

**REGULAR ANDOVER CITY COUNCIL MEETING – SEPTEMBER 6, 2016
MINUTES**

The Regular Bi-Monthly Meeting of the Andover City Council was called to order by Mayor Julie Trude, September 6, 2016, 7:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Mike Knight, Sheri Bukkila, Valerie Holthus and James Goodrich

Councilmember absent: None

Also present: City Administrator, Jim Dickinson
City Planner, Stephanie Hanson
Director of Public Works/City Engineer,
David Berkowitz
City Attorney, Scott Baumgartner
Others

PLEDGE OF ALLEGIANCE

PROCLAMATION

Mayor Trude proclaimed September 17th – 23rd to be Constitution Week. The proclamation will be signed by all of the Council members.

RESIDENT FORUM

No one wished to address the Council.

AGENDA APPROVAL

Motion by Bukkila, Seconded by Knight, to approve the Agenda as presented above. Motion carried unanimously.

APPROVAL OF MINUTES

July 26, 2016, Special Meeting: Correct as written.

Motion by Holthus, Seconded by Goodrich, to approve the minutes as presented. Motion carried unanimously.

August 16, 2016, Regular Meeting: Correct as amended.

Councilmember Holthus requested the following corrections:

- On page 4, line 16, to state “stop and enforce”
- On page 4, line 21, to state “furthermore the homeowner’s association would take the owner to court”

Motion by Holthus, Seconded by Knight, to approve the minutes as indicated above. Motion carried unanimously.

CONSENT ITEMS

- Item 2 Approve Payment of Claims
- Item 3 Approve Consultant/2018 & Comprehensive Plan Update/16-39B/Transportation Plan
- Item 4 Approve Hold Harmless & Easement Encroachment Agreement/1126-166th Ave NW
- Item 5 Award Quote/16-12/Timber Trails Park Reconstruction/Paving
- Item 6 Declare Cost/Order Assessment Roll/16-2/2016 Street Reconstruction (See Resolution R071-16)
- Item 7 Declare Cost/Order Assessment Roll/16-11/173rd Lane NW Reconstruction (See Resolution R072-16)
- Item 8 Approve the Reconveyance of Tax Forfeit Property to the State of Minnesota – Section 9 (See Resolution R073-16)
- Item 9 Approve Final Plat Filing Extension – Country Oaks North 3rd and 4th Additions – SW Land, LLC (See Resolution R074-16)
- Item 10 Declare Surplus Equipment
- Item 11 Approve Contract for School Liaison/Anoka-Hennepin School District #11
- Item 12 Accept Contribution/Andover Football Association (See Resolution R075-16)
- Item 13 Approve Resolution Authorizing a 2016 Planning Assistance Grant Application Submittal (See Resolution R076-16)

Motion by Knight, Seconded by Bukkila, approval of the Consent Agenda as read. Motion carried unanimously.

CONSIDER PRELIMINARY PLAT AND PLANNED UNIT DEVELOPMENT PLAN – PRESERVE AT OAK VIEW – 16473 CROSSTOWN BLVD NW – METROWIDE DEVELOPMENT, LLC

Ms. Hanson described the preliminary plat and Planned Unit Development (PUD) for the Preserve at Oak View. The proposed plat contains 13 rural residential lots. The property is not located within the MUSA Boundary and the lots will be served by individual septic systems and private wells. The property is zoned Single Family Rural Residential (R-1) and is zoned properly for this type of development.

Ms. Hanson stated the Anoka County Highway Department has reviewed the plat. The developer will be required to construct a right turn lane on Crosstown Boulevard. However, a by-pass lane will not be required because of the low amount of traffic generated from the

development. There is a wetland in the southwest corner of the proposed plat. The wetland delineation has been approved by the Coon Creek Watershed District. The plat itself has been placed on the September 12, 2016 Watershed Board meeting agenda. The Park and Recreation Commission reviewed the preliminary plat at their August 18, 2016 meeting. The Commission recommended the required trail fees and cash in lieu of land for park dedication.

As part of the PUD request the applicant is asking for flexibility with street construction standards. City staff recommended the pavement width be 22 feet as proposed in the PUD documents, 18 inch ribbon curb on each side along with a 50-foot right-of-way.

Ms. Hanson noted as proposed on the preliminary plat the street extension falls short of the plat line. As required by City Code streets are required to be constructed to the plat line to provide access for future development. The developer is proposing to construct a temporary cul-de-sac short of the plat line to avoid existing wetlands and county ditch. However, as part of the plat, right-of way will be dedicated to the plat line. The developer will be required to escrow funds for the future extension of the street. The escrow amount will be determined once the developer submits cost estimates for the future street extension.

The PUD proposes lot sizes to range from 1.5 – 6.72 acres and widths ranging from 100 – 441 feet. Originally the developer was proposing an outlot as part of the development. However, an updated preliminary plat has been submitted that eliminates the outlot thus increasing the size of Lot 5, Block 1.

Ms. Hanson explained the development will have recordable covenants that will regulate the type of and placement of detached accessory structures to ensure there is consistency between all lots within the development. All legal documents are required to be reviewed and approved by the City Attorney prior to the approval of the final plat.

The developer is preserving as many existing trees as possible. Staff recommends the Tree Preservation Plan be added to the resolution as a condition and attach the plan as Exhibit C.

A public hearing was held at the August 23, 2016 Planning and Zoning Commission meeting. Upon receiving public comment the Planning and Zoning Commission recommended approval of the preliminary plat/PUD on a 4-1 vote, subject to the conditions of the resolution of approval.

Ms. Hanson reviewed the staff report with the Council.

Mayor Trude asked about the large size of the right-of-way at the plat's south boundary. Ms. Hanson explained it is to provide future options for development of the land to the south and street configuration. This proposed right-of-way was reviewed by the Coon Creek Watershed District. Mr. Dickinson stated the goal is to provide flexibility in future road design. Mr. Berkowitz added the responsibility to provide right-of-way access for future development is the City's responsibility. Councilmember Holthus commented the right-of-way was almost like a "ghost plat." There was further discussion on this issue as it related to potential further

development and the right-of-way designation.

Ms. Hanson continued by speaking to lot standards.

Councilmember Knight asked how wet is the wetland. Ms. Hanson replied there is water present at times. Mayor Trude asked if it could be compared to Coon Creek essentially a ditch. Ms. Hanson replied it was more like a swale. Mayor Trude asked if it served farmers. Mr. Berkowitz replied there is not farming activity in the area.

Mayor Trude noted this plan preserves the backyard for the families to the south. Mr. Berkowitz confirmed that the cul-de-sac is a temporary cul-de-sac.

Ms. Hanson called attention to the tree preservation plan map to illustrate which trees would be removed.

Ms. Hanson requested the Council approve the preliminary plat and PUD with conditions in the resolution.

Darren Lazan, representing Metrowide Development came to the podium and thanked staff for their work over the summer and stated they had worked with them well. He commented the land to be developed had tremendous natural resources with wetlands throughout the site with a diverse stand of trees. He explained traditional placement of homes on the property would have been devastating to the tree stand, but was perfect for low-impact development. They are proposing the least disruptive path for the street with ditches to manage the drainage. He displayed photographs of the ditch swales to illustrate water treatment and noted plantings are not required for treatment of the water. He confirmed Hanson Builders would be the exclusive builders on this project. Home prices will be starting at \$650,000 and are expected to go up to \$800,000. Covenants will focus on vehicle parking and storage, outbuildings, architectural requirements, monument signage and maintenance of ditches. There will be an architectural review committee.

Mayor Trude asked if there had been a conversation with the neighbors to educate and calm their fears.

Councilmember Holthus stated she appreciated how the development preserved the trees.

Councilmember Goodrich noted this is the second time this PUD was in front of the Council and the Planning and Zoning Commission, citizens have had multiple opportunities to provide input. He noted there are no more homes being allowed than if the PUD was a platted development. He expressed his full support.

Councilmember Bukkila asked to see the plat layout from the previous meeting and asked about changes in the lot lines. She noted the lots were actually made smaller. Mr. Lazan stated that was done to create equity/buildable areas in the development and the road placement had

changed as well. Councilmember Bukkila thanked the developer for his work to address concerns.

Councilmember Knight congratulated Mr. Lazan on a job well done.

Mayor Trude asked questions about the escrow and a timeline that might be attached to it, because as presented the escrow would continue indefinitely. Mr. Dickinson shared City history related to this issue. He recommended a review in 10-15 years.

Mr. Dickinson indicated an action directing the handling of escrows would modify condition #11 of the resolution.

Councilmember Bukkila feels it keeps the burden from being on the rest of the residents if the road should go through.

Councilmember Goodrich feels it should be consistent with past practice.

Councilmember Holthus asked about the amount of the escrow. Mr. Dickinson could not confirm the amount. Mr. Lazan estimated \$20,000.

Mayor Trude asked about homes to the south and the likelihood of extending the road to a future sub-development.

Motion by Trude, Seconded by Knight, to add to the resolution, the limiting of the escrow to 15 years from the time of the approval of the final plat, if the purpose for the right-of-way has gone away.

Councilmember Bukkila expressed a desire to have a policy going forward rather than determination on a case-by-case basis.

Mr. Lazan stated they are not trying to avoid paying “our” fair share, allowing for a connection for the future. He recommended putting the money into parks or streetscapes feeling the likelihood of development to the south is small.

City Attorney Baumgartner stated the difficulty is trying to predict the future. By not accepting the escrow the City would have to find those funds to extend the road in the future and that if the escrow was reviewed in 15 years there would be a better sense of what might happen.

Councilmember Holthus commented she understood having to have the right-of-way and cul-de-sac but she did not ever remember an escrow like this one.

Mr. Berkowitz commented the developer is required to provide for the road if there is development potential. There is a potential to develop 30-35 acres to the south. Staff is following the City Code and he believes it is a reasonable request ask for the dollars to extend

the road. It is consistent to what has been done in the past. Usually the cul-de-sac goes up to the edge of the plat. Usually within 5 years additional development has happened in previous cases. The City will allow escrow when it is difficult to get to the edge of the road. He believes it is a reasonable compromise. He believes that a 15-year review would be appropriate in this case.

Councilmember Holthus asked about what system would be in place to review the escrow in 15 years. Mr. Dickinson confirmed that every month and/or quarter all escrows are reviewed as a regular part of the financial review process.

Councilmember Knight asked for clarification about the cul-de-sac to the property line. Mr. Berkowitz said it is a challenge with the permitting process and would delay the project.

Mayor Trude withdrew her motion and asked staff to draw up a resolution to address the escrow in a 15-year review. Mr. Dickinson confirmed this could be done. The review would be brought to a Council meeting for review.

Councilmember Bukkila asked if that would be “rare.” Mr. Dickinson stated it is not done often. Mr. Berkowitz confirmed that the Engineering staff review an escrow sheet monthly from Finance with notes to follow along. One escrow has been followed for over 15 years.

Mayor Trude stated the previous motion was withdrawn.

Motion by Trude, Seconded by Knight to approve the resolution with an amendment that the escrow review by Council would be 15 years from the approval of the final plat.

Councilmember Bukkila stated that she felt the holding of an escrow for 15 years is inconsistent with what has been done in the City previously.

Motion carried 3 ayes, 2 nays (Goodrich and Bukkila). (See Resolution R077-16)

DISCUSS/ADOPT PRELIMINARY 2017 PROPERTY TAX LEVY

It was noted each year the City Council is required by state law to prepare a preliminary budget and submit a preliminary levy certification to the Anoka County Property Records and Taxation Division by September 30, 2016. The preliminary 2017 budget proposes a total property tax levy of \$11,938,555: \$8,344,354 operational levy, \$1,610,047 debt service levy, and \$1,984,154 capital/watershed levy.

The 2017 proposed property tax levy is estimated to reduce the current City tax capacity rate by close to 2% but will generate additional tax revenue through growth identified in the City’s tax base, a 2.97% increase in the gross tax levy. The Council has the right to reduce or keep constant this levy until the final certification date of December 28, 2016.

The Council was asked to discuss and approve the resolution indicating the total preliminary levy of \$11,938,555 to be submitted to the Anoka County Property records and Taxation Division by

September 30, 2016.

Mayor Trude asked what would happen to the tax rates for individual property owners if the home's value stays the same. Mr. Dickinson stated if the value of a home stays the same the amount of City taxes will go down. However, if a home's value goes up by 6% or 7%, then the amount of City taxes will go up. This is because of the significant economic growth in the community.

Councilmember Goodrich stated he is very comfortable with the planning that had taken place along with allowing for growth and overall he is very supportive of the budget as it currently stands.

Mayor Trude commented the councilmembers had sat in a number of workshops and she is very pleased and in support of the budget feeling that it met the needs of the community, including funding for park maintenance, construction projects coming up, and one additional staff person. She confirmed that overall the Council is supportive of the recommendation.

Motion by Holthus, Seconded by Goodrich, to approve Resolution No. R078-16 adopting the proposed 2017 property tax levy. Motion carried unanimously.

DISCUSS/ADOPT 2017 DEBT SERVICE LEVY CHANGES

Mr. Dickinson reviewed the staff report with the Council stating the Anoka County Property Records and Taxation Division requires a City Council resolution changing bonded indebtedness levies for 2017 that would have been certified to Anoka County as part of prior year's bond sales. The resolution is to update bonded indebtedness levies along with a brief description as to why there was a change.

Motion by Knight, Seconded by Holthus, to approve Resolution No. R079-16 updating the certified bonded indebtedness levies for 2017. Motion carried unanimously.

SET HEARING DATE(S) FOR 2017 BUDGET & LEVY DISCUSSION & PUBLIC COMMENT

Mr. Dickinson requested the Council schedule a meeting at which the budget and levy will be discussed and public input will be allowed prior to the final budget and levy determination.

The Council discussed the draft agenda and available dates.

It was recommended that the initial hearing date be on Tuesday, December 6, 2016 with the continuation hearing date being set for Tuesday, December 20, 2016. Both meetings would be held at 7:00 pm during regular City Council meetings.

Motion by Holthus, Seconded by Knight, to schedule hearing dates for the 2017 Budget and Levy Discussion and Public Comment on December 6 and 20, 2016, at 7:00 p.m. Motion carried

unanimously.

ADMINISTRATOR'S REPORT

City Staff updated the Council on the administration and city department activities, legislative updates, updates on development/CIP projects, and meeting reminders/community events.

(Employee Insurance) Mr. Dickinson indicated the City employee health insurance has been sent out for bid as a part of the standard annual process.

(Staff Opening) Due to the resignation of Mr. Carlberg, job postings have been placed and due to the Labor Day holiday it has been decided to extend the acceptance of applications another 2 weeks, recognizing the importance of making the right hire.

(New Homes) New homes now total 73, exceeding budget.

(Recycling) Recycling day is this weekend and will include paper shredding.

(Construction) Mr. Berkowitz reported the construction season is wrapping up and included trail work, sidewalks, resurfacing, street sweeping, sealing of parking lots and trails, and a water main extension to CenterPoint Energy beginning this week. He highlighted the construction of the Grey Oaks 4th Addition and the Preserve at Oakview.

Mayor Trude commented the Timber Trails Park well had been completed along with irrigation. It is hoped that the fields will be playable in 2018. Some of the new seed was washed away in recent heavy rains.

MAYOR/COUNCIL INPUT

(Acapulco) Mayor Trude announced that the new Acapulco restaurant is open and is expected to be very popular in the community.

(Heart Safe) Mayor Trude stated staff of the YMCA have agreed to help with Heart Safe training.

ADJOURNMENT

Motion by Knight, Seconded by Bukkila, to adjourn. Motion carried unanimously. The meeting adjourned at 8:36 p.m.

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Respectfully submitted,

Marlene White, Recording Secretary

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