

UNAPPROVED

COON RAPIDS CITY COUNCIL MEETING MINUTES OF JUNE 16, 2015

CALL TO ORDER

The second regular meeting of the Coon Rapids City Council for the month of June was called to order by Mayor Jerry Koch at 7:00 p.m. on Tuesday, June 16, 2015, in the Council Chambers.

PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Koch led the Council in the Pledge of Allegiance.

ROLL CALL

Members Present: Mayor Jerry Koch, Councilmembers Denise Klint, Ron Manning, Wade Demmer, Jennifer Geisler, Brad Johnson and Steve Wells

Members Absent: None

ADOPT AGENDA

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER DEMMER, TO ADOPT THE AGENDA AS AMENDED REMOVING ITEM 6 (APPROVE SPECIFICATIONS FOR PURCHASE OF RESTAURANT EQUIPMENT FOR BUNKER HILLS REMODELING AND AUTHORIZE ADVERTISEMENT FOR BIDS) FROM THE CONSENT AGENDA FOR DISCUSSION AS ITEM 18A; AND ADDING ITEM 9A (APPROVAL OF A TEMPORARY LIQUOR LICENSE FOR AMERICAN LEGION POST #334) TO THE CONSENT AGENDA. THE MOTION PASSED UNANIMOUSLY.

PROCLAMATIONS/PRESENTATIONS

1. ACCEPT COMMUNITY PARTNERSHIP GRANT FROM CENTERPOINT ENERGY AND ADOPT RESOLUTION 15-83 AMENDING THE 2015 BUDGET
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Staff was pleased to report that the City received a Partnership Grant from CenterPoint Energy in the amount of \$2,500. It was noted Coon Rapids Police and Fire Departments will share the grant and will use the funds to support missions for citizens. The Police Department will spend \$1,250 toward the purchase of an AED (Automated External Defibrillator) and will place that device in a squad car for use in responding to emergency calls for service. The Fire Department will use \$1,250 toward the purchase of a solar powered emergency traffic control sign to be placed in front of Fire Station 1 on Egret Boulevard. This sign will protect against a fire truck becoming gridlocked by traffic waiting for

a train.

MOTION BY COUNCILMEMBER DEMMER, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT RESOLUTION NO. 15-83, ACCEPTING THE COMMUNITY PARTNERSHIP GRANT FROM CENTERPOINT ENERGY AND AMENDING THE 2015 BUDGET. THE MOTION PASSED UNANIMOUSLY.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

2. JUNE 2, 2015, COUNCIL MEETING

Councilmember Geisler requested a correction on Page 5 noting she was discussing a PUD and not a Preliminary Plat.

MOTION BY COUNCILMEMBER GEISLER, SECONDED BY COUNCILMEMBER DEMMER, FOR APPROVAL OF THE MINUTES OF THE JUNE 2, 2015, COUNCIL MEETING AS AMENDED. THE MOTION PASSED UNANIMOUSLY.

CONSENT AGENDA/INFORMATIONAL BUSINESS

3. ADOPT RESOLUTION 15-86 AMENDING 2015 BUDGET FOR DWI GRANT
4. ACCEPT QUIT CLAIM DEEDS FROM SHAMROCK DEVELOPMENT
5. ADOPT RESOLUTION 15-84 AMENDING 2015 FACILITIES CONSTRUCTION BUDGET AND AUTHORIZING PURCHASE OF NETWORK VIDEO RECORDER
6. ~~APPROVE SPECIFICATIONS FOR PURCHASE OF RESTAURANT EQUIPMENT FOR BUNKER HILLS REMODELING AND AUTHORIZE ADVERTISEMENT FOR BIDS~~
7. ADOPT RESOLUTION 15-90 APPROVING POLICE SERGEANTS HEALTH CARE SAVINGS PLAN
8. ADOPT RESOLUTION 15-82 APPROVING OFF-SITE GAMBLING PERMIT FOR COON RAPIDS YOUTH HOCKEY ASSOCIATION AT THE COON RAPIDS ICE CENTER JUNE 26-JUNE 28, 2015
9. ADOPT RESOLUTION 15-87 DECLARING PARTICIPATION WITH THE COUNCIL ON LOCAL RESULTS AND INNOVATION'S STATE PERFORMANCE MEASUREMENT PROGRAM
- 9A. APPROVE TEMPORARY ON-SALE INTOXICATING LIQUOR LICENSE FOR STRONG BEER AND WINE FOR AMERICAN LEGION POST #334 FOR 4TH OF JULY CELEBRATION

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER GEISLER, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED.

Councilmember Wells asked if the youth hockey association has requested a gambling license in the past. Public Works Director Himmer stated that the hockey association was requesting a gambling

license for a hockey tournament scheduled at the Coon Rapids Ice Arena.

Councilmember Wells stated he could support the request this evening, but asked that the Council discuss charitable gambling at the ice arena at a future worksession meeting.

THE MOTION PASSED UNANIMOUSLY.

PUBLIC HEARING

10. GRANT APPLICATION US DEPARTMENT OF JUSTICE

The Staff report was shared with Council.

Mayor Koch opened and closed the public hearing at 7:14 p.m. since no one appeared to address the Council.

MOTION BY COUNCILMEMBER GEISLER, SECONDED BY COUNCILMEMBER DEMMER, TO RECOMMEND STAFF ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH ANOKA COUNTY. THE MOTION PASSED UNANIMOUSLY.

BID OPENINGS AND CONTRACT AWARDS

None.

OLD BUSINESS

11. CONSIDER ADOPTION OF ORDINANCE 2141, AN ORDINANCE ADOPTING 2015 STATE BUILDING CODE

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT ORDINANCE 2141, APPROVING THE PROPOSED LANGUAGE AMENDING CHAPTER 12-200 OF THE CITY CODE. THE MOTION PASSED UNANIMOUSLY.

NEW BUSINESS

12. 2014 ANNUAL FINANCIAL STATEMENT

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER WELLS, SECONDED BY COUNCILMEMBER JOHNSON,
TO ACCEPT THE 2014 ANNUAL FINANCIAL STATEMENT.

Councilmember Wells and Councilmember Demmer commended the Finance Department on their efforts on behalf of the City.

THE MOTION PASSED UNANIMOUSLY.

13. INTRODUCTION OF A NO WAKE ORDINANCE ON CROOKED LAKE DURING
 TIMES OF HIGH WATER LEVEL

The Staff report was shared with Council.

Mayor Koch considered the No Wake Ordinance for Crooked Lake to be introduced.

14. PC15-17: CONSIDER RESOLUTION 15-85, A RESOLUTION APPROVING
 AMENDMENT TO COMPREHENSIVE PLAN LAND USE, 1005 COON RAPIDS
 BOULEVARD EXTENSION

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER
DEMMEER, TO ADOPT RESOLUTION NO. 15-85, APPROVING THE PROPOSED LAND USE
CHANGE FROM LOW DENSITY RESIDENTIAL TO MODERATE DENSITY RESIDENTIAL
BASED ON THE FOLLOWING FINDINGS:

1. CHANGING THE LAND USE DESIGNATION TO MODERATE DENSITY RESIDENTIAL WILL ALLOW THE PROPERTY TO BE REDEVELOPED AS TOWNHOMES, WHICH WOULD BE A COMPLEMENTARY MIX WITH THE EXISTING SINGLE FAMILY HOMES AND APARTMENTS IN THE NEIGHBORHOOD.
2. THE PROPERTY HAS A HISTORY AS A PROBLEM PROPERTY. REDEVELOPING IT AS TOWNHOMES WOULD DISCOURAGE FUTURE SIMILAR PROBLEM USES.
3. INCREASING THE DENSITY TO 7 UNITS PER ACRE, WHICH IS WHAT IS ALLOWED UNDER MODERATE DENSITY RESIDENTIAL, WOULD BE A MORE EFFICIENT USE OF THE PROPERTY AND WOULD NOT BE OUT OF CHARACTER WITH THE NEIGHBORHOOD.

4. CHANGING THE LAND USE TO MODERATE DENSITY RESIDENTIAL WILL PROVIDE AN OPPORTUNITY TO ADD NEW RESIDENCES AND REMOVE THE EXISTING DWELLING, WHICH IS A BLIGHTING INFLUENCE.
5. THE PROPOSED CHANGE IS ALSO CONSISTENT WITH THE HOUSING GOAL OF PROVIDING A VARIETY OF HOUSING TYPES. IT SUPPORTS THE POLICY OF REDEVELOPING SITES ALONG HIGH ACTIVITY AREAS FOR TOWNHOUSES AND/OR APARTMENT TYPE USES.

Councilmember Klint supported the land use amendment, however she questioned if townhomes were the only option for this site. Planner Harlicker reviewed the types of developments that could be placed on moderate density residential sites.

THE MOTION PASSED UNANIMOUSLY.

15. **CONSIDER RESOLUTION 15-88, A RESOLUTION AMENDING 2015 BUDGET FOR THE MSA STREET RECONSTRUCTION PROJECT**

The Staff report was shared with Council.

Councilmember Klint requested further information from staff on the changes proposed to the street reconstruction plans. Public Works Director Himmer explained that the City typically reconstructs seven to eight miles of local City streets and one mile of State Aid streets annually. He indicated the City was proposing to take advantage of the State Gas Tax and would be reconstructing approximately nine miles of heavy traffic roads. He commented that local roads would then be the focus for 2017.

Councilmember Manning inquired if the City could complete nine miles of State Aid roads in one construction season. Public Works Director Himmer believed it was reasonable to complete all nine miles, but noted staff was beginning its work now to ensure the projects run smoothly.

MOTION BY COUNCILMEMBER DEMMER, SECONDED BY COUNCILMEMBER GEISLER, TO ADOPT RESOLUTION NO. 15-88, AMENDING THE 2015 BUDGET FOR THE MSA STREET RECONSTRUCTION PROGRAM.

Councilmember Demmer understood a 10-year loan would be needed for the proposed project. He appreciated the bonding information provided by staff noting a convincing argument was made. For this reason, he would be supporting the project.

Councilmember Klint asked if the proposed project area would be altered after further research was conducted on the project. Public Works Director Himmer explained that the proposed roadways were having geotechnical work conducted and there was a possibility that adjustments will be made after staff has the geotechnical findings.

THE MOTION PASSED UNANIMOUSLY.

16. PC 15-18: CONSIDER ORDINANCE 2140 APPROVING A ZONE CHANGE, 1005
COON RAPIDS BOULEVARD EXTENSION

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER DEMMER, TO ADOPT ORDINANCE 2140, APPROVING THE PROPOSED ZONE CHANGE TO MODERATE DENSITY RESIDENTIAL BASED ON THE FOLLOWING:

1. THE PROPOSED REZONING TO MODERATE DENSITY RESIDENTIAL IS CONSISTENT WITH THE LAND USE DESIGNATION OF MODERATE DENSITY RESIDENTIAL
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USES AND ZONING.
3. THE TIMES AND CONDITIONS HAVE CHANGED SO THAT A REASONABLE USE OF THE PROPERTY CANNOT BE MADE UNDER THE CURRENT ZONING.
4. THE PROPOSED ZONE CHANGE WOULD NOT HAVE AN ADVERSE IMPACT ON THE AREA.

THE MOTION PASSED UNANIMOUSLY.

17. ASSESSMENT OF COSTS FOR PUBLIC IMPROVEMENTS – CRESCENT PONDS 8TH
ADDITION

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER WELLS, SECONDED BY COUNCILMEMBER MANNING, TO ADOPT RESOLUTION NO. 14-23(10) DECLARING COST TO BE ASSESSED; AND RESOLUTION NO. 14-23(12) ADOPTING THE ASSESSMENT. THE MOTION PASSED UNANIMOUSLY.

18. CONSIDER ADOPTION OF RESOLUTION 15-89, A RESOLUTION APPROVING
BUNKER HILLS REMODELING PROJECT

The Staff report was shared with Council.

Bill Morrissey, Morrissey Hospitality Companies, provided the Council with a brief presentation on the proposed project. He explained that he has enjoyed working with the City since past November. He believed that the proposed project would improve the efficiency, capacity and productivity of Bunker Hills 365 days a year.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER GEISLER, TO ADOPT RESOLUTION NO. 15-89, AUTHORIZING THE BUNKER HILLS REMODELING PROJECT.

Councilmember Geisler supported the remodeling of Bunker Hills as it would allow the facility to better support both the golfers and those visiting the restaurant or event center.

Councilmember Johnson commented he would not be supporting the motion. He questioned if the City was operating Bunker Hills under the proper business model. He understood that Morrissey was to be well trusted and was running a fine establishment. He stated that the City now had a government run restaurant that was in direct competition with private sector restaurants. He questioned if this was the best option moving forward, and inquired if an additional \$700,000 should be invested in this venture. He believed that the City was putting the cart before the horse and indicated the City could be putting the general fund at risk.

Councilmember Manning indicated that other cities have golf courses with restaurants and receive rental rates. Each of these cities is putting their general fund at risk, however, he believed the City was at more risk by doing nothing. He supported the proposed renovations at Bunker Hills.

Councilmember Demmer stated this was a really difficult decision for him to make. He understood the projections Morrissey was providing. He believed that more revenue would be generated after the renovations were completed. However, he questioned if the expense of the renovations was too high. He feared that a ten-year loan was too long for a number of the items being replaced. In the end, he wanted to see the restaurant succeed.

Councilmember Johnson commented the proposed improvements from Morrissey all made sense to him. It was the financial risk versus the reward that were his concern.

Mayor Koch supported the project and understood the renovations were expensive. He believed that the suggestions made by Morrissey all made sense and would make the facility top notch. For that reason, he would be supporting the motion.

THE MOTION PASSED 5-2 (DEMME AND JOHNSON OPPOSED).

18A. APPROVE SPECIFICATIONS FOR PURCHASE OF RESTAURANT EQUIPMENT FOR BUNKER HILLS REMODELING AND AUTHORIZE ADVERTISEMENT FOR BIDS

The Staff report was shared with Council. It was noted the bid close date was being changed from June 29th to July 8th.

MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER GEISLER, TO APPROVE SPECIFICATIONS FOR PURCHASE OF RESTAURANT EQUIPMENT FOR BUNKER HILLS REMODELING AND AUTHORIZE ADVERTISEMENT FOR BIDS.

Councilmember Demmer questioned if staff had a price range in mind for the restaurant equipment that was needed. Finance Director Legg estimated \$170,000 would be needed for new restaurant equipment, grills and refrigeration units.

Councilmember Johnson commented that he would be supporting the purchase of new restaurant equipment in order to keep the restaurant viable.

Councilmember Geisler looked forward to reviewing the specifications in further detail at a future meeting.

Councilmember Manning reiterated that the worst-case scenario was presented to the Council and the bids could come in more favorable than were anticipated. He believed that the renovations and upgrades to the kitchen would greatly benefit Bunker Hills and the City.

THE MOTION PASSED UNANIMOUSLY.

19. CONSIDER CITY MANAGER EMPLOYMENT CONTRACT

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER WELLS, SECONDED BY COUNCILMEMBER KLINT, TO APPROVE THE EMPLOYMENT AGREEMENT WITH MATTHEW STEMWEDEL FOR THE CITY MANAGER POSITION.

Councilmember Johnson discussed how employment contracts rarely fully represent the true salary of employees. He preferred to have public sector salaries be extremely transparent. He requested that the moving allowance be only paid once, if Mr. Stemwedel moved to the City of Coon Rapids.

City Attorney Brodie discussed the current language noting that a moving allowance would only be paid if City Manager Stemwedel were to move into the City of Coon Rapids in the next two years.

THE MOTION PASSED UNANIMOUSLY.

OPEN MIC/PUBLIC COMMENT

Mayor Koch reviewed the rules of order for the Open Mic/Public Comment portion of the meeting.

Scott Bromley, 441 127th Lane, discussed the City's franchise fee. He stated that Coon Rapids was the only City in Anoka County to have this fee. He encouraged the Council to do away with the franchise fee before it lost any more businesses.

REPORTS ON PREVIOUS OPEN MIC

None.

OTHER BUSINESS

None.

ADJOURN

MOTION BY COUNCILMEMBER WELLS, SECONDED BY COUNCILMEMBER JOHNSON,
TO ADJOURN THE MEETING AT 8:03 P.M. THE MOTION PASSED UNANIMOUSLY.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk