

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES**

**APRIL 23, 2008**

**1. CALL TO ORDER**

Mayor Don Orrock called the meeting to order at 7:00 p.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**3. ROLL CALL**

Council Members present: Dick Backlund, Chuck Heitz, Lori Kampa, Patricia May, and Don Orrock. Also present: City Administrator Scott Johnson, Finance Director Corey Boyer, Community Economic Development Director Jim Thares, Building Official Sam Rudd, City Clerk Gina Wolbeck, Senior Planner Katie Larsen, Public Works Director Mike Goebel, Police Chief Sean Rifenberick, Fire Chief Tony Eisinger, City Attorney Soren Mattick of Campbell Knutson, and City Engineer Brad DeWolf and Jared Voge of Bolton & Menk, Inc.

**4. OPEN FORUM**

Mayor Orrock opened the Open Forum at 7:01 p.m. No one came forward. Mayor Orrock closed the Open Forum at 7:02 p.m.

**5. PROPOSED AGENDA**

Council Member Heitz motioned to adopt the proposed Agenda with the addition of Item No. 12B – Continuation of Closed Session to consider allegations against Big Lake Police Officer Mark Pearson (MS 13D.05, subd. 2). Seconded by Council Member Kampa, unanimous ayes, agenda adopted.

## **6. CONSENT AGENDA**

Council Member Kampa motioned to approve the Consent Agenda with the removal of item 6L for separate consideration. Seconded by Council Member May, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Board of Review Meeting Minutes of April 9, 2008, 6B) Approve Regular Council Meeting Minutes of April 9, 2008, 6C) Approve Demolition Bids for the Property located at 100 Eagle Lake Road North, 6D) Approve Resolution No. 2008-30 authorizing preparation of Feasibility Report for the Big Lake Industrial Park East Expansion Improvements, 6E) Approve Appointment of Katrine Nau to the Big Lake Parks Advisory Board, 6F) Set a Special Council Meeting on May 7, 2008 at 6:30 p.m. for the review of the Feasibility Report for the Big Lake Industrial Park East Expansion Improvements, 6G) Approve Excluded Bingo and Raffle for the Big Lake Spud Fest Celebration Scheduled on June 26 – 29, 2008, 6H) Approve 1 – 4 Day Temporary on-sale Liquor License to Big Lake Spud Fest, Inc., 6I) Approve Use of the Big Lake Fire Station for the 2008 Spud Fest Fireworks Display, 6J) Approve Park Advisory Committee Recommendations, and 6K) Accept Notice of Termination/Resignation of Probationary Fire Fighter.

6L) Authorize Removal of Signage Equipment/Components from the property located at 100 Eagle Lake Road North

Council Member Heitz motioned to direct staff to work with persons interested in reusing/recycling building materials from the commercial property located at 100 Eagle Lake Road North. Seconded by Council Member Kampa, unanimous ayes, motion carried.

## **7. BUSINESS**

### **7A. PUBLIC HEARING – Marketplace Inn, LLC Abatement Agreement and Business Subsidy Request**

Corey Boyer reviewed the proposed Abatement Agreement for the Marketplace Inn, LLC project. The project is a 34-unit hotel located in the Marketplace Development. The proposed Abatement consists of a five year term with an annual look-back to ensure that subsidies are only being provided if necessary. The amount of tax abatement being offered over five years equals the amount of city property taxes paid related just to the improved parcel. The City property taxes from the existing land are not being abated. The expected first year abatement will be approximately \$12,000 with the amount increasing along with increases to the assessed property value. The Abatement Agreement does cap the total amount of abatement at \$75,000.

Mayor Orrock opened the Public Hearing at 7:07 p.m. No one came forward.

Council Member Kampa motioned to close the Public Hearing at 7:08 p.m. Seconded by Council Member May, unanimous ayes, motion carried.

Council Member Heitz motioned to approve Resolution No. 2008-31 approving property tax abatements and authorizing execution of a Tax Abatement Agreement for Marketplace Inn, LLC. Seconded by Council Member Kampa, unanimous ayes, motion carried.

#### **7B. Marketplace Inn, LLC Request for Assessment of SAC/WAC**

Corey Boyer reviewed the request submitted by Marketplace Inn, LLC for assessment of water and sewer charges for the 34-unit hotel proposed in the Big Lake Marketplace Development. The total WAC/SAC is estimated at \$92,860 which is based on the City's access unit calculation criteria of 1 SAC and 1 WAC per 2 hotel rooms with the WAC capped at 5 units. The developer has requested that the fees be assessed over a ten-year period. Mr. Boyer noted that previous assessment requests were termed over a three to five year period.

Jim Brown from Big Lake Marketplace, LLC noted that if the precedence for assessments have been five-year terms, they would not have a problem with a five-year assessment period versus a ten-year. Mr. Brown also reviewed the proposed timeline for their project and indicated a possible occupancy date of October or November 2008.

Council Member Heitz motioned to authorize staff to finalize an Assessment Agreement for the assessment of SAC/WAC charges for the Marketplace Inn, LLC project over a five year period. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7C. PUBLIC HEARING – Humbolt Drive Easement Vacation**

Soren Mattick reviewed the Easement Vacation Resolution which would vacate a portion of the right-of-way along Humbolt Drive. This vacation would clean-up the portion of the right-of-way that is no longer being used by the City in exchange of the adjacent property owner dedicating land for Humbolt Drive.

Mayor Orrock opened the Public Hearing at 7:13 p.m. No one came forward.

Council Member May motioned to close the Public Hearing at 7:14 p.m. Seconded by Council Member Kampa, unanimous ayes, motion carried.

Council Member Kampa motioned to approve Resolution No. 2008-32 providing for the vacation of easement property located adjacent to the Humbolt Drive Subdivision and accept the revised road right-of-way along Humbolt Drive. Seconded by Council Member Backlund, unanimous ayes, motion carried.

#### **7D. Adopt-A-Highway/River Program Discussion**

David Schrieber provided information relating to the MnDOT Adopt-A-Highway program and the MnDNR Adopt-A-River program. These programs are public service programs for volunteers to pick up litter along Minnesota's highways and waterways. Mr. Schrieber asked for Council feedback on all City Committee's working together to improve the community and felt that a joint cooperative effort would offer good exposure for the committee's. Council felt that this type of project would be beneficial to the community.

Council Member Kampa motioned to direct staff to contact the MnDOT and the MnDNR to seek program information and applications for these types of programs for the committees to work together on. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7E. Big Lake Homes Concept Plan Review**

Katie Larsen reviewed the development application for the Big Lake Homes proposed project submitted by Heritage Development of Minnesota, LLC and Duffy Development. The site is located in the Wrights Crossing Third Addition Development and would consist of construction of 36 townhomes in four buildings with underground parking and private entrances. Some staff concerns with this concept include: 1) Chapter 1040 of the Big Lake City Code does not allow for more than eight attached townhome units if constructed back-to-back. This proposal indicates two building units with ten attached back-to-back townhomes; 2) Lack of adequate emergency access to the southwest building, 3) An amendment would be required to the Wrights Crossing Third Addition Preliminary PUD and a Preliminary and Final Plat would be required, 4) Design of the internal street would need to be reconfigured to meet City standards, 5) Concern with pedestrian traffic, and 6) Consideration of all the City Engineers comments. The Sherburne County Public Works Department responded with concerns relating to access to the Sanford parcel located in the northeast quadrant of the site. The Big Lake Economic Development Authority has stated concern with the location of this type of development in the proximity of the Transit Oriented Development area. The Big Lake Park Advisory Board has recommended that park fees be required versus dedication of land. Discussion was held at the EDA Meeting about the possibility of Board Members touring one of the developers recent developments to see the quality of their projects.

Jeff Vonfeldt from Duffy Development reviewed their company's history and noted that they do control the area designated as the future phase. They are prepared to make changes to the number of units to accommodate required handicap accessible units which change the design from 10 unit structures to 9 unit structures. Mr. Vonfeldt indicated that the future transit line, good employment opportunities/schools, and growth potential drew them to the Big Lake area. Mr. Vonfeldt also reviewed potential waivers they would attempt to obtain from the City which could include fee waivers, variance requests, TIF, Tax Abatement, and

Loans/Grants. Council questioned what benefit the City would get for providing these types of waivers. Mr. Vonfeldt responded that the City would get housing that will support City services and businesses.

Council discussed the need for market rate rental properties in the Big Lake area but that a different location would be better suited for this type of project. Council expressed an interest in touring a recent project similar to the proposed Big Lake project.

Council Member Kampa motioned to set a Council Gathering for a tour of a Duffy Development Project site on Tuesday, April 29, 2008 at 3:30 p.m. Seconded by Council Member Heitz, unanimous ayes, motion carried.

#### **7F. Briggs and Morgan Request for Informed Consent**

Corey Boyer reviewed the Informed Consent request submitted by Briggs and Morgan who will be representing Xcel Energy in its negotiations with the City on a Franchise Agreement. Briggs and Morgan represent the City as bond counsel, assisting with the legal requirements associated with the various debt issues for the City. Mr. Boyer noted that while it does not appear to be a direct conflict with Briggs and Morgan representing Xcel on a franchise agreement with the City, and also representing the City on upcoming debt issues, this could be considered an uncommon request. Mr. Joel Jamnik from Campbell Knutson provided an Opinion on this issue. Mr. Jamnik has been representing the City in its negotiations with Xcel Energy on a franchise agreement. In Mr. Jamnik's Opinion Statement, he states some concerns about the nature of the City/Xcel relationship, but also see's bond work done by the firm for cities is relatively limited and project specific, so direct conflicts are not as likely to occur. Soren Mattick reviewed Mr. Jamnik's Opinion and noted that Briggs and Morgan has done good work for the City on past projects and that Council should be aware that there will be some negotiations with Xcel relating to the Franchise Agreement.

Council Member Heitz motioned to authorize the Mayor and City Administrator to execute the Briggs and Morgan Informed Consent Form. Seconded by Council Member Kampa, vote passed with a vote of 4:0 with 1 abstention with Council Members Backlund, Heitz, Kampa, an May voting aye, and Mayor Orrock abstaining.

#### **7G. Big Lake Industrial Park East Expansion Concept Plan and Preliminary Plat Review**

Katie Larsen reviewed the planners report for the Concept Plan and Preliminary Plat applications submitted by the Big Lake Economic Development Authority (BLEDA). The 38.4 acre parcel is an expansion the City/Township existing Big Lake Industrial Park East. The BLEDA has purchased the site from Bruggeman Properties and the City and

Township, through a joint powers agreement, are leasing the property from the BLEDA. The site is currently zoned as I-1 which allows for industrial development and all conditions of easements, setbacks, lot size and lot width are being met. Ms. Larsen noted that a formal site and building plan review will be required for each individual lot development. The Concept Plan identifies three buildable lots proposed in Block 1 and seven buildable lots proposed in Block 2. Ms. Larsen indicated that the average lot size in the development is approximately 2.5 acres and that Outlot B, Block 2, is being established for a City well.

Council Member Kampa motioned to approve Resolution No. 2008-33 approving the Preliminary Plat for the Big Lake Industrial Park East Expansion Project. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7H. Project Status Report – City Engineer**

Brad DeWolf reviewed the April Engineers Report.

#### **8. LIST OF CLAIMS**

Council Member Kampa motioned to approve the List of Claims ranging from Check No.53421 through Check No. 53516. Seconded by Council Member May, unanimous ayes, motion carried.

#### **9. ADMINISTRATOR'S REPORT**

No report given.

#### **10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS**

Council Member Backlund: Discussed comments he has received on the condition of the Big Lake Fire Hall concerning water leaks, water problems, and flooring issues. Tony Eisinger reviewed efforts of staff and Fred Patch to correct any existing issues.

Council Member Heitz: Provided an update on the April EDA Meeting.

Council Member Kampa: Asked Public Works Director Mike Goebel to contact Sherburne County to request pedestrian crosswalk signage at the intersection of Minnesota Avenue and Eagle Lake Road North. Council Member Kampa also informed Council of the Mock Crash that will be conducted at the High School on April 30<sup>th</sup> from 8:30 a.m. to 10:30 a.m.

Mayor Orrock: Reminded Council of the event scheduled at the Sherburne History Center on April 30<sup>th</sup> at 3:30 p.m.

Council Member May: Discussed the April Parks Advisory Board Meeting.

## **11. OTHER**

Mayor Orrock recessed the regular session at 8:25 p.m. to go to Closed Session for item 12A) Attorney/Client Privilege allowed under MN Statute 13D.05, subd. 3b, and item 12B) Continuation of Closed Session to consider allegations against Big Lake Police Officer Mark Pearson (MS 13D.05, subd. 2). Seconded by Council Member Heitz, unanimous ayes, motion carried.

## **12. CLOSED SESSION**

### **12A. Attorney/Client Privilege**

Council Members present: Dick Backlund, Chuck Heitz, Lori Kampa, Patricia May, and Donald Orrock. City Staff present: City Administrator Scott Johnson, Police Chief Sean Rifenberick, City Clerk Gina Wolbeck, and City Attorney Soren Mattick from Campbell Knutson, P.A.

Soren Mattick updated Council on pending litigation involving a City employee. No action was taken by Council.

### **12B. Continuation of Closed Session to consider allegations against Big Lake Police Officer Mark Pearson**

Item 12B was not discussed during this portion of the Closed Session.

Council Member Heitz motioned to close the Closed Session and reconvene the regular meeting at 9:29 p.m. Seconded by Council Member Kampa, unanimous ayes, motion carried.

Council Member Kampa motioned to bring to vote approval of Option B and authorization for the Mayor and City Administrator to execute a Separation of Employment Agreement with Big Lake Police Officer Mark Pearson. Seconded by Council Member May. Mayor Orrock asked for a Roll Call Vote. Heitz voted aye, Kampa voted aye, Orrock voted aye, May voted aye, and Backlund voted aye. Motion carried.

**13. ADJOURN**

Council Member Kampa motioned to adjourn at 9:30 p.m. Seconded by Council Member May, unanimous ayes, motion carried.

\_\_\_\_\_  
Clerk

Date Approved By Council \_\_\_\_\_