



# CITY COUNCIL MINUTES

Richfield, Minnesota

## Special Worksession

September 8, 2009

### CALL TO ORDER

The meeting was called to order by Mayor Goettel at 6:00 p.m.

### ROLL CALL

*Members Present:* Debbie Goettel, Mayor; Sue Sandahl; Pat Elliott; Fred Wroge; and Tom Fitzhenry.

*Staff Present:* Steven Devich, City Manager; Mike Eastling, Public Works Director; Robert Hintgen, Utilities Superintendent; and Cheryl Krumholz, Recording Secretary.

<b>Item # 1</b>	<b>DISCUSSION REGARDING WATER CONSERVATION RATES (MEMO NO. 147)</b>
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Public Works Director Eastling made a PowerPoint presentation (City Clerk's File No. C-454) regarding water rates proposed for 2010 and the water conservation rate. He discussed the proposed block rate option, including the differences and difficulties with determining a commercial rate. The DNR communication plan on the rates is to have water consumers, i.e. Richfield, educate the public. The suggested rate by City staff is below the DNR recommendation because staff was trying to create no hardship for the residents.

Council Member Wroge discussed his concerns regarding aquifer usage and limitations for gasohol.

Public Works Director Eastling stated the City is trying to be responsible with a reasonable effort to control groundwater. He also discussed Richfield's use of aquifers. The DNR requires monitoring of the aquifer depth and it is a statewide concern.

The City Council discussed the impact on rates for watering trees and vegetation.

Public Works Director Eastling stated all water fund reserves are spent down and recovery of funds is necessary.

Public Works Director Eastling discussed the impact on rates for properties that irrigate.

Utilities Superintendent Hintgen reviewed the finding of the water structure rates of other metro cities that have an existing rate structure in place, including the block rate but with different tier structures.

Utilities Superintendent Hintgen added that chemical costs for the softening water process have significantly increase, especially lime products.

Public Works Director Eastling discussed the proposed public information plan.

The City Council consensus was to proceed with the proposed modest rate approach to recover costs and build up reserves.

City Manager Devich explained the potential issues residents may have if there is a mid-year rate adjustment because the once per year adjustment provides a catch-up time and covers all seasons.

<b>ADJOURNMENT</b>
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The meeting was adjourned by unanimous consent at 6:41 p.m.

Date Approved: \_\_\_\_\_

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Debbie Goettel  
Mayor

\_\_\_\_\_  
Cheryl Krumholz  
Recording Secretary

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Steven L. Devich  
City Manager



# CITY COUNCIL MEETING MINUTES

## Richfield, Minnesota

### Regular Meeting

**September 8, 2009**

#### CALL TO ORDER

The meeting was called to order by Mayor Goettel at 7:00 p.m.

#### ROLL CALL

*Members Present:* Debbie Goettel, Mayor; Sue Sandahl; Pat Elliott; Fred Wroge; and Tom Fitzhenry.

*Staff Present:* Steven L. Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Barry Fritz, Public Safety Director; Chris Regis, Finance Manager; Pam Dmytrenko, Assistant to City Manager; Corrine Heine, City Attorney; and Cheryl Krumholz, Recording Secretary.

#### OPEN FORUM

None.

#### PRESENTATION OF COLORS AND PLEDGE OF ALLEGIANCE

Mayor Goettel led the audience in the Pledge of Allegiance.

#### APPROVAL OF MINUTES

M/Wroge, S/Fitzhenry to approve the minutes of (1) Regular City Council Meeting of August 11, 2009; and (2) Special City Council Worksession of August 17, 2009.

Motion carried 5-0.

<b>Item #1</b>	<p><b>COUNCIL DISCUSSION</b></p> <ul style="list-style-type: none"> <li>• <b>POLICE/FIRE/CITY HALL PROJECT</b></li> <li>• <b>HATS OFF TO HOMETOWN HITS</b></li> </ul>
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City Manager Devich suggested the new City Hall project add-on items be bid as alternatives and kept separate on the basic building bid and be the City Council’s choice.

City Manager Devich suggested City crews remove the trees along Portland Avenue and behind the current City Hall as a cost savings for Phase I of the project.

The City Council agreed that City crews should remove the trees and also mark the trees to notify the public.

City Manager Devich requested the City Council discuss a groundbreaking ceremony when construction of the City Hall project begins in the fall.

Tom Rublein, CHAT III member, stated the task force discussed a ceremony, depending upon the date.

The City Council consensus was to conduct a groundbreaking ceremony which also recognizes the efforts of the task force.

Council Member Sandahl announced the September 12 FOWL Ball Golf Classic.

Bob Houlton, Cattail Days representative, announced the September 19 family festival.

Council Member Fitzhenry discussed recognition of Police and Fire personnel for their work.

Council Member Wroge stated he spoke with the owners of the two vacant properties (State of Minnesota and a real estate broker) in the 66th Street/Newton Avenue area regarding recurring flooding potential of the homes and requested they inform the potential buyers so the City could not be held responsible. He said that notification was made and the buyers wish to proceed with the purchase.

Mayor Goettel announced the September 19 open house in the Council Chambers regarding the City Hall project.

<b>Item #2</b>	<b>COUNCIL APPROVAL OF AGENDA</b>
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M/Fitzhenry, S/Wroge to approve the agenda.

Motion carried 5-0.

<b>Item #3</b>	<b>CONSENT CALENDAR</b>
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- A. Consideration of approval of a Case 440 skidsteer for the Parks Maintenance Division from St. Joseph Equipment in the amount of \$28,457.87 S.R. No. 175
- B. Consideration of a resolution regarding an agreement between the MN Department of Public Safety and the City of Richfield, Public Safety Department, pertaining to the Safe and Sober Enforcement Program S.R. No. 176

RESOLUTION NO. 10279

RESOLUTION AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF RICHFIELD/POLICE AND THE MINNESOTA DEPARTMENT OF PUBLIC SAFETY TO APPROVE GRANT FUNDS TO BE SHARED BY RICHFIELD POLICE, EDINA POLICE AND THE AIRPORT POLICE DEPARTMENTS AS PART OF THE SAFE & SOBER COMMUNITIES PROGRAM

This resolution appears as Resolution No. 10279.

- C. Consideration of approval of resolution declaring costs to be assessed and ordering preparation of the proposed assessment roll for weed elimination from private property and removal or elimination of public health or safety hazards from private property and setting public hearing for October 27, 2009 S.R. No. 177

RESOLUTION NO. 10280

RESOLUTION DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT FOR WEED ELIMINATION FROM PRIVATE PROPERTY AND REMOVAL OR ELIMINATION OF PUBLIC HEALTH OR SAFETY HAZARDS FROM PRIVATE PROPERTY

This resolution appears as Resolution No. 10280.

- D. Consideration of approval of itinerant amusement and itinerant food licenses for Richfield visions, Inc., for Richfield Cattail Days events, September 19, 2009, at Veterans Memorial Park, 6400 Portland Avenue S.R. No. 178
- E. Consideration of resolution authorizing the City of Richfield Public Safety Department to enter into a Co-operative Agreement to become a member of the Hennepin County Violent Offender Task Force S.R. No. 179

RESOLUTION NO. 10281

RESOLUTION AUTHORIZING RICHFIELD PUBLIC SAFETY DEPARTMENT'S PARTICIPATION IN THE HENNEPIN COUNTY VIOLENT OFFENDER TASK FORCE

This resolution appears as Resolution No. 10281.

The City Council unanimously voted to approve the Consent Calendar.

Motion carried 5-0.

<b>Item #4</b>	<b>CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR</b>
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None.

<b>Item #5</b>	<p><b>PUBLIC HEARING AND CONSIDERATION OF RESOLUTIONS APPROVING:</b></p> <ul style="list-style-type: none"> <li>• <b>MODIFICATION TO THE REDEVELOPMENT PLAN FOR THE RICHFIELD REDEVELOPMENT PROJECT AREA; AND</b></li> <li>• <b>MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR THE INTERSTATE-LYNDALE-NICOLLET TAX INCREMENT FINANCING DISTRICT; AND</b></li> <li>• <b>PROPOSED ESTABLISHMENT OF THE 2009-1 (CANDLEWOOD OUTLOT) AND 2009-2 (FORMER GARAGE SOUTH PORTION) TAX INCREMENT FINANCING DISTRICT; ALL RELATING TO THE ACCESSIBLE SPACE INC., AND TWIN CITY CHRISTIAN HOMES PROJECT AS CONTINUED FROM AUGUST 11, 2009 S.R. NO. 180</b></li> </ul>
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Mayor Goettel presented Staff Report No. 180.

Community Development Director Stark explained the federal government posted the HUD funding notice today so the application timeline has begun.

M/Sandahl, S/Elliott to close public hearing.

Motion carried 5-0.

M/Goettel, S/Sandahl that the following resolutions be adopted and that they be made part of these minutes:

RESOLUTION NO. 10286

RESOLUTION ADOPTING A MODIFICATION TO THE REDEVELOPMENT PLAN FOR RICHFIELD REDEVELOPMENT PROJECT AREA AND ESTABLISHING THE HOUSING TAX INCREMENT FINANCING DISTRICT 2009-1 (CANDLEWOOD OUTLOT)

This resolution appears as Resolution No. 10286.

RESOLUTION NO. 10287

RESOLUTION ADOPTING A MODIFICATION TO THE REDEVELOPMENT PLAN FOR RICHFIELD REDEVELOPMENT PROJECT AREA AND ESTABLISHING THE HOUSING TAX INCREMENT FINANCING DISTRICT 2009-2 (FORMER GARAGE SOUTH PORTION)

This resolution appears as Resolution No. 10287.

RESOLUTION NO. 10288

RESOLUTION APPROVING THE ELIMINATION OF PARCELS FROM THE INTERSTATE-LYNDALÉ-NICOLLET (ILN) TAX INCREMENT FINANCING DISTRICT

This resolution appears as Resolution No. 10288.

Motion carried 5-0.

<b>Item #6</b>	<b>PUBLIC HEARING REGARDING THE IMPLEMENTATION AND COLLECTION OF A STREET LIGHT USER FEE S.R. NO. 181</b>
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Council Member Wroge presented Staff Report No. 181.

Council Member Wroge stated he will propose a continuation of this item because there are discrepancies with the costs reported by Xcel and what is presented by staff.

Public Works Director Eastling explained a detailed cost accounting will be provided to the City Council.

City Manager Devich discussed the two types of street lights in Richfield; city-owned and Xcel owned, resulting in different costs and maintenance.

Andy Hartle, 6332 – 17th Avenue, questioned the need for this fee and suggested it be placed on property taxes so it can be deducted.

City Manager Devich discussed the imposition of levy limits by the State based upon an across-the-board formula. When the levy limit is lifted, the City Council can decide if the fee should continue or be placed on taxes.

Mayor Goettel read an e-mail from a resident who opposed the proposed fee and suggested the number of lights be reduced.

Public Works Director Eastling explained a reduction in lights had previously been discussed by the City Council, including public safety impacts and aesthetics in the neighborhoods.

City Manager Devich added there are also costs incurred if the lights are shut off.

Council Member Fitzhenry stated that lights are the cheapest form of crime prevention.

Council Member Wroge stated he would support a street light user fee if a sunset of three years was included and then the cost was automatically back in General Fund if levy limits lifted.

Mayor Goettel stated an annual review of the fee was previously discussed.

Council Member Sandahl said a large percent of the proposed tax levy is due to two bond sales – one for the maintenance facility and the other for the new City Hall – and if that wasn't there it would be flat general fund levy. These capital infrastructure improvements were approved by the City Council.

Council Member Sandahl expressed her disagreement for a sunset because it is reviewed each year and the levy limits are imposed at will by the State.

Council Member Elliott stated the City Council ultimately weighs the staff recommendations of addressing costs while maintaining City services.

Council Member Fitzhenry said taxes are not as adjustable once something is added and the fee is reviewed every year.

Mayor Goettel suggested a sunset with an annual review to re-evaluate.

Council Member Wroge agreed with a sunset and annual review with a return to taxes when limits are off.

M/Wroge, S/Elliott to continue the public hearing to the September 22, 2009 City Council Meeting.

Motion carried 5-0.

<b>Item #7</b>	<b>SECOND READING AND CONSIDERATION OF APPROVAL OF TRANSITORY ORDINANCE AUTHORIZING THE SALE OF REAL PROPERTY AT 7700 PILLSBURY AVENUE (SOUTH PORTION ONLY) S.R. NO. 182</b>
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Council Member Fitzhenry presented Staff Report No. 182.

Council Member Wroge questioned if the property is being sold tonight.

Community Development Director Stark replied that would not occur until funding is received.

City Attorney Heine explained the purchase agreement previously approved by the City Council sets the sale and the proposed ordinance approval is a Charter requirement. The closing on the property will not occur until other agreement conditions are met.

M/Fitzhenry, S/Goettel that this constitutes the second reading of Bill No. 2009-17, Transitory Ordinance No. 18.67 approving the sale of real property at 7700 Pillsbury Avenue (south portion only), that it be published in the official newspaper and that it be made part of these minutes.

Motion carried 5-0.

<b>Item #8</b>	<b>SECOND READING AND CONSIDERATION OF APPROVAL OF ORDINANCE AMENDING APPENDIX 1 OF THE CITY CODE BY REZONING 301 – 77TH STREET WEST FROM MIXED USE-REGIONAL TO MIXED USE-COMMUNITY S.R. NO. 183</b>
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Council Member Sandahl presented Staff Report No. 183.

Council Member Wroge asked about the Candlewood driveway.

Community Development Director Stark explained the cross-access agreement in the deed to the outlet indicates the owner must give access through that driveway and ASi must honor that or provide an agreeable compensation.

M/Sandahl, S/Fitzhenry that this constitutes the second reading of Bill No. 2009-18 approving an ordinance amending Appendix 1 of the City Code by rezoning 301 – 77th Street West from Mixed Use-Regional to Mixed Use-Community, that it be published in the official newspaper and that it be made part of these minutes.

Motion carried 5-0.

<p><b>Item #9</b></p>	<p><b>CONSIDERATION OF 2009 REVISED/2010 PROPOSED BUDGET RESOLUTIONS ADOPTING 2010 PRELIMINARY PROPERTY TAX LEVY, SETTING TRUTH IN TAXATION HEARING DATE, AUTHORIZING BUDGET REVISION, AUTHORIZING REVISION OF 2009 BUDGET OF VARIOUS DEPARTMENTS, AND AUTHORIZING USE OF PUBLIC EMPLOYEES RETIREMENT ASSOCIATION POLICE AND FIRE FUND REFUND INTEREST EARNINGS FOR POLICE AND FIRE EXPENDITURES S.R. NO. 184</b></p>
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Council Member Elliott presented Staff Report No. 184.

Council Member Sandahl expressed concern with the street light user fee not being approved earlier on the agenda and since it is included in the 2010 budget, there may not be adequate funds in the budget if the fee is not approved at the September 22 meeting. The tax levy can be reduced after September 15, but not increased.

Council Member Sandahl stated the budget is “bare bones” with no leeway or flexibility for unanticipated costs, which may be good for taxes but not services.

City Manager Devich explained the 2009 revised budget does not include a “Clean-Up Day” because the services, drop-off or pick-up, were too costly. He also discussed anticipated 2010 Local Government Aid (LGA) reductions and the potential ability to levy back the loss.

The City Council agreed the street light user fee would be approved on September 22 but because of discrepancies in costs, time is needed to determine the accurate fee.

M/Elliott, S/Goettel that the following resolutions be adopted and that they be made part of these minutes:

RESOLUTION NO. 10282

RESOLUTION ADOPTING A PROPOSED BUDGET AND TAX LEVY FOR THE YEAR 2010

This resolution appears as Resolution No. 10282.

RESOLUTION NO. 10283

RESOLUTION AUTHORIZING BUDGET REVISIONS

This resolution appears as Resolution No. 10283.

RESOLUTION NO. 10284

RESOLUTION AUTHORIZING REVISION OF 2009 BUDGET OF  
VARIOUS DEPARTMENTS

This resolution appears as Resolution No. 10284.

RESOLUTION NO. 10285

RESOLUTION AUTHORIZING USE OF PUBLIC EMPLOYEES  
RETIREMENT ASSOCIATION POLICE AND FIRE FUND REFUND  
INTEREST EARNINGS FOR CERTAIN POLICE AND FIRE  
EXPENDITURES

This resolution appears as Resolution No. 10285.

Motion carried 5-0.

<b>Item #10</b>	<b>CONSIDERATION OF CITY COUNCIL APPROVAL OF AN AGREEMENT FOR CONSULTING SERVICES WITH ORFIELD LABORATORIES, INC. FOR COUNCIL CHAMBERS LIGHTING/DAYLIGHTING, ACOUSTICAL, AND AUDIO VISUAL DESIGN S.R. NO. 185</b>
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Mayor Goettel presented Staff Report No. 185.

Council Member Elliott expressed his opposition to the agreement because WOLD designed the City of Farmington's Council Chambers and every expectation was met.

Council Member Sandahl and Mayor Goettel expressed support for the agreement so things are done right.

Council Member Elliott stated there is no sunset in costs in the agreement and these costs are not in the budget. He also stated the performance standards for Richfield were boiler plate for another two projects done by Orfield Laboratories, Inc.

City Manager Devich said the proposal of \$25,500 is for Phase I of the Council Chambers design.

Mayor Goettel asked if there were funds in the budget for acoustical design.

Mike Klass, WOLD, replied there were no funds for a consultant in the budget.

Steve Orfield, Orfield Laboratories, Inc., stated he is proposing specialized assistance, not architectural services and the City Council decides the allocation for his assistance. He agreed with Council Member Elliott that the performance standards for Richfield were similar to other projects.

M/Goettel, S/Sandahl to approve an agreement for consulting services with Orfield Laboratories, Inc. for Council Chambers lighting/daylighting, acoustical, and audio visual design.

Motion carried 3-1. (Elliott oppose, Wroge abstain)

<b>Item #11</b>	<b>CITY MANAGER’S REPORT</b>
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City Manager Devich provided an update on the Lyndale Avenue bridge project.

<b>Item #12</b>	<b>CLAIMS AND PAYROLL</b>
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M/Wroge, S/Sandahl that the following claims and payrolls be approved:

**U.S. BANK 08-25-09**

A/P Checks: 188040 – 188388	\$ 1,213,620.46
PAYROLL 60306 – 60666,41456	\$ 532,946.55
<b>TOTAL</b>	<b>\$ 1,746,567.01</b>

**U.S. BANK 09-08-09**

A/P Checks: 188389 – 188758	\$ 1,618,639.33
PAYROLL 60667 – 61025	\$ 511,472.42
<b>TOTAL</b>	<b>\$ 2,130,111.75</b>

Motion carried 5-0.

<b>OPEN FORUM</b>
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None.

The City Council meeting was adjourned by unanimous consent at 8:50 p.m.

Date Approved: \_\_\_\_\_

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Debbie Goettel  
Mayor

\_\_\_\_\_  
Cheryl Krumholz  
Recording Secretary

\_\_\_\_\_  
Steven L. Devich  
City Manager