

**NISSWA CITY COUNCIL
OCTOBER 19, 2016**

The regular meeting of the Nisswa City Council was held Wednesday, October 19, 2016 at 7:00 pm at City Hall.

Members Present: Kraus, Johnson, Jacobson, Krautkremer, Heidmann

Members Absent:

Also Present: Mark Hallan, Steve Qualley

Staff Present: Tom Blomer, Laurie Hemish, Brent Jones, Terry Wallin, Brian Farrell, Craig Taylor, Alex Hondl

Motion by Krautkremer, seconded by Jacobson to approve the consent calendar as presented:

A. Approve minutes of September 21 and October 5, 2016

B. Presentation of Claims – #38984 - #38840 totaling \$404,602.94

All members voting “Aye”, with exception of Heidmann voting “Nay”; Motion carried.

OPEN FORUM

Kraus reminded audience that any comments must be done at the podium and be recognized by the chair.

Shawn Hansen, Nisswa Chamber, stated a new fireworks company for the City of Lights event has been selected as Pyrotechnic Display out of Clear Lake MN. They will send information to the City Clerk and Fire Chief for fireworks permit. Stated they would also like to move the reindeer from the BlackRidge Bank parking lot to the pocket park for better lighting as safety with less congestion there. **Motion** by Krautkremer, seconded by Heidmann to authorize the Chamber to move the reindeer to the pocket park for the City of Lights event. Carried unanimously.

Roger Landers, Nisswa resident, stated he would like to talk about Edna Lake Road. Kraus stated we will discuss that further on in the agenda.

REPORTS

Chief Taylor stated he had provided the monthly report via email. Stated last month he had asked for permission to proceed with the process of hiring an officer. Stated a candidate has been selected after completing the background check and he is currently a licensed police officer. Candidate is Jeremy Rooney and still needs to complete the physical and psychological exam. Would like permission to hire contingent upon successful physical and psych exams with a start date of middle of November. Would then swear in officer at November Council meeting.

Motion by Jacobson, seconded by Johnson to approve the hiring of Jeremy Rooney contingent upon successful completion of physical and psych exams. Further discussion: Heidmann stated at this point he is not in favor of replacing an officer. All members voting “Aye”, with exception of Heidmann voting “Nay”. Motion carried.

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Jacobson stated item C (Outdoor Movie Equipment for Movies in the Park) has been requested to be removed from the agenda. **Removed from agenda.**

Jones stated the Planning Commission had their meeting last week with two public hearings; one variance and one conditional use permit. Stated Mark Ronnei with Grand View Lodge gave an overview on their projects for the next couple years. Stated BA Norrgard gave a presentation on Tiny Homes. Stated he has issued 62 land use permits year to date compared to 47 at this time last year. Stated he is in the process of forming the committee for the comp plan.

Hondl stated the outfield fence and portable sign that were damaged during the summer storm have been repaired and turned in for insurance. Stated work on the highway has caused issues with the tunnel lights at pocket park and MnDot will take care of. Stated the Bernick's Foundation Grant is moving on to the second phase. Stated Nisswa is one of 25 applicants and need a resolution to proceed with full application for the grant. **Motion** by Heidmann, seconded by Krautkremer to approve the resolution to proceed with the full application for the Bernick's Foundation Grant. Further discussion: Hondl stated the non-matching \$50,000 grant is for a pavilion at the Nisswa Lake Park. Carried unanimously.

Kraus thanked Qualley for his service as our City Attorney and wished him well on his new job.

Hallan stated he provided the agreement that was approved last month for Edna Lake Rd feasibility study as discussed. Heidmann questioned what is all included in the study. Hallan stated it is done as per chapter 429 identifying the road length, proposed improvements, number of properties, and costs. He will meet with City and staff to get feedback to further define. Then the City calls a notice of improvements and schedules the public hearings. If council then decides to proceed, we get bids and hold another public hearing to establish costs. Heidmann questioned how assessments are determined for property owners. Hallan stated at front footage and parcel basis. Stated each city council looks at information and modifies and chooses how assess. It is determined by the City. Heidmann questioned if any other formats to look at for the City as it would set precedence for future projects. Hallan stated every project is unique and not setting precedence as each road is different. Stated the City decides how to proceed. Jacobson stated the 429 assessment process is either citizens petitioning the city and requires a 3/5 vote by council to proceed, or if the City determines the road is in bad shape and needs to be done a 4/5 vote by the Council is required. Kraus stated copies of the assessment policy are printed and by the Clerk.

NEW BUSINESS

**EDNA LAKE ROAD AFFECTS TO GRONHOLZ DRIVEWAY/FRONTAGE ROAD
DISCUSSION**

Laura and Justin Gronholz, 26831 Edna Lake Rd, stated they are looking for support from the City to change driveway access to the new alignment for Edna Lake Rd. Stated elevation and safety are concerns along with visibility. Stated they met on sight with Hallan, Krautkremer, Blomer, and Heidmann and agree on current plan. Asking MnDot to relocate driveway 80 feet up the road and create a wider curve.

Hallan stated they had met on sight prior and brought request to MnDot whose response was based upon volume it is not a design concern and will not relocate the driveway. Kraus stated so MnDot won't do it, so if the City wants to change it the City has to pay for it. Hallan said yes. Kraus questioned if the City can work with the contractor to make the changes we would like done. Hallan stated either the contractor or city crew can relocate the driveway so he can get a quote from Mathiowetz Construction. Jacobson questioned if any idea on the cost. Hallan stated no. Jacobson stated we are just discussing the brown shaded area of the map. Laura Gronholz stated yes and half of the brown area already is existing driveway. Krautkremer questioned the old driveway. Hallan stated that would need to be removed and erosion control/vegetation installed. Laura Gronholz stated timing is issue as they need to sign paperwork by Oct. 24th giving the State temporary easement as indicated by purple shaded area. Hallan stated Mathiowetz is working on utility location and will close current access to 371 by Thanksgiving.

Tony Hughes, MnDot, stated the yellow area on map is right of way. Stated current road is on DNR property which was funded by 4F so can't go on that property. MnDot cannot cross the right of way line so has to be instigated and paid for by the City. Jacobson stated we should do what needs to be done to make it work and it can't cost that much and is a safety issue. Kraus agreed it should be done and questioned how it would incorporate into the rest of Edna Lake Rd. Hallan stated relocation of driveway should not wait for the feasibility study as should be done before winter. Stated it is just a gravel driveway and not bituminous. Discussion over MnDot paying for some. Hughes stated MnDot can't pay for anything outside of the right of way. Jacobson questioned if approval given, how soon could it be done. Blomer stated after doing utility locates, remove couple trees, and do grading. **Motion** by Krautkremer, seconded by Heidmann to pay for relocation of Gronholz driveway as indicated on drawing including removal of old driveway before winter. Further discussion: Jacobson questioned if any issue of being in the way of MnDot. Blomer stated no problem. Carried unanimously.

Heidmann stated the radius on the corner is tight and elevation is steep. Hughes stated it has to match into the right of way so that is what it is. Heidmann questioned if MnDot can work with elevation. Hughes stated yes if City wants to raise it we can do a notice of design change and if approved and paid for by the City prior to paving. Heidmann questioned if Mathiowetz can do

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this fall. Hughes stated any associated costs would be the City's share and come from the direction of the City. City would need to deal with the DNR and get a permit. Hallan stated we will talk with the DNR since our city road is currently located there and would be moving north away from DNR property. Heidmann stated this has been going on for months and as a City we are not staying on top of it. Kraus stated MnDot wasn't going to do this until 2017 so questioned if timeframe was moved forward. Hughes stated Mathiowetz was doing a design build as they went along. Blomer stated we were told by MnDot that we had this winter to work on and wasn't going to happen until spring. Hughes stated MnDot is willing to work with the City on this since the road will be gravel this year. Krautkremer stated it is to allow it to settle over winter. Hughes stated it will then be paved when southbound 371 is paved. Kraus stated the feasibility study will be done prior to then. Hallan stated yes. Heidmann questioned if feasibility study is for just for this area. Hallan stated the feasibility study if for the entire road length of Edna Lake Road. Jacobson stated we should direct the City Engineer to figure costs of raising the road. Hallan stated he will talk with Mathiowetz about this over the next 30 days to keep City options open. Heidmann stated he would like to be part of the discussion.

Roger Landers, Edna Lake Rd, stated the road was paved in the early/mid 1980s. Stated the audience is made up of Edna Lake Rd residents interested in the road assessment issue. Stated they are not petitioning the city via chapter 429, it is the City that is looking at repaving the road. Feels the City is putting the cart before the horse. Stated we would be the first residential road assessed in the City. Kraus stated Smiley Road was assessed and it has residents on it. Landers stated we should have a public hearing on road assessments before action is taken on issue. Stated they haven't been told enough on how this works and action was taken at September meeting to start the feasibility study. Jacobson stated it is just gathering data for now. Stated if City doesn't received petition of property owners or City proceeds with a 4/5 vote it doesn't proceed. Heidmann questioned why is the City spending \$4200 on feasibility study on Edna Lake Road when there isn't a property owner petition or a 4/5th vote by council. Hallan stated the Council ordered a feasibility study, then later in the process a 4/5 vote is required to initiate the assessment process. Stated once Council is presented with information, it then takes the 4/5 vote or a petition by property owners to proceed with project.

Krautkremer stated Edna Lake Rd was looked at to be redone as it is the second road on the road inventory needing to be done. The \$4200 will not be included/charged to the residents unless project goes through. We as a city have to look at maintenance costs and this process. If we are to proceed, notice is to be sent to all property owners for a public hearing. At that meeting, you can give your opinions. Stated if assessment proceeds 70% of the costs are covered by the levy.

Landers stated the City needs to let people know of the assessment policy and what is going to happen. Need better communication. Stated when he was on council, we didn't assess property owners as they budgeted enough in the levy. Blomer stated the \$8 to \$10 million is for the entire road system which Nisswa would not do all at once. Landers stated the road committee met and discussed road standards and assessments with no documents on how to proceed. Questioned

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how abutting properties such as Teal Drive and Parkway Drive work into the assessment. Feels source of funding should be increasing the levy as sales tax takes too long and difficult to get. Would like City Council to rescind the motion from last month to do the feasibility study.

Jacobson stated that would be just kicking the can down the road and it will catch up to the City. We currently have around \$300,000 in the budget every year for roads of which $\frac{3}{4}$ pays for existing bonds. Stated lots of cities use assessment policies and does not think we should rescind what we have done. Kraus stated for 2017, \$219,000 is for bond principal and \$20,000 is for interest which leaves \$40,000 for road investment revenue. Stated we also spend that much per year on maintenance. Stated primary purpose of assessment policy is to have plan for the future. 429 does not state every project has to be assessed as each project is dealt with individually. Landers questioned why not increase the streets budget. Kraus stated it was discussed during budget talks. Krautkremer stated roads will be assessed but city will look at each road individually as there are differences such as bridges, wetlands, etc. Stated when city does his road, he would be assessed. People who live on a county road won't be but they pay 70% of road costs thru the levy and may never drive on a city road. Stated the benefit of a new road is curb appeal. Discussion of assessments being over the life of the bond. Blomer stated rough estimates would be around \$3,000 per parcel. Johnson stated any numbers are premature for now. Blomer stated the numbers that have been floating around have been inflated. Heidmann stated he hasn't heard anybody say they are against the assessments, just the policy should be revisited and allow citizens time and study all options. Jacobson stated since no project has been set, if people have ideas they should submit them. Heidmann stated we are spending \$4200 on a study with no interest by people on the road. Johnson stated says who. Krautkremer stated the feasibility study is to see how much it would all cost.

Ann Bliss, Edna Lake Rd, stated she is confused when pocket park was built if the City paid for. Thought it wasn't supposed to cost the city money. Krautkremer stated the pocket park is not the Nisswa Lake Park. That park wasn't to use levy dollars. Stated he isn't in favor of the cost of the pocket park but that was the prior administration. Recommended citizens come to council meetings to be informed and personal responsibility comes into this. Johnson stated agendas are published and all council meetings are public. Jacobson stated there are things we can do to better inform the public, but a lot of people just don't care about city government. Stated it is up to the public to be involved. Heidmann stated if you listen to the tapes, there were no substantial information on assessments.

Raymond Stimac, Edna Lake Rd, stated his concern is the radius of the curve on Edna Lake Road and would like it adjusted. Heidmann stated MnDot stated they are willing to look at elevation and radius change if City is willing to do their part and move street to the north. Also feels we should hold off on accepting the frontage road from MnDot until we are sure it won't sink into the wetland.

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Jeff Schlab (sp?) questioned what happens to the road budget with the expansion of the road. Blomer stated the additional few hundred feet of Edna Lake Road won't be a significant increase as we currently maintain over 30 miles of city roads.

Jacobson called for a 5 minutes recess. Recess

Suzanne Antinago (sp?), Edna Lake Road, suggested the City call a big meeting for all citizens to discuss road assessments. Stated DNR should give us space on the curve and suggested the feasibility study should be broken into two sections: one for the whole road, and one for the hill.

APPROVAL TO HIRE NEW POLICE OFFICER

(Handled under staff reports)

~~**OUTDOOR MOVIE EQUIPMENT FOR MOVIES IN THE PARK**~~

BOCCE BALL COURTS AT PICKLE FACTORY

Wallin stated that Timberjack has 17 teams that play for 14 weeks and teams want to play at the Pickle. Each team would pay \$140 for team sponsorship. Still working on where to place the courts as they are 11' x 44' long. Jacobson questioned who will maintain courts. Hondl stated the parks department would do maintenance of the bocce ball courts. **Motion** by Heidmann, seconded by Johnson to table until Wallin brings forward further information.

PAY INCREASES FOR SPIRITS AND PICKLE STAFF

Farrell stated he emailed the suggested pay increases for his staff at Spirits trying to close the gap before January. Stated he worked it into conforming with the Springsted study. Would like it to take affect the first payroll in November until the budgeted 3% increase after the 1st of the year. **Motion** by Krautkremer, seconded by Heidmann to approve the pay increases for Spirits employees as presented in the manager's suggested column. Carried unanimously.

Wallin stated he would like the pay increases as presented on his memo in the hourly goal column. **Motion** by Jacobson, seconded by Heidmann to approve the pay increase for Pickle staff as presented in the hourly goal column effective the first payroll in November understanding the budgeted increase of 3% after January 1st. Carried unanimously.

SET DATE TO CERTIFY ELECTION RESULTS

Hemish stated we can do this during the regular council meeting in November. **Motion** by Heidmann, seconded by Jacobson to certify the election results during new business at the regular November council meeting. Carried unanimously.

CLOSED MEETING – REVIEW CONFIDENTIAL APPRAISAL DATA AND DEVELOP/CONSIDER PURCHASE OF PROPERTY

Motion by Heidmann, seconded by Krautkremer to close the meeting to develop or consider an offer for the purchase of the Spirits store property. Carried unanimously.

Options were discussed. Committee formed. Qualley reminded Council all offers must be approved by the Council as a whole.

Motion by Jacobson, seconded by Johnson to go out of closed session and into the open meeting. Carried unanimously.

Hemish indicated there is recording problems but got it going again. All council was present along with Qualley, Farrell, Wallin, and Hemish during the closed meeting.

OLD BUSINESS

COUNCIL REPORTS

Jacobson questioned email received from Bobergs on delinquent sewer letter. Hemish stated she believe Wentler discussed issue with Bobergs.

Heidmann questioned Krautkremer and Johnson as public works liaisons if they have followed up on ditching work to be done on West Linden as indicated by Blomer. Kraus stated Blomer has had discussions with residents there. Heidmann stated no work has been done yet.

ANNOUNCEMENTS

Motion by Jacobson, seconded by Krautkremer to adjourn. (meeting adjourned at 9:50 PM)

Harold Kraus, Mayor

Laurie Hemish, Clerk