

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
MAY 25, 2005**

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: Chuck Heitz, Lori Kampa, Duane Langsdorf, and Don Orrock. Council Members absent: Patricia May (arrived at 7:13 p.m.). Also present: City Administrator Patrick Wussow, Assistant City Administrator Scott Johnson, Finance Director Corey Boyer, Community Economic Development Director Jim Thares, City Clerk Gina Wolbeck, City Attorney Matthew Brokl of Campbell Knutson, City Engineer Brad DeWolf and Jared Voge of Bolton & Menk, Inc., Financial Consultant Shelly Eldridge of Ehler's & Associates, and City Planner Nate Sparks of Northwest Associated Consultants, Inc. (NAC).

4. OPEN FORUM

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

Mailei Soare representing the Big Lake Sno Cruisers addressed Council with a request to be placed on the agenda for consideration on their gambling license. Mayor Orrock informed Ms. Soare that the item would be added at the end of the Regular Business Agenda.

Mayor Orrock closed the Open Forum at 7:03 p.m.

5. PROPOSED AGENDA

Council Member Heitz motioned to adopt the proposed Agenda with the addition of item 7I – Hillside Heights Development Applications, and item 7J – Class A Charitable Gambling License for the Big Lake Sno Cruisers at Jim's Bar. Seconded by Council Member Langsdorf, unanimous ayes, agenda adopted.

6. CONSENT AGENDA

Council Member Kampa motioned to approve the Consent Agenda with the removal and tabling of item 6D – Approve Variance Denial of 991 Lakeshore Drive. Seconded by Council Member Langsdorf, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Regular Meeting Minutes of May 11, 2005; 6B) Approve List of Claims; 6C) Approve \$2,000 Donation Resolution #2005-58 to the Big Lake Fire Department from the Eddy Family Foundation; 6E) Approve Sweetwater Bend 1st Addition Final PUD/Plat Resolution #2005-59; 6F) Approve Demolition Bids for 170 Lake Street South, and 120 Eagle Lake Road North; 6G) Approve Assessment Reduction for 1101 Lakeshore Drive, and 6H) Authorize the Fire Department to Seek Bids on a 3,000 Gallon Tanker Truck.

7. BUSINESS

7A. PUBLIC HEARING – Establishment of TIF 2-4 and 2-5

Shelly Eldridge from Ehler's and Associates reviewed the proposed new Tax Increment Financing Districts 2-4 and 2-5 for the proposed projects in the Big Lake Industrial Park East. Ms. Eldridge also reviewed the resolutions for Council consideration and identified that the Interfund Loan resolutions would provide the necessary funding source to cover any negative fund balances that may occur in the new districts before tax increment is generated.

Mayor Orrock opened the public hearing at 7:12 p.m. No one came forward. Mayor Orrock closed the public hearing at 7:13 p.m.

Council Member Patricia May arrived at 7:13 p.m.

Council Member Heitz motioned to approve Resolution #2005-60 approving the elimination of a parcel from Tax Increment Financing District No 2-2, Resolution #2005-61 approving the elimination of a parcel from Tax Increment Financing District No 2-3, Resolution #2005-62 adopting a modification to the Development Program for Development District No. 2 and establishing TIF District No. 2-4, Resolution #2005-63 adopting a modification to the Development Program for Development District No. 2 and establishing TIF District No. 2-5, Resolution #2005-64 approving the terms of \$100,000 Interfund Loan in connection with

TIF District No. 2-4, and Resolution #2005-65 approving the terms of \$100,000 Interfund Loan in connection with TIF District No. 2-5. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7B. Awarding the Sale of \$2,635,000 General Obligation Improvement Bond, Series 2005A

Shelly Eldridge presented the bond sale report for the \$2,635,000 General Obligation Improvement Bonds, Series 2005A for the 2005 street improvement projects. Ms. Eldridge informed Council that the low bid was received from Cronin & Co. and that the City's Moody rating was reaffirmed at A2. Ms. Eldridge also informed Council that the final bond amount will be reduced by \$50,000 than originally estimated due to the City obtaining a lower rate than estimated. The final amount should be listed as \$2,585,000.

Council Member Langsdorf motioned to accept the low bid from Cronin & Co., and to approve Resolution #2005-66 providing for the issuance and sale of \$2,585,000 General Obligation Improvement Bonds, Series 2005A, pledging special assessments for the security thereof and levying a tax for the payment thereof. Seconded by Council Member Heitz, unanimous ayes, motion carried.

7C. PUBLIC HEARING – Vacation of Public Property and Quit Claim Deed for Redwing Foods

Matt Brokl discussed the proposed vacation of public property necessary to complete the South Highway 10 Frontage Road Improvements. The vacation will enable the City to connect the new Putnam Avenue to the existing Frontage road. Redwing Foods has provided the City with a deed quit claiming their interest in the "J" shaped piece of land that is required to complete this project.

Mayor Orrock opened the public hearing at 7:21 p.m. No one came forward. Mayor Orrock closed the public hearing at 7:22 p.m.

Council Member Kampa motioned to approve Resolution #2005-67 providing for the vacation of property located adjacent to property owned by Redwing Foods and to approve a Quit Claim Deed granted to Redwing Foods. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7D. Big Lake Spud Fest Request for Fireworks Display at the Big Lake Fire Station

Kevin Thompson, representing the Spud Fest Committee, addressed Council with a request to use the Big Lake Fire Station/Dog Training site as the firing grounds for the Spud Fest fireworks display on June 24, 2005. Mr. Thompson also identified that the fireworks display will be held June 25th if inclement weather occurs.

Council Member Langsdorf motioned to approve the use of the Big Lake Fire Station/Dog Training site as the firing grounds for the fireworks display to the Big Lake Spud Fest Organization. Seconded by Council Member May, unanimous ayes, motion carried.

7E. Preusse Lake Meadows – Consideration for Comprehensive Plan Amendment

Nate Sparks reviewed the planners report for the Kami, Inc. proposed project located east of 172nd Street and north of Highway 10 on 17.47 acres. Mr. Sparks also discussed the Comprehensive Plan Amendment, Rezoning, CUP/PUD, and Preliminary Plat applications that the developer has submitted. Discussion was also held on the Preliminary Plat proposed layout, surrounding parcel land uses, transportation plan, street names, density issues, and available Industrial areas. Mr. Sparks identified that the EDA recommended denial of the land use change, and the Planning Commission recommended approval of the land use change, and denial of the CUP/PUD, Preliminary Plat applications.

Mike Gair, representing Kami, Inc., reviewed their project and stated their interest to have the land use changed from Industrial to Medium Density Residential. Mr. Gair also discussed the Prairie Meadows Development, future traffic patterns, land use transition, townhome design, and the AUAR Council approved in January 2005. Matt Brokl clarified that the AUAR does not legally bind Council to change the land use on the site.

Council Member Kampa motioned to approve Resolution #2005-68 denying the Comprehensive Plan Amendment, Rezoning, Preliminary Plat, and Planned Unit Development for Preusse Lake Meadows. Seconded by Council Member May, motion passed with a vote of 4:1 with Council Members Heitz, Kampa, Langsdorf, and May voting aye, and Mayor Orrock voting nay, motion carried.

7F. Project Status Report – City Engineer

Brad DeWolf reviewed the May 18, 2005 Engineers Report.

7G. PUBLIC HEARING – DEED MN Investment Fund Grant Application for IMR

Jim Thares discussed the proposed grant application process through the Minnesota Department of Employment and Economic Development. Mr. Thares indicated that the applicant is Industrial Molded Rubber and they are proposing to build a 30,000 square foot facility in the Industrial Park creating 15 new jobs in the process. Mr. Thares also identified that the grant monies will be used by IMR to purchase manufacturing equipment. Mr. Thares identified the community housing and development needs. The following were identified as specific housing and community development needs: Development Need A, Elimination of deteriorating housing structures (Comp Plan pages 14-15); Development Need B, Road Improvement/Reconstruction projects, Comp Plan pages 22-24); Development Need C, Economic Development Projects, (Comp Plan page 20); and Development Need D, Commercial Redevelopment, (Comp Plan pages 16-19). Mr. Thares also identified the following strategies to address the above community and housing development needs: Need A Strategy, Lake Street Cottages Project- 2 new units
The City also offers low to moderate income families a housing assistance loan program, as well as a program to help LMI families purchase a cleared lot for new homes; Need B Strategy, Implement Road Improvement Plan - Glenwood Avenue & Martin Avenue; Need C Strategy, Create and fill new Industrial Park East with good firms employing local residents; 2005: Industrial Molded Rubber: 30,000 square foot building, 40 employees, White Bear Clothing: 20,000 square foot building, 5 employees; and Need D Strategy, Pursue projects in partnership with private sector developers who can bring services and convenience shopping to local residents; target area is South side of U.S. Highway 10.

Mayor Orrock opened the public hearing at 8:26 p.m. No one came forward. Mayor Orrock closed the public hearing at 8:27 p.m.

Council Member Heitz motioned to approve Resolution #2005-69 to apply for funding from the Small Cities Development Program from the Minnesota Department of Employment and Economic Development. Seconded by Council Member Kampa, unanimous ayes, motion carried.

Council Member Langsdorf motioned to authorize the City Administrator to execute the Community Development Housing Needs Certification form. Seconded by Council Member Kampa, unanimous ayes, motion carried.

7H. Orderly Annexation Agreement for Gramsey 56.45 Acre Parcel

Administrator Wussow discussed the annexation petition staff received from Robert and Katherine Gramsey for the 56.45 acre parcel located west of the Norland Park Development. Administrator Wussow identified that the developer has paid the \$1,000 residential annexation fee, as part of this site is classified as residential in the City's Comprehensive Plan.

Bob Gramsey discussed the timeframe for developing this site and reviewed discussions he had with the County on the County Road 81 project and with MNDOT on the future Highway 10 Bypass project.

Council Member Heitz motioned to approve Joint City/Township Resolution #2005-02 for annexation of land to the City of Big Lake for the Robert and Katherine Gramsey 56.45 acre parcel. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7I. Consider Comprehensive Plan Amendment, Rezoning, CUP/PUD and Preliminary Plat for Hillside Heights

Administrator Wussow informed Council that the 60-day review deadline for this project expires today and that the applicant has not submitted an extension request. Administrator Wussow also informed Council that if they do not motion on this item, the application is automatically approved. Staff is recommending Council approve the denial resolutions presented at the meeting.

Council Member Langsdorf motioned to approve Resolution #2005-70 denying an amendment to the Big Lake Comprehensive Plan to change the land use designation for the project known as Hillside Heights, and approve Resolution #2005-71 denying the Conditional Use Permit, Planned Unit Development, and Preliminary Plat for Hillside Heights. Seconded by Council Member May, unanimous ayes, motion carried.

7J. Class A Charitable Gambling License for the Big Lake Sno Cruisers at Jim's Bar

Mailei Soare from the Big Lake Sno Cruisers discussed their request for a renewal on their Class A Charitable Gambling License at Jim's Bar.

Council Member Kampa motioned to approve Resolution #2005-72 approving a request by the Big Lake Sno Cruisers for renewal of a Class A Charitable Gambling License at Jim's Bar. Seconded by Council Member May, unanimous ayes, motion carried.

8. ADMINISTRATOR'S REPORT

Administrator Wussow reviewed discussions held at the County Planning Commission meeting including discussion on the Fabio Lopez development proposed north of Highway 10 on the City's most eastern boundary. Administrator Wussow informed Council that this project was tabled due to traffic issues that need to be further reviewed. Administrator also informed Council that the County does require Development Agreements for all new developments, but that the County does not bill the developer for the creation of such an agreement. Administrator Wussow also gave an update on Council Member Heitz' direction to have staff review the deck board Ordinance. Administrator Wussow also asked Council to call for a Goal Setting Workshop to review goals set at the beginning of the year.

Council Member Heitz motioned to call for a Goal Setting Workshop on June 22, 2005 at 5:30 p.m. in the Big Lake City Council Chamber. Seconded by Council Member Kampa, unanimous ayes, motion carried.

9. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Heitz: Reviewed the recent EDA meeting and identified that there is a company interested in the last lot in the Big Lake Industrial Park East. Council Member Heitz also asked that staff check into a possible low-interest loan program to improve dirt driveways in the City.

Council Member Kampa: Identified that the Building Committee will meet in early June.

Mayor Orrock: Reviewed the recent Parks Advisory Committee meeting. Mayor Orrock also thanked the Big Lake 4-H Group that has volunteered to help with the planting of annual flowers at Brown's Park, and identified that the flag pole project at Brown's Park has been completed. Mayor Orrock also asked that the Personnel Committee to meet to review the City Administrator's Performance Review form and to consider a date to conduct the Performance Review.

Council Member Langsdorf: Reviewed the recent Planning Commission meeting and directed staff to contact Burlington Northern Railroad to request maintenance be done on the tracks on Highway 25 just south of Highway 10.

10. OTHER

No other.

Mayor Orrock recessed the regular meeting at 8:49 p.m. for Closed Session.

11. CLOSED SESSION – Consider Offer to Purchase Property

Liquor Store Manager Jan Kostrzewski and Economic Development Specialist Alex Wickstrom were in attendance at the Closed Session.

Alex Wickstrom reviewed the proposed floor plan for the site located at Parcel No.'s 65-420-0110, 65-420-0115, and 65-420-0120. Matt Brokl identified that the Closed Session was to discuss the purchase of the site and that more information on the future remodel of the site will be made available at a later date. Corey Boyer reviewed financing options available to the City and possible purchase price negotiations. Council reviewed TIF District implications, and the projected timeline for the purchase and remodel of the site.

Council Member Heitz motioned to close the Closed Session at 9:39 p.m. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Mayor Orrock reconvened the regular meeting at 9:40 p.m.

Council Member Langsdorf motioned to authorize the Mayor and City Administrator to enter into a purchase agreement with the property owner of Parcel No.'s 65-420-0110, 65-420-0115, and 65-420-0120 in an amount not to exceed Option #2 and to negotiate a closing date. Seconded by Council Member Heitz, unanimous ayes, motion carried.

12. ADJOURN

Council Member Langsdorf motioned to adjourn at 9:42 p.m. Seconded by Council Member Heitz, unanimous ayes, motion carried.

Clerk

Date Approved By Council _____