

CITY OF ST. FRANCIS
CITY COUNCIL AGENDA

St. Francis Area Schools District Office 4115 Ambassador Blvd. NW

November 20, 2023

6:00 p.m.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The regular City Council meeting was called to order at 6:00 p.m. by Mayor Joe Muehlbauer.

2. ROLL CALL

Members Present: Mayor Joe Muehlbauer, Councilmembers Robert Bauer, Kevin Robinson, Crystal Kreklow, and Sarah Udvig.

Also present: City Administrator Kate Thunstrom, Deputy City Administrator/City Clerk Jenni Wida, Community Development Director Colette Baumgardner, Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), Public Works Director Paul Carpenter, Finance Director Darcy Mulvihill, City Engineer Craig Jochum (Hakanson Associates, Inc.), Police Chief Todd Schwieger and Bottle Shop Manager Joe Pfeifer.

3. APPROVAL OF AGENDA

MOTION BY: BAUER SECOND: UDVIG APPROVING THE REGULAR CITY COUNCIL AGENDA

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

4. CONSENT AGENDA

Mayor Muehlbauer shared that they will be removing Item I from the consent agenda.

- A. City Council Minutes - November 6, 2023
- B. MOU Extension with ACRED
- C. Contingent Offers- Part-time Firefighters
- D. Rivers Edge 6th Addition Financial Security Reduction
- E. Random Drug & Alcohol Consortium Service Agreement – Northland Occupational Health & DOT Compliance
- F. Dellwood River Park Riverbank Stabilization Project – Pay Estimate No. 1
- G. Surplus Property
Resolution 2023-64 Declaring Surplus Property
- H. Rental License Approvals
- I. Minnetonka Game and Fish Club Agreements
- J. Accept Proposal for Geotechnical Services

- K. Squad Computers
- L. Delay Notice – Plumbing Permit
- M. Stahl Construction – Pay Application No. 2 – Labor & Material
- N. Change Orders – City Hall Fire Station Project
- O. Payment of Claims

MOTION BY: ROBINSON SECOND: KREKLOW APPROVING THE REGULAR CITY COUNCIL CONSENT AGENDA ITEMS A-H AND J-O.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

Community Development Director Baumgardner reviewed the three agreements that are coming forward for approval from the Minnetonka Game and Fish Club for work that they will be doing. She shared that the third agreement is for an extension for the game and fish club to figure out their legal description while still proceeding with the work.

MOTION BY: UDVIG SECOND: ROBINSON APPROVING THE REGULAR CITY COUNCIL CONSENT AGENDA ITEM I.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

5. MEETING OPEN TO THE PUBLIC

Derrick Lind, a Ramsey resident, came forward and shared a handout with the Council. He noted that he is representing a citizen advocate group for Anoka County that wants election reform. He stated that they have been focusing primarily at the County level. He shared his purpose for coming forward tonight is to introduce himself. He noted that they have had 30 people give 80 presentations directly to Anoka County. He stated that they are trying to reform elections and get them back to what they used to be 30 years ago. He reviewed his handout that contains their concerns with elections, including concerns with the electronic polling and voting transparency. He shared that his group will likely be back to discuss this more with the cities in Anoka County.

Robinson asked how the City would be able to change this. Mr. Lind shared that his group has already had a city reach out to them wanting to make changes to their voting process. He stated that he can put the City in touch with someone at the County who can give them more information on what St. Francis could do with their voting. He reiterated that the reason that they have been focusing their work at the County level is because the County has the power.

6. SPECIAL BUSINESS – NONE

7. PUBLIC HEARINGS – NONE

8. OLD BUSINESS

A. AutoZone Rezoning – 2nd Reading

Ordinance 322 - approving rezoning of Lot 1 Block 1 Crown 2nd Addition from BPK to B-2

Resolution 2023-65 authorizing the summary publication of Ordinance 322, Second Series

Baumgardner reviewed the Staff report concerning the AutoZone rezoning requests.

Bauer asked about the difference between the Business Park district and Business-2 district. Baumgardner explained that Business-2 is more geared towards retail and commercial use and Business Park is more geared towards office-like industrial use. She stated that this site was originally zoned for Business Park as it has limited traffic accessibility. She noted that this site could not support something like a fast food restaurant that would have lots of traffic coming and going but could support a retail store.

MOTION BY: KREKLOW SECOND: BAUER APPROVING THE 2ND READING OF ORDINANCE 322 - APPROVING THE REZONING OF LOT 1 BLOCK 1 CROWN 2ND ADDITION FORM BPK TO B-2.

A roll call vote was performed:

Mayor Muehlbauer	aye
Councilmember Robinson	aye
Councilmember Udvig	aye
Councilmember Bauer	aye
Councilmember Kreklow	aye

Motion carries: 5-0

MOTION BY: ROBINSON SECOND: UDVIG APPROVING RESOLUTION 2023-65 AUTHORIZING THE SUMMARY OF PUBLICATION OF ORDINANCE 322, SECOND SERIES.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

B. Special Assessment for 23462 University Ave NW

Resolution 2023-66 amending special assessment for 23462 University Ave

Baumgardner reviewed the Staff report in regard to the updated special assessment and code enforcement extension for the property at 23462 University Ave. She shared that Staff was able to set up a meeting with the property owner

to create a plan for cleaning up the property. She reviewed the process if the property owner fails to clean up the property with the agreed plan.

Mayor Muehlbauer asked if the property owner agreed to this plan. Baumgardner shared that the property owner agreed to having Staff visit the property and they also understood that the next step would be that the citations would continue if they did not follow the cleanup plan.

Mayor Muehlbauer asked if they have anything in writing signed by the property owner stating that they agree to this. Baumgardner said that there is an agreement that is associated with access to the property and the cleanup plan that they will need in writing before they can fully move forward with this plan.

Baumgardner shared that the target substantial compliance date for this clean up would be February 14, 2024. She asked the Council how much they would like to assess to the property. She shared that the original assessment amount was around \$9,000; however, this was when they had not made contact with the property owner. She added that the City Attorney's Office has spent approximately \$3,100 on this property up to this point. She proposed that the assessment be a minimum of the amount that the City has spent in consulting fees thus far. She shared her recommendation of \$3,900 for the assessment which includes Staff time.

Udvig stated that if Staff is comfortable with the \$3,900 assessment, then she would support it; however, it seems low as a lot of Staff time has been spent on this. She asked about the size of the trailer that they will be using to remove the junk and debris from the property. She noted that the property owner needs to be aware of the process if they do not comply with the cleanup plan in place. Baumgardner stated that the escalation path is very clear to the property owner. She shared that the property owner has said that they are already in the process of cleaning up the property since they received the notice of the special assessment. She noted that the property owner stated that the trailer fits about two cars at a time. She added that it is hard to know if this timeline will work and if it is reasonable as the property owner did refuse access for a site visit by Staff.

Bauer shared that he has an issue with the property owner not allowing access to Staff to get an overview of the property. He shared concerns with the clean up actually getting done. He stated that he does not like the idea of the property owner sending pictures proving that they are cleaning up the property as a picture would not be proof that they have removed the junk and debris, and they could just be moving it around the property. He asked if they would be able to legally require a receipt that the junk and debris was dropped off at a junkyard. Assistant City Attorney Schaps shared that they could ask the property owner for this; however, he does not think that they would agree to this.

Bauer shared concerns with the proposed assessment amount only being a third

of the original amount.

Mayor Muehlbauer asked if the property owner does not abide by the cleanup plan if the citations would pick up where they left off. City Administrator Thunstrom said yes and explained that as long as it is within 12 months they would be able to start back up where they left off.

Baumgardner added that they can still assess up to \$9,000.

Kreklow stated that she is comfortable with this cleanup plan and reducing the assessment amount to \$3,900. She added that the property owner has every right to deny the City access to their property. She noted that she would like signed documentation from the property owner which would allow Staff to go past the gate and knock on the back door as well as an agreement on the removal of the junk and debris. She shared concerns with the property owner being able to get this done over the winter time. She asked if they have anything in place where the property owner could reach out to the City if the winter weather and freeze becomes an issue for removal of the junk and debris. Baumgardner shared that there is a contingency plan if they are not able to get the property into substantial compliance by February 14, then they would have until June 3, 2024. She added that the property owner would also have to let the City know that the weather would be affecting their ability to remove junk and debris and cannot just go without a response to Staff.

Robinson asked how successful Baumgardner thinks this new plan will be. Baumgardner shared that she felt very encouraged leaving the meeting with the property owner after they put this plan together. She shared her concern with the point of contact since the property owner is claiming to not have a phone, email address, or any regular way of communication.

Robinson asked when the tax cut off is for this year's assessment. Finance Director Mulvihill stated that they have to have this in by November 30.

Robinson suggested making the assessment half of the original amount for a total of \$4,500. He noted that the property owner has been given many opportunities to get the property under control.

Mayor Muehlbauer asked how the pictures of the property that they have were obtained. Baumgardner shared that the property owners on either side of the property gave Staff access to their property to take these photos.

Mayor Muehlbauer noted that the property owner not allowing access to the property shows a lack of good faith; however, they have the right to deny access. He stated that there are a lot of things that do not add up with this situation. He added that he does not feel that the property owner is being completely honest with Staff. He explained that he would not have an issue with this as long as the

City can collect a minimum of the \$3,900 and get this on the tax rolls now. He stated that he would also like to see the citations start back up where they left off if the cleanup plan is not followed. He noted that if the Council does approve this, they would likely approve it contingency upon the signed agreement from the property owner.

Thunstrom explained that what they set the assessment at, they do have the ability to reduce before the first taxes are paid. She noted that they could set this at \$4,500, then they could reduce this after the fact of he were to be in full compliance. She added that they would not be able to increase this assessment number.

Mayor Muehlbauer stated that he likes this idea as it gives the property owner an incentive to reduce the assessment.

Bauer agreed that the assessment should be raised to \$6,000 to begin with and if the property owner is in compliance, then it could be lowered down to \$3,100. He shared that he is an advocate for property rights; however, when someone has so much on their property that it can affect the soil and water and can also affect someone else's quality of life then something needs to be done.

Kreklow stated that she would be willing to start the assessment as high as \$4,500. She acknowledged that there can be environmental issues when a property looks like a junkyard. She noted that the property owner has shared that they have already started cleaning up the property. She reiterated that she would be comfortable with going as high as \$4,500 for the assessment. She asked if the Council agrees to the \$4,500 assessment and the property owner never signs the agreements if they would have to do a new assessment next year. Mayor Muehlbauer stated that they would have to put a contingency upon the property owner signing an agreement by the last day before the assessments are due. He noted that if the property owner did not sign the agreement by November 30, then they should assess the property owner the full amount.

Schaps explained that the Council has the authority to set the special assessment amount which will need to be provided to the County. He stated that if everything goes well and the property gets cleaned up then the Council has the ability to reduce the amount through a tax abatement; however, if it does not get cleaned up and the City has to go through an abatement then all of that cost would go back to City for next year to be assessed onto the property again.

Baumgardner stated that she is not sure that the City would have the ability to say that if the property owner does not sign the agreement by November 30 that they would be able to increase the assessment amount. Mayor Muehlbauer noted that they would have to assess the rest of the amount next year.

Kreklow asked if they removed the assessment fees for running a business or rental property off of the total what the new amount would be. Baumgardner stated

that \$3,600 of the assessment is for the junk and debris and parking on unapproved surfaces.

Robinson stated that through this discussion they have made no concessions for the neighbors and what they have had to put up with since this process started.

Schaps explained that the Council will have to ability to reduce the assessment later on so a performance incentive to lower the assessment does not need to be put as a contingency into the resolution at this time.

Bauer shared that he believes that they are conceding too much on this issue. He stated that if they leave it at the higher amount of the \$6,000 then it will open up the eyes of the property owner which is a biggest incentive.

Mayor Muehlbauer stated that one way or another the City will get their money back out of this. He noted that the Council is here to serve the residents, which includes this property's neighbors.

The Council was in agreement to make the assessment \$4,500.

MOTION BY: KREKLOW SECOND: ROBINSON APPROVING RESOLUTION 2023-66 AMENDING THE SPECIAL ASSESSMENT 23462 UNIVERSITY AVE IN THE AMOUNT OF \$4,500 WITH 10% INTEREST.

Ayes: Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: Bauer

Motion carries: 4-1

C. Ordinance Update – Fee Schedule, Second Reading

Ordinance 324, Second Series Amending Section 2-9-1 of the City Code regarding the Fee Schedule

Resolution 2023-67 Authorizing the Summary Publication of Ordinance 324, Second Series

Thunstrom reviewed the Staff report concerning the updates to the fee schedule.

MOTION BY: UDVIG SECOND: BAUER APPROVING ORDINANCE 324, SECOND SERIES AMENDING SECTION 2-9-1 OF THE CITY CODE REGARDING THE FEE SCHEDULE.

A roll call vote was performed:

Mayor Muehlbauer aye

Councilmember Robinson aye

Councilmember Udvig aye

Councilmember Bauer aye

Councilmember Kreklow aye

Motion carries: 5-0

MOTION BY: BAUER SECOND: ROBINSON APPROVING RESOLUTION 2023-67 AUTHORIZING THE SUMMARY OF PUBLICATION OF ORDINANCE 324, SECOND SERIES.

Further discussion:

Bauer asked how they can legally put out a summary of publication somewhere else rather than just a newspaper letter. Schaps explained that this is currently being debated at the legislature and they will have to see what the legislature does moving forward.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

9. **NEW BUSINESS**

A. City Hall / Fire Station Audio Contract

Thunstrom reviewed the Staff report in regard to the new City Hall Fire Station audio contract. She shared that she and Wida were able to tour the Intereum facility to see the electronics and how they work. She shared the recommendation to move forward with Intereum.

Robinson asked if Thunstrom was able to see the electronics being used. Thunstrom shared that they were able to see this and that they chose a mid-level package from what is available.

Robinson asked if it would require an individual to sit at a soundboard to control this and if they would still be able to use this with their YouTube channel. Thunstrom said no and shared that it can all be controlled in the rooms. She stated that they would still be able to use this with their YouTube channel; however, it will just be more direct.

Robinson asked if this is adaptable for the future. Thunstrom said yes and explained that they are very adaptable to the Microsoft products that Staff currently uses.

Robinson asked about the other quotes received. Thunstrom explained that they also received a quote from Modern Control, which was very similar in its offerings, just at a higher price.

Bauer asked how long this system would be warrantied and if they would also be providing a service with the equipment. Thunstrom explained that Intereum will be coming in to train Staff on the equipment so they will offer technical support upfront as they learn the system. She shared that the equipment itself has warranties and they will get a defined contract from Intereum once they approve the quote, and

she will bring the contract back forward to the Council.

Wida shared that everything will be run off of the computers.

MOTION BY: UDVIG SECOND: BAUER APPROVING THE INTEREUM QUOTE.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

B. Hwy 47 Elected Officials Meeting

Thunstrom reviewed the Staff report and shared the request to set a date so that invitations can be sent out to invite elected officials to discuss the Highway 47 project. She noted that the session will begin on February 12, 2024, and would like to have the meeting before the sessions start. She shared the proposed dates for the meeting of Wednesday, January 10, Thursday, January 11, or Thursday, January 18.

Bauer asked if these invitations are going to Anoka County. Mayor Muehlbauer shared that the invitations will go to the County and the State.

The Council was in agreement to schedule the meeting for Thursday, January 11, 2024, at 5:00 p.m. at the Police and Public Works building.

10. MEETING OPEN TO THE PUBLIC – NONE

11. REPORTS

A. Public Works - 3rd Quarter Report

Public Works Director Carpenter reviewed the 3rd quarter Public Works report. He thanked the residents for reducing their water usage when a drought warning was issued this summer. He noted that they are still in a moderate drought. He shared that all of these lead and copper tests came back good and they are under the levels that require attention. He gave an update on Bethel waste water, which the City will no longer contract for as of February 1, 2024. He shared that his staff also replaced the aeration membranes in the wastewater treatment facility which saved the City around \$36,000. He added that they have received around 300 tons of biosolids. He thanked the building official who caught a cross connection that could have contaminated the water supply. He shared that the new crane truck is now on line and is working as it should. He congratulated Wyatt on staff who has obtained his CDL and his Class D wastewater license. He shared the success from the Public Works open house that they hosted this year. He added that salt has already been received for this year's plow season. He discussed the two recycling events that were held during this quarter. He gave updates on current projects including Fox Street, the Dellwood Trail riverbank restoration, and other projects.

Bauer asked if it is costing the City money to provide contracted wastewater service

to Bethel. He noted that he does not like giving Bethel a date in which they are going to be cancelling their service to them. Carpenter explained that they are starting this process early to help give them alternative means to run this plan. He added that they have to submit to the MPCA that they will be releasing themselves from Bethel's wastewater plant 30 in advance.

Bauer asked if there is time for them to renew this contract if Bethel's employee fails his wastewater exam. Carpenter said yes and added that they would not leave Bethel high and dry.

Mayor Muehlbauer asked what would happen if the Bethel employee does not pass his exam. Carpenter stated that they are open to doing whatever Council would like to do.

The Council thanked Carpenter and his Staff for their work.

B. Community Development Quarter 3 Report

Baumgardner reviewed the 3rd quarter Community Development report. She highlighted the economic development on the Bridge Street corridor and the Highway 47 corridor. She shared the success of the farmer's markets that were hosted this summer. She noted the involvement with the Chamber of Commerce. She stated that Staff attended an event with the Minnesota Real Estate Journal which focused on the north and west development updates. She shared that financing is the biggest issue facing development at this time. She discussed the resident developments that are currently under review, including the Rivers Edge Development. She explained that the developer highlighted that the 7th addition is in the area that falls in the wild and scenic Rum River overlay district, which makes the minimum lot size higher than the rest of the development. She shared that the current housing demand is for smaller, low maintenance lots. She reviewed the ongoing commercial developments within the City. She added that residential new construction permits are down year over year, which is likely due to high interest rates and high construction costs. She noted that total permits are up this year; however, permit revenue is decreasing. She shared that there are 44 properties that are currently active in code enforcement and the most common code enforcement violation has been work without a permit. She reviewed the rental and vacant program and shared that there are 3 known vacant properties, including the Rum River Inn. She discussed the transition to the new BS&A software system which took place in September. She stated that Staff has responded very well to the new software system. She thanked Staff for transitioning so well to the new software and she also thanked the Council for investing in the new system.

Robinson asked about properties for Sheriff's sale. Baumgardner explained that when properties reach the Sheriff's sale list then this means it would be moving forward through the foreclosure process. She noted that the Rum River Inn is currently up for Sheriff's sale and will move through the process of foreclosure.

Mayor Muehlbauer asked if there has been any progress on the Bluffs of Rum River. Baumgardner shared that the property for the Bluffs of Rum River did go up for sale during this quarter. She spoke to the real estate agent that has this property listed and they shared that they have had a few leads for the property.

The Council thanked Baumgardner for her report and thanked her and her Staff for their work. They also reiterated the success of the farmer's market this year.

12. COUNCIL MEMBER REPORTS

The Council shared the meetings and events they attended in the past few weeks.

Robinson shared that the oil reservoir for recycling is already half full. He shared the upcoming Saturday is Small Business Saturday with the Chamber of Commerce. He added that the Chamber of Commerce Gala is coming up in January.

Bauer thanked the businesses that participated in the Thanksgiving Bowl with the Legion. He shared that True Value will be hosting an event on December 16 called the Gathering of Friends.

Udvig welcomed the new bottle shop manager and encouraged everyone to go check out the bottle shop.

Mayor Muehlbauer shared his appreciation for the Police and Fire Departments for their life saving efforts.

13. UPCOMING EVENTS

November 23 - City Offices Closed in observance of Thanksgiving

November 24 - City Offices Closed in observance of Thanksgiving

December 4 - City Council Meeting @ 6:00 pm

December 18 - City Council Meeting @ 6:00 pm

December 20 - Planning Commission Meeting @ 7:00 pm

14. ADJOURNMENT

MOTION BY: UDVIG SECOND: KREKLOW TO ADJOURN THE MEETING.

Ayes: Bauer, Kreklow, Udvig, Robinson, and Mayor Muehlbauer.

Nays: None

Motion carries: 5-0

There being no further business, Mayor Muehlbauer adjourned the regular City Council at 8:01 p.m.