

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES**

**MAY 9, 2007**

**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, Building Official Sam Rudd, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, City Attorney Soren Mattick of Campbell Knutson, City Engineer Brad DeWolf and Jared Voge of Bolton & Menk, Inc., City Planner Nate Sparks of Northwest Associated Consultants, Inc. (NAC), Consultant Building Official Fred Patch of Northwest Inspection Services, and City Land Attorneys Mike Couri and Bob Ruppe from Couri, MacArthur, & Ruppe.

**4. OPEN FORUM**

Mayor Orrock opened the Open Forum at 7:01 p.m.

Bruce Pfeffer – 1351 Isanti Street; Asked Council to consider holding property surveys permanently in residents building files. Also encouraged residents to voice their concerns during the Open Forum portion of Council Meetings.

County Commissioner Ewald Petersen updated Council on County Board activity. Commissioner Petersen provided an update on the CR 81/CR 17 Improvement project and indicated the project will start in June 2007 and is slated to be completed by the end of 2007. Commissioner Petersen also discussed the possibility of local Boards approving a Resolution of Support for future improvements to CR 43 south in preparation of the North

Star Commuter Rail. Discussion was also held on potential ATV Ordinances that could impact public rights of way in the Township, and Commissioner Petersen informed Council that the County will be constructing a new County public works facility in Becker.

Mayor Orrock closed the Open Forum at 7:14 p.m.

## **5. PROPOSED AGENDA**

Council Member Kampa motioned to adopt the proposed Agenda. Seconded by Council Member May, unanimous ayes, agenda adopted.

## **6. CONSENT AGENDA**

Council Member Heitz motioned to approve the Consent Agenda with the removal of item 6A for separate consideration. Seconded by Council Member Kampa, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6B) Approve Lawful Gambling Renewal Resolution No. 2007-46 for the Sno-Cruisers at Trails Grill & Sports Bar, 6C) Accept Volunteer Reserve Officer Resignations, 6D) Accept Police Officer Resignation, 6E) Approve Development Contract Addendum "A" for Norland Park, 6F) Authorize Use of Lakeside Park for the Third Annual Chad Judge "Fishing for Scholarship" fishing tournament on Saturday, August 25, 2007, 6G) Set Special Council Gathering for Options, Inc. Open House on May 23, 2007, 6H) Approve Pay Increase for City Administrator, 6I) Approve Therapeutic Massage License Resolution No. 2007-47 for Jamie Perry, 6J) Set Monthly Meeting Dates for Joint Planning Meetings to be held the Fourth Wednesday of each month at 5:00 p.m., and 6K) Set Joint Council/Planning Commission Meeting on Wednesday, June 6, 2007 at 6:00 p.m. in the City Council Chambers.

6A) Approve Regular Council Meeting Minutes of April 25, 2007

Mayor Orrock asked that Joint Powers Board references be changed to Joint Planning Board as that was the direction of the Council. Clerk Wolbeck indicated that the changes would be made as requested.

Mayor Orrock motioned to approve the Council Minutes of April 25, 2007 with changes as discussed. Seconded by Council Member Kampa, unanimous ayes, motion carried.

## **7. BUSINESS**

### **7A. Trails Grill & Sports Bar SAC Calculation Discussion**

Corey Boyer discussed water usage for the first quarter of 2007 calculated at Trails Grill & Sports Bar. Total usage for the quarter equaled 164,820 gallons which totals 13 SAC units.

Mr. Boyer explained that historically, the initial calculation of SAC units charged to a restaurant has been based on seating capacity with one SAC unit for every 8 seats in a full-service restaurant and 22 seats in a fast food restaurant. Mr. Boyer indicated that staff is not recommending changing the process for calculating SAC units for restaurants, but is recommending an adjustment to the number of seating criteria to more accurately reflect the level of water usage. Staff is recommending the initial SAC unit criteria change to 15 seats for full-service and 25 seats for fast-food restaurants. Staff is also recommending refunds/abatements of assessments for SAC units charged for restaurants that have recently come into the City for Trails Grill & Sports Bar- Abatement of \$18,525 in SAC units assessed in 2008; Victory Sports Grill & Bar – Abatement of \$55,700 in SAC units to be assessed for 2007 and 2008; King Buffet – Refund of 2 SAC units totaling \$8,400; Log Cabin Café – No refund as change in SAC criteria would not impact this establishment; and Fugi's Pizza - No refund as change in SAC criteria would not impact this establishment. Council requested that the SAC usage at the Log Cabin Café and Fugi's Pizza be re-evaluated to ensure usage. Council also requested that the initial SAC unit criteria have a minimum of 2 SAC units for all restaurants.

Council Member Heitz motioned to approve the identified assessment abatements and/or refunds for Trails Grill & Sports Bar, Victory Sports Grill & Bar, and the King Buffet and directed staff to re-evaluate SAC usage at the Log Cabin Café and Fugi's Pizza. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Council Member May motioned to approve a change to the SAC criteria initial calculations to 15 seats for full-service restaurants and 25 seats for fast-food restaurants with a minimum of 2 SAC units for all restaurants. Seconded by Council Member Kampa, unanimous ayes, motion carried.

#### **7B. 206 Montana Avenue Basement Excavation Discussion**

Sam Rudd discussed the single family residence located at 260 Montana Avenue which was destroyed by fire with the exception of the 8-foot deep concrete basement foundation. Mr. Rudd indicated that the basement has only been partially fenced with plastic snow-fence material and that the excavation is unsafe and is considered a blight to the neighborhood. Mr. Rudd explained that staff contacted the owner of the property in May 2007 and requested that the site be cleaned up, make the fencing around the basement area safe, and determine his intentions for the basement. The owner, Tim Smith, has indicated that he has a potential investment buyer for the property.

Council discussed the need to have another structure built as the parcel is located in a Tax Increment Financing District.

Council Member Kampa motioned to approve a letter be sent to the property owner encouraging submittal of a building permit and to require more adequate fencing around the site and notification that if the requested actions are not taken in an appropriate amount of time, that the City will consider Hazardous Abatement Action per Minnesota Statute 463. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7C. Sterling Drive Speed Zone Study Discussion**

Brad DeWolf discussed a request from a resident for the completion of a Speed Study on Sterling Drive from Lake Ridge Drive to Highline Drive. Mr. DeWolf explained that if the results of the Speed Study conducted along the roadway indicate higher speeds than those which are currently posted, the existing 30 mph speed limit along Sterling Drive would likely remain the same.

Council Member Heitz motioned to direct staff to contact the Minnesota Department of Transportation to request a speed study be conducted on Sterling Drive from Lake Ridge Drive to Highline Drive. Seconded by Council Member Kampa, unanimous ayes, motion carried.

#### **7D. I-1 and I-2 Ordinance Amendments**

Nate Sparks reviewed the planners report for the proposed Industrial Zoning Districts Ordinance Amendments. The amendments would include correcting an error in referencing Preusse Lake instead of all shoreland areas in I-1 District, clarifying the outdoor storage accessory use requirements in the I-2 District, creating a standard limiting the amount of outdoor storage to 3.5 square feet for every square foot of building footprint in the I-2 District, and to remove references specific to the location of the Big Lake Industrial Park East from the I-1 District. Mr. Sparks explained that the City Council originally directed staff to use a 2:1 floor area ratio, and that the Planning Commission has recommended 3.5:1. The EDA and Planning Commission have also recommended that an Interim Use Permit be required rather than a Conditional Use Permit.

Council Member Heitz motioned to approve Ordinance No. 2007-04 approving an Ordinance Amendment to Chapter 10, sections 1060.07, 1061.05, and 1061.06 of the Big Lake Zoning Ordinance concerning Industrial District Standards for Shoreland districts and outdoor storage. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Council Member Kampa motioned to approve Resolution No. 2007-48 approving summary publication of Ordinance No. 2007-04. Seconded by Council Member May, unanimous ayes, motion carried.

**7E. Consider Date for “Tour of the Lakes” Workshop**

Scott Johnson informed Council that staff has obtained a commitment from a Lakes Association Member to provide boat transportation for the upcoming “Tour of the Lakes” Workshop. Council discussed possible dates/times for the Workshop, and staff explained that no Council action will take place at this Workshop.

Council Member Heitz motioned to set a Council Workshop Date on Wednesday, June 6, 2007 at 4:00 p.m. for a boat tour of Big Lake and Lake Mitchell. Seconded by Council Member Kampa, unanimous ayes, motion carried.

**8. LIST OF CLAIMS**

Council Member Kampa motioned to approve the List of Claims ranging from Check No.50761 through Check No. 50862 with the removal of check numbers 50844 and 50861 for separate consideration. Seconded by Council Member Heitz unanimous ayes, motion carried.

Council Member Kampa motioned to approve payment of Check No. 50844 payable to Shirlee Heitz in the amount of \$248.30 for a refund of overpaid water and sewer charges. Seconded by Council Member May, vote passed with a vote of 4 to 0 with 1 abstention with Council Members Backlund, Kampa, May, and Orrock voting aye and Council Member Heitz abstaining. Motion carried.

Council Member Backlund questioned the amount being paid to Northwest Inspection Services and if it would be more feasible to hire a full-time person in place of using a consultant. Council Member Backlund also stated his concern with Fred Patch being the project manager and the inspector for City facility projects. Mayor Orrock reviewed the history of when the City contracted with Northwest Inspection Services and explained that using a consulting firm allows the City to cut back on staff hours during slow times.

Council Member Heitz motioned to approve payment of Check No. 50861 payable to Northwest Inspection Services in the amount of \$26,514.94 for code enforcement supplies, contract fees for plan review and building department staffing, and consulting fees for the Lake Shopping Center and Fire Department expansion projects. Seconded by Mayor Orrock, vote passed with a vote of 4 to 1 with Council Members Heitz, Kampa, May, and Orrock voting aye and Council Member Backlund voting nay. Motion carried.

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

Due to apparent confusion which was brought to staff's attention regarding rates charged by the consultant building inspections firm Northwest Inspection Services, Administrator Johnson asked Corey Boyer to clarify the City's contract rates with Northwest Inspection Services. Administrator Johnson also invited Fred Patch from Northwest Inspection Services to provide consulting service information to Council. Mr. Patch provided a history of the building inspections department and reviewed his company's responsibilities within that department. Northwest Inspection Services provides commercial and industrial plan review and inspections for all businesses located in the City, project and construction management for City facilities, provides blight control services and assists with redevelopment projects. They also provide staff to assist regular City staff in day to day duties on an as needed basis. Mr. Patch explained that the City has hired three full-time building inspectors from his company over the last seven years. Two of those inspectors are current employees of the City. Mark Lucht is the most recent employee of Northwest Inspection Services and the City has cut back on his hours due to a lag in building permits. Council Member Backlund questioned Mr. Patch as to why he fired Mr. Lucht after a family member contacted an elected official. Mr. Patch stated that Mr. Lucht's employment is with his company and doesn't feel that he should discuss the specifics of Mr. Lucht's employment status, but did clarify that Mr. Lucht is a great inspector and that he has indicated a need to seek full-time employment. Mayor Orrock asked Mr. Patch what his contract rate of pay is for his construction manager duties compared to a normal contractor. Mr. Patch indicated that a construction manager hired would cost the City approximately 10% of the actual construction costs and that his contracted amount is 4.5% of the actual construction costs. Council discussed possible conflicts of interest that Mr. Patch could have and Mr. Patch explained that he has no financial interest in the City projects other than his contracted compensation, and that he does not charge a plan review fee for these projects even though he would be entitled to. Mr. Patch identified that his goal is to provide the best possible project for the City at a fair price. Council Member Heitz questioned the status of the current projects under contract with Northwest Inspection Services. Mr. Patch reviewed each project and explained that the Lake Shopping Center project is substantially complete and is under budget, the fire hall expansion project is substantially complete and is on budget, and the public works expansion has just begun. Mr. Patch reviewed the building department staff roles and indicated that Sam Rudd is a certified Building Official whose main duties include administration of the department and residential plan review with limited commercial inspection duties. Greg Hamman's main function is to provide residential inspection services. Council thanked Mr. Patch for presenting information relating to the building department.

Corey Boyer informed Council that it has been brought to staff's attention that there have been omissions made on the City's quarterly fire billings to Big Lake Township resulting in significant dollars being owed to Big Lake Township. The Joint Fire Protection Agreement

with Big Lake Township requires that all expenses and revenues be split 50/50 between the two entities. Orrock Township contracts with the fire department for fire coverage for certain sections of their township. For this service, Orrock Township pays a contracted amount to the fire department. As part of the Joint fire agreement, this payment is to be split evenly between the City of Big Lake and Big Lake Township which was being done up until 2003. During the contract renegotiation period in 2003, there was a year-long lag between payments from Orrock Township as the contract extension was finalized. When payments resumed, those payments were omitted by mistake from quarterly billings to Big Lake Township. Staff has been in contact with Big Lake Township and the two entities have worked through the numbers identifying a total amount due of \$132,891.19 to Big Lake Township. This amount is half of the amount the City received from Orrock Township over the last four years. The funds will come from the City's General Fund as Fire Protection Services Revenue is accounted for in the City's General Fund unreserved fund balance. Council questioned why this type of error wasn't found during any of the audits. Mr. Boyer explained that the City's annual financial audit does not get to that level of detail and that staff is implementing measures to help ensure that all expenditures and all revenues will be accounted for in the quarterly billings that will be sent to Big Lake Township.

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

Council Member Backlund: Discussed concern's from McPete's Sports Bar & Lanes of the requirement for administrative permits when they already have an annual permit. Clerk Wolbeck informed Council that the annual permit that has been issued to McPete's is for their annual sign permit, not for outdoor events that require a temporary use permit. Jim Thares informed Council that he has met with the owner of McPete's and has provided information relating to their concerns. Council directed staff to include permitting requirements on a future Council Workshop Agenda for further discussion.

Council Member Heitz: Reviewed the recent Northstar Corridor Development Authority meeting and discussed the need for having improvements constructed on CR 43 south in order to meet the demands of the future North Star Commuter Rail. Council directed the City Engineer to contact Sherburne County to schedule a meeting to discuss potential improvements to this area. Council Member Heitz also asked for clarification from staff on survey requirements for building permits relating to Mr. Pfeffer's comments during Open Forum. Mr. Thares discussed the City's process for collecting survey's and Mr. Patch explained that it was a policy decision of the Council to require survey's and as-built survey's for particular permits. Sam Rudd explained that land survey's were not required for new construction in the 1990's which has caused problems with current requirements. Council directed staff to contact Mr. Pfeffer to discuss his concerns.

Council Member Kampa: Questioned if the proposed joint planning between the City, Township, and Sherburne County would work with the TOD Committee so that efforts aren't duplicated. Council directed staff to contact Sherburne County to discuss joint planning efforts. Council Member Kampa also requested that staff contact MNDOT to have the asphalt patched at the intersection of Highway 10 and CR 5.

Mayor Orrock: Briefly reviewed the May Cable Commission Meeting that the City Administrator attended.

Council Member May: Asked that the parcels located south of McDonald's be cleaned up and that the property owners mow their sites. Council Member May also directed staff to provide a press release to the local media and the City newsletter on regulations for recreational fires.

## **11. OTHER**

Council Member Heitz motioned to recess the regular session at 9:01 p.m. to go to Closed Session for Attorney/Client Privilege allowed under MN Statute 13D.05, subd. 3b for the City land attorney to discuss annexation information.

## **12. CLOSED SESSION - Attorney Client Privilege**

Closed Session discussion began at 9:07 p.m. City Land Attorneys Mike Couri and Robert Ruppe discussed the status of the Intent to Annex Notice filed by the City of Monticello and reviewed the draft Transportation Committee Resolution. No action was taken by the Council during Closed Session.

Council Member Kampa motioned to close the Closed Session and reconvene the regular meeting at 10:15 p.m. Seconded by Council Member May, unanimous ayes, motion carried.

Council Member Heitz motioned to approve Resolution No. 2007-49 approving a Transportation Committee Agreement between the City of Big Lake, Big Lake Township, and the City of Monticello. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Council Member Heitz motioned to amend his motion to include "contingent upon Attorney review". Amendment motion seconded by Council Member Backlund, unanimous ayes, motion carried.

**13. ADJOURN**

Council Member May motioned to adjourn at 10:17 p.m. Seconded by Council Member Kampa, unanimous ayes, motion carried.

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Clerk

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