several of the city streets along with adding new roads. He noted that some of the original parks have not had anything done since 1974 stating that the City recently re-did the tennis courts and replaced playground equipment in several of the parks. He asked what it is that the residents are actually expecting as far as amenities and benefits are concerned.

Council Member Grossklaus explained that many of the residents see the new developments and the new parks and have stated that they would like to see their parks improved.

Council Member Bailey asked if a precedent has been set with respect to the amount or percentage of the development fee that would go towards a citywide facility. Finance and Administrative Services Director Hedberg stated that the City cannot legally do this and reviewed the process with Council.

Mayor Shiely noted that it is up to Council to help spread the word and educate residents on the amenities that the City has gained through these projects. She stated that surveys were done in order to gain feedback from the residents on what they would like adding that what Staff heard is that the majority wanted quality restaurants, specifically an Applebee's. She

stated that Council tracked their responses and from that Applebee's was brought to the City.

Finance and Administrative Services Director Hedberg stated that five years ago there was nothing included in the CIP for the ice arena and community center and now people are seriously starting to think about expansions and improvements for these items. He stated that a tax base would help make the costs more affordable for the City, similar to pools and water parks.

Mayor Shiely clarified her understanding that staff, through the CIP, appears to be determining when the projects actually happen.

Council Member Grossklaus confirmed stating that these are the projects residents are asking about and want to know where the revenue dollars are going from the tax base revenue. He stated that residents are expecting to see the tax base rise and see some of the amenities come into play.

City Administrator Schroeder stated that many of the residents do not have a clear understanding of the time it takes to put together redevelopment projects and the development of revenues from these projects. He asked what the residents define as an amenity.

Council Member Grossklaus explained that most residents do not see road upgrades as an amenity but as necessary public improvements. He stated that residents would like to see new buildings in the park noting that they are not against paying taxes but they do want to see the revenue from new businesses kick in and provide the amenities that were promised. He suggested that they consider not putting all of the funds towards the East Ravine and asked that other areas of the City be included in the process.

Council Member Rice agreed that the ice arena is a concern and asked that it be reviewed prior to 2010. He stated that he would like to see Staff try and get this project started in 2007 or 2008. He asked that Staff keep this as an active project and suggested that they revisit the issues frequently.

Council Member Bailey agreed stating that there is also a need to discuss the funding concerns and the possibility of fundraising with the Athletic Association and Hockey Association.

Council Member Bigham asked if it would be possible to delay approval of the CIP plan until after Council has held their goals workshop.

Finance and Administrative Services Director Hedberg explained that it is Staff's plan to hold a public hearing at the Planning Commission on January 23, 2006 adding that this could be pushed out to February if necessary.

Council agreed to delay approval of the CIP plan until after the Council Goals workshop.

Council Member Rice stated that if the City were to build a water tower on Lyman Lumber

property would that tower replace the water tower located behind Fire Station 1. City Engineer Levitt stated that they are currently reviewing three possible alternatives and are running several scenarios to determine how each alternative would look financially. She stated that it is their hope to have answers for Council in the next few weeks.

Mayor Shiely referenced the 2007 Burlington Northern Railroad Bridge replacement costs and asked who would be assessed \$1 million and where would the development fees come from. City Administrator Schroeder explained that the project cost and how much the City would share would depend upon what the Council wants with respect to how it would look. City Engineer Levitt stated that Staff would be reviewing the Burlington Northern options adding that it is Staff's plan to present their findings to Council for feedback.

City Administrator Schroeder clarified that Council has suggested including the Mississippi River access, clarify water utility concerns, move the ice arena project up to the fall of 2009 or earlier, clarify funding issues for County Road 19/Highway 61, noting that if Council is suggesting that staff meet with the Athletic Association that this should be included as part of the CIP plan.

WORKSHOP SESSION – CLOSED

NONE

ADJOURNMENT

MOTION BY BIGHAM, SECONDED BY BAILEY, TO ADJOURN THE MEETING AT 9:25 P.M. MOTION CARRIED 5-0.

Respectfully submitted,

Bonita Sullivan
TimeSaver Off Site Secretarial, Inc.