

***ANDOVER CITY COUNCIL WORKSHOP MEETING – MAY 25, 2021
MINUTES***

The Workshop Meeting of the Andover City Council was called to order by Mayor Sheri Bukkila, May 25, 2021 at 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Valerie Holthus, Jamie Barthel, Ted Butler, and Randy Nelson

Councilmembers absent: None

Also present: City Administrator, Jim Dickinson
City Engineer/Public Works Director, David Berkowitz
Community Development Director, Joe Janish
Parks and Streets Operational Manager, Jason Baumunk
Utilities Lead Person, Scott Protivinsky
Others

DISCUSS MULTI-FAMILY AT BUNKER LAKE BLVD. AND 7TH AVENUE-

The City Council is asked to discuss a multi-family unit located on the northeast side of Bunker Lake Boulevard and 7th Avenue and provide feedback to the development company. Mr. Janish provided a brief history of the property and introduced Della Kolpin with NextNest and Blaine Watters with Quest Development.

Ms. Kolpin stated the proposed apartment building will be market rate multi-family with 120 units. The site to include a single level assisted living memory care and townhomes. The density for the property is 18.3 units per acre. Ms. Kolpin presented two site plan options.

Mr. Janish explained the developer is looking for feedback on the two site plans before proceeding with an official site plan. Mr. Janish provided comments from the Building Department and Fire Department and stated they prefer option A.

Councilmember Holthus asked if there would be a barrier between the apartment building and Bunker Lake Boulevard to keep kids safe. Ms. Kolpin stated there will be a sidewalk. Mr. Janish explained the Fire Department prefers no barriers for emergency response purposes.

Mayor Bukkila stated she prefers Option A because the active housing units are on one side of the road. She would prefer the play area to be more easily accessible, possibly fenced in, or moved to safer location so kids do not have to cross any road to get to it. Mayor Bukkila thanked the developer for their effort and in her opinion feels the site plan is more functional than the previous plan.

Councilmember Butler stated he prefers Option B because the apartment building would give more privacy to the assisted living facility. Mr. Watters replied the assisted living facility prefers the visibility from Bunker Lake Boulevard.

Councilmember Nelson asked what the rent would be. Ms. Kolpin replied the rent would probably range from \$950 for a studio - \$1,600.

Councilmember Nelson asked about the underground parking. Ms. Kolpin stated the parking is below-grade and may have up to 118 parking stalls.

Councilmember Holthus asked about the commercial property. Mr. Watters replied the focus has been on the residential property to date, but they have had interest from businesses for the commercial property as well. He anticipates it being a mix of uses.

Mayor Bukkila stated the preference is underground parking for the apartment building. Ms. Kolpin stated they are concerned with the water level and the feasibility of below-grade underground parking. They will take soil borings to see if they can do full underground or partial. Mayor Bukkila replied she is willing to go taller with the building in order to maintain parking below the building.

CIP DISCUSSION/STREETS

The City Council is requested to discuss information and provide direction to staff regarding the city street infrastructure conditions and funding needs. Mr. Berkowitz stated the Council has been focusing on improving and funding city roads. Staff are preparing the Capital Improvement Plan and are identifying improvements throughout the next ten years.

Mr. Baumunk displayed images of streets that need full reconstruction or mill and overlay. Mr. Berkowitz explained a mill and overlay can extend the life of a road.

Councilmember Nelson asked if there was a map that shows the age of a road and when it is expected to be improved. Mr. Berkowitz replied the City has a Pavement Management Program database and a map.

Mr. Baumunk explained sealcoating is not effective in this climate and has actually been causing more damage. Councilmember Butler asked if products have been modified to address that

issue. Mr. Berkowitz replied Andover has put a moratorium on sealcoating streets in the city and stated the manufacturer is not reacting to the need for a different product.

Mr. Baumunk displayed a map categorizing the City's road conditions and level of repair needed. He stated there are 35 miles that need reconstruction, and the City is currently only planning on one mile per year. Mr. Baumunk stated there are 63 miles that need mill and overlay. Mr. Berkowitz stated if the mill and overlay is not done, more roads will move to a full reconstruction. He stated there is a need for a balanced approach to maintaining the roads.

Councilmember Butler stated the City should look at 5 miles of reconstruction and 6.5 miles of mill and overlay per year to stay on track.

Mr. Berkowitz stated funding is in the Road and Bridge Fund and does not include State aid money. The map looks at the local streets and not State aid routes. Mr. Dickinson stated the City can use levy, assess or bond for street costs.

Mr. Berkowitz stated the City has a need for \$4 million for street reconstruction and \$2 million for overlays per year. Mayor Bukkila asked him to compare it to what the City currently has budgeted for local roads. Mr. Berkowitz compared the proposal to last year when the City spent \$1.6 million on overlay and \$1.8 million on street reconstruction.

Mayor Bukkila asked how the City can address the road maintenance problem long-term. Mr. Berkowitz stated Andover has 200 miles of road and asked how many roads per year would the City need to reconstruct. Mr. Baumunk replied 4 miles of street reconstruction per year for a 40-year life cycle. He stated the City has roads that are past 40 years old and may be 50-60 before the City can get to them.

Mayor Bukkila stated the City should plan for the long-term as well as address the immediate needs.

Mr. Berkowitz stated the City collects a 25% assessment fee from residents to help fund the roads. Councilmember Butler asked if the \$1 million included assessments or just City funds. Mr. Baumunk replied it is the total cost of the project not including engineering costs. Mr. Berkowitz stated the engineering costs are approximately 18% of the project cost.

Mr. Dickinson stated the City set aside \$5 million for road repair, of which \$2.3 million was State aid. The remaining \$2.6 million includes tax levy, transfer in, and assessments. Mr. Berkowitz stated the State aid funds go toward maintenance as well as road repair.

Councilmember Barthel summarized the City is budgeting \$1.6 - \$2 million per year for roads and the actual need is \$6 million per year. He stated the Council needs to figure out how to get an additional \$4 million. Mr. Berkowitz added the Council can come up with a plan to reach that

point. He understands an additional \$4 million is not realistic but would like to get to that point.

Mr. Dickinson clarified the presentation was intended to show the need and the Council will discuss how to fund it at a future workshop. Mr. Berkowitz stated the assessment fee is vastly different between the urban and the rural area. He would like to see a different formula for types of development.

Councilmember Barthel agreed the formula for assessments needs to be different in the rural area and suggested more gravel roads in the rural area. Mr. Berkowitz stated the cost for gravel is around \$5,000 per mile but a ditch system is necessary. He stated installing ditches can be expensive as well.

Mr. Dickinson listed the items for future funding discussions: assessment rates and ratio, urban versus rural changes, levy, State aid, grants, bonding, and franchise fees.

Councilmember Butler asked to see the phasing of road improvements and what the City plans on doing and when they plan on doing it. Mr. Baumunk replied that is difficult to do based on age of a road, because they do not all break down the same way. He stated a 30-year-old road may need to be repaired or replaced before a 60-year-old road.

Mayor Bukkila stated staff has done the best they can with the money they get, but the money has not been enough. She said if the City does not know how many miles of road that need repair each year, it is difficult for the Council to set a dollar amount.

Councilmember Holthus stated the garbage haulers put a lot of stress on the street. She suggested discussing a single service provider. Mayor Bukkila polled the Council and there was no interest in pursuing a single provider.

Mr. Berkowitz informed the Council that one garbage truck is the equivalent of 1,000 cars.

Mr. Berkowitz said the City has 15 miles of bituminous curb and has worked on going to concrete. He stated the City is going to look at staying with bituminous curb in certain areas. Mayor Bukkila polled the Council on concrete or bituminous curb and the Council was in favor of staying with bituminous curb in certain areas.

DISCUSS ADVANCED METERING INFRASTRUCTURE (AMI)/21-18

The City Council is requested to discuss the proposed schedule for the Advanced Metering Infrastructure (AMI) project and review options for public outreach information.

Mr. Berkowitz introduced Scott Protovinsky with the Utility Department and stated he will be managing much of the AMI project. Mr. Berkowitz stated Core and Main is the primary

contractor and will begin installing radio reads starting in June. He stated they have a completion date of December 31, 2021.

Mr. Berkowitz explained the process: installing radios on meters, sending letters to residents in zones, and a public outreach program. He asked if the City Council wanted to adopt an opt out program to cover the costs. He stated the City would like to go to quarterly billing.

Mayor Bukkila asked how much time the City is charging in late fees and rebilling people because the bill is larger with the quarterly process. Mr. Dickinson replied most of the utility accounts in default were monthly billings. He stated the City should go entirely quarterly or monthly, and not allow the option, residents should be able to budget on their own.

Mayor Bukkila asked for a breakdown of how many residents are monthly and how many are quarterly.

Mr. Berkowitz provided the Council with an example of public outreach from the City of Eagan. He explained the process would include the City website, newsletter, and a direct mailing from Core and Main. He asked if the Council wanted to post it on Facebook. The Council declined the option of posting it on Facebook.

Mayor Bukkila suggested placing a notice in the next utility bill.

Mr. Berkowitz asked if the Council wanted a direct contact person on the notice. He suggested Mr. Protovinsky as the main contact. Council agreed with the main contact being Mr. Protovinsky.

Mayor Bukkila was concerned about the information being buried on the website. Mr. Dickinson stated the notice can be posted on the news section with a prominent link.

Mr. Berkowitz stated they will explain how to find the information on the website in the City newsletter.

COMPREHENSIVE PLAN TEXT AMENDMENT DISCUSSION

The City Council is requested to provide feedback to staff regarding the Comprehensive Text Amendment and comments from the Met Council. Mr. Janish stated the Met Council is allowing the City to move ahead with the text amendment and asked for a map to identify the areas that would drop below the 2.4 units per acre without having to change the Future Land Use map.

Mr. Janish stated the City has been advised to accept this compromise and end the process. He stated the City is limited to the areas on the map to drop below 2.4 units per acre. All other areas that drop below 2.4 units per acre will need to go through a Comprehensive Plan Amendment.

Mr. Dickinson stated this is a good outcome for the City and if not accepted, the Met Council indicated they may initiate a full Plan Review. He recommended accepting this compromise and he will continue to pursue more flexibility through other means.

The Council reached consensus to accept the compromise for the Comprehensive Plan Text Amendment.

FENCE DISCUSSION

Mr. Berkowitz stated there is a resident who claims she was told by City staff she could put a fence in her yard before she moved in. When she came to the City to get the permit to install the fence, she was told she cannot place a fence where she wanted to and was very upset. Mr. Berkowitz researched how they could allow a fence in her desired location and the City Attorney stated they could enter into an Encroachment Agreement.

Mr. Berkowitz explained the storm water flow in the area and the importance of emergency overflow. If the resident installs a fence, they will block the emergency overflow. The resident wants to install a 6-foot privacy fence. Mr. Berkowitz recommends allowing the fence to go in, entering an Encroachment Agreement, recording restrictions with the property, and installing a chain link fence in the encroachment area. Mr. Berkowitz did state this could snowball though and other neighbors may want a fence as well.

Mayor Bukkila stated she would like to contain this offer to this property only and not allow “me too” agreements. She stated if there is some uniqueness to the offer, she would consider accommodating.

Councilmember Barthel stated he is leaning towards no because it will open up a can of worms. He stated just because one employee may have made a mistake does not mean the City has to honor it. He said every neighbor would want a fence and he does not support this option.

Mr. Dickinson stated the resident can put a fence outside of the easement area.

Councilmember Nelson stated it is too much of a liability and the City’s job is to protect her and her neighbors. He explained the City does not want her yard and basement to be flooded because an emergency overflow was blocked.

The Council reached consensus to deny the fence in the easement.

COMMUNITY CENTER APRIL 2021 UPDATE

Mr. Dickinson presented the Community Center Budget Summary Report through April 2021

and comparative data with April 2020. He stated field house and ice sales are strong. He provided a five-year history of the Community Center Budget.

Mayor Bukkila asked why there was a jump in salaries. Mr. Dickinson replied it is due to increased staff for the expanded field house and sports complex. He believes salaries will be below budget this year and they are still having trouble finding staff to hire. They have to hire full-time positions instead of part-time.

Mr. Dickinson presented the debt service payments and debt schedule for the facility. He explained the City has the opportunity to pay off the debt early with a structured call date but believes that is unlikely. He informed the Council he will be asking them for the authority to refinance the debt when he sees the ability to save the 3% State minimum.

Councilmember Holthus asked if the City received any money from the CARES Act for community center operations. Mr. Dickinson replied the City did not receive any funding for the Community Center operations but did receive funding for the construction project to meet COVID protocols. He stated the City can apply for lost revenue due to COVID with the new Relief Grants from the Federal Government.

Mr. Dickinson stated prepay online attendance is being discontinued and the Community Center will now accept payment in person.

2022 BUDGET DEVELOPMENT DISCUSSION

Mr. Dickinson updated the Council on the budget development and status of guidelines. He expects the ability to transfer \$1 million to road projects. Mr. Dickinson is anticipating new staffing requests and retirements. He expects some realignments and succession planning of staff.

Mr. Dickinson stated they are working on the Public Works Union contract. He is concerned about the cost of health insurance. Mr. Dickinson updated the Council on the contracts with the Sheriff's Department and City Attorney.

Mr. Dickinson feels the Senior Center is underutilized and the City will be taking over the scheduling of the facility, suggesting providing some charitable gambling funding to the seniors. He will continue to work with regular users and refer sporadic users to the Community Center.

OTHER ITEMS

Mayor Bukkila stated she spoke with a pastor regarding how they can give back to the community. She can see them planning and staffing teen nights (12-15 years old) on Friday and Saturday nights at the Community Center. Mr. Dickinson is going to discuss this with the

YMCA.

ADJOURNMENT

Motion by Holthus, second by Butler to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 9:13 p.m.

Respectfully submitted,

Shari Kunza, Recording Secretary
TimeSaver Off Site Secretarial, Inc.