

**City of Columbus
Regular City Council Meeting
December 11, 2013**

The December 11, 2013 meeting of the City of Columbus City Council was called to order at 7:01 p.m. by Mayor Dave Povolny at the City Hall. Present were Council Members Denny Peterson, Jeff Duraine, Bill Krebs & Jessie Messina. City Administrator Elizabeth Mursko; Attorney Bill Griffith, Jr., Engineer Larry Bohrer, Deputy Treasurer Lynette Olinger and Deputy City Clerk Emmy Robinson.

Absent: None

Also in attendance were: Mary Preiner, Pat Preiner, Myron Organ, Jody Krebs, Joel VanCanneyt, Jenny VanCanneyt, John Freed, Kris King, Paul Peskar, John Kavaloski, and Paul Ringell Forest Lake Times.

A. CITY COUNCIL REGULAR MEETING

1. Call To Order - Regular Meeting - 7:00 P.M.
2. Pledge of Allegiance

B. CONSENT AGENDA

1. Motion - Approval City Council Meeting Minutes on 11/25/2013
2. Motion - Agenda Approval with Additions
3. Motion - Pay Bills as Posted

Motion by Krebs to approve the consent agenda. Second by Peterson. Motion carried.

C. PRESENTATIONS

6. PRESENTATION - "MOST" PROGRAM (KATHY BYSTROM & STEVE MASSEY)

Kathy Bystrom, Assistant Manager, Fairview Lakes Community Health Outreach, Co-Chair for the Forest Lake Area Partnership for Families, Inc. and Dr. Steven Massey Forest Lake High School Principal attended tonight to present information to the Council on the "Most Program". Ms. Bystrom provided a power point presentation regarding the program and reviewed it at this time. The purpose of the program is to change the perception of youth and the community about drug, alcohol, and tobacco use by teens, the program shows that the majority of teens does not use alcohol, drugs and tobacco and encourages that behavior. The purpose of the presentation tonight was to educate the Council on the program and ask the city to support the program by becoming a Champion City. No financial contribution is required to become a Champion City. A list of the current MOST FL Champions' was displayed at this time and Ms. Bystrom explained that advertising materials such as posters, window clings and other items are displayed to promote the program in these establishments.

A question was asked if there is buy in by students.

Ms Bystrom indicated that this program is currently at the Junior High and High School levels, it is not at the elementary schools at this time.

The kids participate by wearing T-shirts, zipper pulls, stickers, and lanyards to promote the program. Meetings are held by students at the school to promote the program. The program has been running since 2011.

Motion ADM 03050 by Duraine to request that the City of Columbus become a Champion City and supports the MOST program. Second by Messina. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

7. PLANNING COMMISSION REPORT

The City Administrator presented for the Planning Commission tonight. The Planning Commission has a meeting scheduled for December 18th.

Timber Valley Preserve

A presentation was given by Tim Lang regarding Timber Valley Preserve. No action was taken by the Planning Commission.

8. DISCUSSION/PUBLIC INPUT/MOTION 2014 BUDGET & FINAL LEVY (ENCLOSURE & PAGES 1-2)

FLCC Budget

The City Administrator distributed a revised budget for the Forest Lake Cable Commission (FLCC). A question was asked about whether FLCC would provide the equipment for cable origination services. It was not known if that has been discussed. PEG fees are to be used to purchase additional equipment. Columbus does not budget for FLCC but does need to approve their budget. The City Administrator explained that this discussion could be held over to the next meeting as it is not part of the City's budget or Levy; otherwise the action is approval of the budget submitted.

Motion FIN 01310 by Duraine to approve the 2014 Forest Lake Cable Commission budget in the amount of \$173,460.00. Second by Krebs. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Truth and Taxation

Cities are required to allow public input on the city budget and levy before a final determination is made at a regular city council meeting. The City Administrator welcomed the audience to the truth and taxation meeting and handouts of the Final 2013 Levy – 2014 Budget were distributed to the audience at this time. The City Administrator clarified that this is not the meeting for house valuation reviews, which will be in April at the Local Board of Appeal and Equalization. Several budget workshop meetings were held over the late summer and early fall. The city has a line item budget and runs on a cash system. The City Administrator said the budget will be uploaded to the website and she encouraged people to call with any questions. The 2013 proposed final levy and 2014 budget Summary information was displayed on the screen and reviewed at this time. The city met levy limits

in place. The overall levy increased 8.5%; the main funds that affected the levy include the sheriff's contract, the Hornsby Street improvement project and the land purchased by the city. The City Administrator suggested that people can call with questions if they arise after tonight's meeting.

Question from the Audience

John Freed, 168th Ave,

Mr. Freed thanked the Council and staff for their work on the levy. Mr. Freed said his land value went down 8% and his taxes went up 11%. Mr. Freed asked for more information on the land purchase.

The City Administrator explained that the City purchased 85 acres of land from one property owner. The EDA and HRA are under levy limits. Once the land is sold this levy will go away.

Is the council contemplating additional purchases?

Not at this time.

The mill rate was 118% of the tax capacity. The City Administrator said in 2011 one home was built and there was no commercial development. As values change this either increases or decreases the percentage of taxes levied per home. In 2012 six new homes were built and in 2013 there were 5 new homes and 2 businesses built. This will help level out the taxes, but does not affect this levy.

There was discussion regarding balancing residential and commercial development and how that will help level out taxes for the entire community. An example was given for a new proposed business in the community. The Tax Assessor was asked to estimate how much taxes would be brought in to the city with a \$3,000,000 valuation on a business. The result would be \$38,000 in taxes to the city and result in approximately \$25 reduction in taxes per household in the city.

Are there any changes coming from the bigger commercial tax payers?

No, other than a slow rebound in commercial values. The Race Track did have a tax appeal in 2010; however their taxes are calculated with the same formula as any other commercial business.

Will there be cost to Columbus on the North Hornsby Street when it is built?

A grant was received to help pay for the improvements on the south side, there may be the same opportunity when the North side is built.

Joel and Jenny VanCanneyt 17010 Kettle River Blvd.

What was the land purchased for?

There was 85 acres purchased at the four corners of interchange 97. The property owner wanted to sell all the property in one sale. The City would have had to purchase right of way needed for the Hornsby Street improvement and for future improvements for the

overpass. Therefore, the City decided to purchase the property with the goal to sell it for future development.

As far as Public Safety goes, are people complaining there is not enough coverage?

The City looked at providing services by other law enforcement agencies and set up a task force and is investigating setting up its own police force. The City is required to provide police services. Council Member Peterson noted that the City was aware of the increases for several years as the county did not think the city had enough police services. Having the county provide services gives the city access to other services such as the SWAAT team, detective and investigation, crime labs and other services that surrounding communities do not. The coverage is very good coverage for the money.

Mr. VanCanneyt said since 2009 there was a 36% increase in taxes and the value of their house went down.

The City Administrator explained that the value of the house has no bearing on the amount of taxes the property owner pays. The only way to offset this is to add tax capacity with commercial and housing developments. The council is working on balancing the growth. There may be higher density housing in the community.

Mayor Dave Povolny thanked Mr. and Mrs. VanCanneyt for coming to the meeting.

Mayor Dave Povolny asked what services they think could be reduced?

Mr. and Mrs. VanCanneyt said their intent was to come tonight to listen and to see where the money in the budget is being spent.

Mayor Dave Povolny asked if anyone else from the audience wished to speak. No one else asked to speak at this time.

Discussion:

Council Member Peterson said there is a rumor that Senior Center is not in the budget and he wanted to know if that was true.

The City Administrator said this is not true; it is in the budget for 2014. The City Administrator added that the budgeted amount for the Senior Center remained the same as last year.

Council Member Messina said he would like to reduce the Public Works Capital Improvement Fund, and Blacktop Funds.

Motion FIN 01310 by Messina to reduce the blacktop fund by \$150,000 and reduce the Public Works Capital fund by \$50,000. Second by Duraine. Votes as follows: Peterson - nay; Messina - aye; Duraine - aye; Krebs - nay; Povolny - nay. Motion Fails.

Council Member Peterson stated that this will double digit the levy for next year if it is added back next year. Council Member Krebs disagreed with reducing these funds and

said that infrastructure and equipment should not be cut back, the tree board, other non essential items, such as baseball fields (Park Fund), or anything other than safety related items could be reduced. Mayor Dave Povolny said there are other areas where a capital fund has not been available and he would like to see more capital funds. If the funds are taken away this could result in more expenses in the future and bad roads as other communities are facing. Council Member Krebs said bringing in business would help spread out the tax burden.

The City Administrator explained that in 2006 there was a separate gravel fund. Seal coating, crack fill/sealants and gravel were moved to the “blacktop” fund. The process is to separate operating budgets from capital improvement funds. The goal is to move to a capital program, putting money away to help eliminate spikes in the budget when more costly purchases are required.

Council Member Duraine asked if there any of the debt will be retired this year. The City Administrator said none of the debt will be retired this year, money was borrowed from the blacktop fund to pay the Ziegler tank payment, the second payment is being made by an HRA grant.

Motion FIN 01310 by Krebs to eliminate the tree board budget in the amount of \$24,030.00. Second by Peterson. Votes as follows: Peterson - aye; Messina - nay; Duraine - nay; Krebs - aye; Povolny - aye. Motion Carries.

Motion FIN01310 by Peterson to reinstate the Arbor Day line item of the Tree Board budget for \$1500.00. Second by Messina. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - nay; Povolny - aye. Motion Carries.

The City Administrator said the Tree Board spent \$2500 last year on the Arbor Day event. It was noted that this would eliminate the city as a tree city. Council Member Messina said most cities do have their own Forester this is the minimum amount for a Tree Board budget.

The Attorney added that the Tree Board itself would still exist it is just not funded as it has been in the past.

Motion FIN 01310 by Duraine to eliminate the cost for Columbiz of \$2500 from the Economic Development Authority Budget. Second by Messina. Votes as follows: Peterson - nay; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

The City Administrator explained that the BR&E program participants were told the results would be shared at Columbiz, so it should be replaced with something. There would need to be another forum to inform the business owners of the results. The consensus was to find another way to inform the participants.

Council Member Messina said he doesn't think a drop in the blacktop fund would affect the residents as much as eliminating the Tree Board would.

Council Member Duraine asked if the council should consider a year without gravel, and suggested that the gravel budget amount could be put towards paying back the blacktop fund for debt service of the Ziegler tank.

The City Administrator explained that bonds have a call date and cannot be paid early. The debt service amount in the levy that has added the burden on the other residents is primarily due to deferments, senior hardship deferrals and green acres deferrals in the Freeway District municipal system properties.

Motion FIN 01310 by Duraine to transfer \$50,000 from the gravel fund (not purchase gravel in 2014) and reallocate it to the blacktop fund for repayment of the borrowed money from the Ziegler Tank money. Second by Messina. Votes as follows: Peterson - nay; Messina - aye; Duraine - aye; Krebs - nay; Povolny - nay. Motion Fails.

The City Administrator said the money could be put in the bank for a future payment but it has no immediate benefit at this time for the levy. The Attorney concurred and said until the call date comes, the debt cannot be prepaid. Council Member Duraine reiterated that the money could be used to make a repayment to the blacktop fund. The City Administrator said this could be done but there may be an opportunity for another grant from the County next year.

Transportation Fund

The City Administrator explained that this money is used for study's, and feasibility studies the city needs to contribute to road planning (i.e. interchange 97). The excess was used to pay the Hornsby Street project.

Motion FIN 01310 by Messina to reduce the transportation fund to ~~\$10,000~~ \$7,200.00 Second by Duraine. Votes as follows: Peterson - nay; Messina - aye; Duraine - aye; Krebs - nay; Povolny - aye. Motion Carries.

Council Member Peterson said this may slow down the TH97 interchange project. The City Administrator said this is why the fund was created to participate in road improvement projects.

The City Administrator explained that there is a revenue source for the transportation fund from Running Aces in the amount of \$10,000. The motion maker reconsidered and reduced the motion amount from \$10,000 to \$7,200.

The Deputy Treasurer revised the summary sheets based on the changes made by the council and distributed them at this time. The action is approval of the levy and budget.

Council Member Duraine asked if there could be a reduction in cleaning costs of the Fire Hall and have the Fire Fighters clean as they do in Forest Lake. No changes were made at this time to the budgeted amount for cleaning the Fire Hall.

Motion ADM 05000 FIN 01310 by Peterson to approve Resolution 13-21 Approving 2013 Final Levy Certification for Property Taxes Collectable in 2013 in the amount of \$2,161,764.00. Second by Krebs. Votes as follows: Peterson - aye; Messina - nay; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Motion ADM 05000 FIN 01310 by Peterson to approve Resolution 13-22 Approving 2013 Final Budget in the amount of \$2,545,689.00 Second by Krebs. Votes as follows: Peterson - aye; Messina - nay; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Personnel Committee

The recommendation of the Personnel Committee is to set the medical benefit at \$696 per month per person who is eligible for the medical insurance benefit. Currently the medical benefit is \$676 per month per eligible person, the increase equates to a cost of living. Open enrollment is in March, but an increase of 3% increase is expected in medical coverage.

Motion PAY 00400 by Peterson to increase the medical benefit to \$696 per month per person eligible for medical benefit. Second by Duraine. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Pay Scales

The Personnel committee discussed pay and identified certain positions that should have an increase, the scale that was distributed at this time reflects this change, and the scales didn't change. The Pay Equity Act has been in effect since 1972 and the city is required to report every three years.

Motion PAY 00400 by Peterson to accept the proposed compensation scales as indicated on the sheet distributed tonight. Second by Krebs. Votes as follows: Peterson - aye; Messina - nay; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Mayor Dave Povolny explained that the City Administrator has 9 employees and he suggested the council look at a different system for employee evaluation instead of through the personnel committee. The Attorney added that the personnel committee is a holdover from the township days and this is not the structure of most other cities. Council Member Messina said he didn't like that there are last minute additions (pay scales) that are not disclosed ahead of time to the council. The Attorney added that the agenda packet is public record and is to be kept by the clerk as public record and typically personnel committees set policy and scale but not the individual wages. Surrounding communities are union. No action was taken on this discussion.

9. PUBLIC OPEN FORUM

John Freed asked if the agenda is available electronically and if it could be made available on the website.

The City Administrator said that will be considered next year.

D. STAFF & CONSULTANT REPORTS

10. ENGINEER REPORT

Update - White Bear Lake vs. DNR Subpoena

The Engineer gave his deposition yesterday morning to the Attorneys' for the DNR. The deposition took 2.5 hours; most of the questions were around the facts of the well construction and the appropriation permit. The opposing counsel wanted to question why Columbus didn't consider a surface water source when developing the water supply. The Engineer's response was it was not economically feasible. There was also a question as to if the City considered hooking up to the St. Paul Water Utility, the Engineer's response was due to the distance to the nearest connection and having to pass through several communities which would involve dealing with easements and other issues this would have made it impractical. The Engineer said he was asked for an opinion on why Columbus was named three times in the USGS report; the Engineer said it was listed in error because Columbus is not in the aquifer that's being pointed at as one of the causes of the low lake level in White Bear Lake. The goal is to try and get Columbus out of the discussion as Columbus is not party to the lawsuit. The Attorney added that the city was subpoenaed as a witness and the hope is the testimony by the Engineer will limit Columbus' involvement. The time involved for the Engineer was about 4 hours and the Attorney's office was present at the deposition also. The Engineer said if the Lake Restoration Association prevails, the danger to Columbus is if the water appropriations are reduced by the DNR. No action is required of the council.

Motion - 2014 Utility Fee Schedule (Page 3)

A letter dated December 6, 2013 regarding the 2014 Utility Fee Schedule was included in the agenda packet. The Engineer reviewed the letter at this time. If accepted these costs will be incorporated into the City's Fee Schedule. The Ziegler tank will be incorporated into the municipal system once it is paid off.

Motion ADM 05000 by Peterson to adopt the recommendations of the Engineer amending the fee schedule as outlined in the letter dated December 6, 2013 for sewer and water rates. Second by Krebs. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

11. ATTORNEY REPORT

Motion - ATV Ordinance (Pages 4-6)

A memo dated December 5, 2013 regarding new ordinance relating to snowmobiles, ATV's and Golf Carts was included in the agenda packet. The recommendation is to remove the existing Ordinance 5-503 and replace it in its entirety. The action is approval of the proposed ordinance.

The following changes were made to the ordinance under Section 5-503B.a and .c:

- a. The snowmobile, ATVs or golf carts shall not exceed 20 miles per hour.
- b. Operation shall be restricted to the far right edge of the traveled portion of the roadway, in the same direction as the normal direction of traffic. Travel in ditches, side slopes, back slopes and boulevard areas is prohibited, except snowmobiles which may operate within ditches.

Motion ADM 05000 by Krebs to adopt Ordinance 13-07 Amending the City of Columbus Chapter 5-Public Safety and Public Nuisance in the Columbus City Code with the changes noted above. Second by Peterson. Votes as follows: Peterson - aye; Messina - aye; Duraine - nay; Krebs - aye; Povolny - aye. Motion Carries.

12. MAYOR & CITY COUNCIL MEMBER'S REPORT

Council Member Peterson

No report.

Council Member Messina

No report.

Council Member Duraine

No report.

Council Member Krebs

No report.

Mayor Dave Povolny

Mayor Dave Povolny attended the Youth Service Bureau meeting today approximately \$15,000 was made from electronic and paper pull tabs.

13. DEPUTY CLERK REPORT

Motion - 2014 Meeting Calendar (Pages 7-9)

A 2014 calendar of meeting dates was included in the agenda packet. Two city council meeting days will need to be rescheduled due to holidays. The proposed date changes would be City council meeting (Thanksgiving) from Wednesday November 26th to Monday November 24th and the New Years Eve meeting from Wednesday December 31st to Tuesday December 30th. The action is approval of the meeting schedule with the proposed changes. The calendar will be published December 19th, 2013.

Motion ADM 04700 by Krebs to approve the 2014 meeting schedule with the following changes: (Thanksgiving) from Wednesday November 26th to Monday November 24th and the New Years Eve meeting from Wednesday December 31st to Tuesday December 30th. Second by Peterson. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

14. CITY ADMINISTRATOR'S REPORT

Treasurer's Report - Receipts: \$XX Disbursements: \$XX

Receipts: \$1,192,496.87

Disbursements \$303,069.01

Motion - 2014 Fee Schedule (Pages 10-18)

A 2014 Fee Schedule with changes to Athletic Field Reservations, Public Utilities and Rental and Portable Toilet Pumping was included in the agenda packet. The City Administrator reviewed the changes at this time. The action is approval of the 2014 Fee Schedule with the changes. The summary publication notice for the 2014 Fee Schedule was included in the agenda packet also. It was noted that there is a line for gopher feet that should be removed from the schedule.

Motion ADM 05000 by to adopt Ordinance 13-08 Relating to and Regulating the Fee Schedule for the City of Columbus, Anoka County, Minnesota subject to the letter from the Engineer dated December 6, 2013 for water and sewer rates and SAC, LSAC and WAC fees and the changes indicated on the fee schedule in the agenda packet on pages 11 through 17 and to remove gopher feet from the fee schedule. Second by Krebs. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Motion ADM 00400 ADM 05000 by Krebs to approve the Summary Publication for the 2014 Fee schedule notice. Second by Peterson. Votes as follows: Peterson - aye; Messina - aye; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

Minnesota Dept Revenue

After the 1st of the year the city will be tax exempt.

E. ANNOUNCEMENTS & REMINDERS

- ▶ Planning Commission Mtg. 12/18/2013 7:00 p.m.
- ▶ Calendar of Meeting (**Page 19**)

F. ADJOURNMENT

Motion by Krebs to adjourn. Second by Messina.

Meeting adjourned at 10:20 p.m.

Respectfully Submitted:

Emilia S. Robinson

Deputy City Clerk