

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, NOVEMBER 9, 2010 – 7:30 P.M.

1. CALL TO ORDER.

Pursuant to due call and notice thereof, a regular meeting of the Independence City Council was called to order by Mayor Johnson at 7:30 p.m.

2. PLEDGE OF ALLEGIANCE.

Mayor Johnson led the group in the Pledge of Allegiance.

3. ROLL CALL.

PRESENT: Mayor Johnson (left at 8:38 p.m.), Council Members Betts, Spencer and Wenck.

STAFF: Clerk-Administrator Hirsch, City Attorney Vose, City Planner Kaltsas, City Engineer Miller, Dave Callister, Ehlers and Associates.

VISITORS: Chris & Marietta Cady, Dave Appelhof, John Conlin, Chuck Goldenman, Bonnie Kaster, D. Lind, Greg & Jody Gustafson, Jim Smith, Dean Ramsey, Chris Dahlberg, Mark Johnson, Rick Mickschl, Steve Skillen, Wyman Haberer.

4. CONSENT AGENDA.

Approve:

- Council Minutes for October 28, 2010.
- Accounts Payable for November 2010.
- Letter of support to be sent to the Loretto Fire Department to apply for a “Fire and Rescue Shared Services Feasibility Study Grant.”
- Pay request No. 2 from Landwehr Construction Inc., Lindgren Lane Sanitary Sewer Extension.

Motion by Wenck, second by Betts, to approve the consent agenda. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

5. SET AGENDA – ANYONE NOT ON THE AGENDA CAN BE PLACED UNDER OPEN/MISC.

Nothing was added to the agenda.

6. REPORTS OF BOARDS & COMMITTEES BY COUNCIL AND STAFF

Spencer: Planning Commission meeting, Scarecrow Days in Maple Plain.

Wenck: Sensible Land Use Coalition meeting, Cable Community Television Association meeting.

Wallace: Nothing to report.

Betts: Sensible Land Use Coalition meeting.

Johnson: National Recreation and Park Association Congress and Exposition, Groundbreaking for a new school in Intermediate School District 287, Community Action Partnership of Suburban Hennepin Board meeting and training session, Senior Community Services

Finance Committee meeting, International Festival sponsored by Orono Schools, Greater Lakes Food Bank retreat, served as an election judge, attended a dinner with newly elected state senators.

Hirsch: Nothing to report.

The Council recessed at 7:37 p.m.

The Council reconvened at 8 p.m.

7. 8:00 P.M. PUBLIC HEARING. SPECIAL ASSESSMENT HEARING FOR LINDGREN LANE/INDEPENDENCE ROAD SEWER PROJECT. RESOLUTION NO. 10-1109-01.

Johnson stated the Council has to hold an assessment hearing in order to approve paying for the costs of the Lindgren Lane/Independence Road sewer project. If the Council chose not to make a decision about the special assessments at this meeting, the City would miss the deadline for certifying the project to the 2011 property taxes and would have to pay additional interest.

Miller gave the Council and audience an overview of the sewer project. The feasibility study for the project estimated a per unit assessment of \$19,131.85 plus an additional \$3,483.86 for properties on Independence Road. The project, including full site restoration, will be complete next spring. Now that the project has started the total project cost is \$784,002.15. There are currently 49 properties that will be assessed for the project. The City has permission in the Tri-City Agreement to allow up to 60 connections. If the City assesses the project based on 49 parcels, the assessment would be \$16,000.04 per unit, plus \$3,483.86 for properties on Lindgren Lane. If the City assesses the project based on 60 parcels, the assessment would be \$13,066.70 per unit, plus \$3,483.86 for properties on Lindgren Lane. Miller discussed the project area and showed where the connecting properties are located. With a constant payment method and 49 units, the annual assessment payment would be \$1,293.21 for Independence Road parcels and \$1,574.79 for Lindgren Lane parcels. With a constant payment method and 60 units, the annual assessment payment would be \$1,056.12 for Independence Road parcels and \$1,337.70 for Lindgren Lane parcels. Based on the City's current zoning code, there is a potential of 12 additional connections if properties in the project area subdivide. That means there are 61 potential connections. The City has approval in the Tri-City Agreement for 60 connections. The Council needs to decide between the constant principal or constant payment methods. It also needs to determine the number of potential connections to spread the costs over, the 49 current assessable properties of the 60 possible future connections. Then the Council would need to adopt the assessment roll by resolution. Miller discussed the process for the assessment hearing.

Johnson expressed his appreciation of staff for holding an open house on the sewer project.

Assessment Public Hearing

Chuck Goldenman, resident, asked who determines whether the assessment will be distributed between 49 connections or 60 connections.

Johnson responded the Council would be making that decision. He also summarized the process the sewer project had gone through up to this point.

Dave Appelhof, resident, applauded the Council for extending the assessment to 60 units. He requested the Council choose the constant payment method of the assessments.

Jim Smith, resident, applauded the City on its work on the sewer project. He appreciated the Council's work to minimize the cost to the residents.

Rick Mickschl, resident, asked if the connection costs charged by the Met Council could be included in the assessment.

Kaltsas explained both the Met Council and the City charge sewer connection fees, which cannot be included in the assessment. The Met Council's charge is \$2,100 in 2010 and will be \$2,230 in 2011. The City charges a sewer connection fee of \$1,030 and a street-to-house connection fee of \$103.

Marietta Cady, resident, asked if the City had information showing that her property value would increase by at least the amount of the assessment after the project is complete.

Miller responded before the project began the City hired an appraiser to estimate the increase in value on the properties after the project is complete.

Kaltsas stated he City does not know how the County will assess the property values within the project area in 2011.

Vose stated the sewer project must improve the property value by at least as much as the assessment. However, when and how the County Assessor will take the sewer project into consideration is unknown to the City.

Johnson noted the City received the appraisal report two or three months ago and had been available for public viewing since then.

Cady asked why her property is being required to connect to the sewer line when it is 6 acres and does not have any waterfront or wetlands. She asked if she would be required to connect to sewer if her address was on County Road 11

Johnson responded Cady's property will be required to connect because it is within the project area.

Miller stated if Cady's property was on County Road 11 she would have had to pay for sewer service when the pipe was constructed on County Road 11.

Cady asked if the Met Council or Medina was requiring the property owners in the project area to connect to the sewer line.

Betts responded the City has an agreement with the cities of Medina and Greenfield that requires the City to require that all the property owners in the project area connect to the sewer system.

Johnson stated the City of Independence ultimately decided to require its residents to connect to the sewer line.

Cady presented the City with a sewer assessment objection notice.

Motion by Wenck, second by Betts, to close the public hearing. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Motion by Wenck, second by Betts, to select the constant payment method.

Spencer asked if the City had received any comments from residents about their preferred payment method.

Kaltsas responded the City had not received comments from residents regarding the payment method.

Johnson stated in projects he has done in the past residents typically either choose to pay off the entire assessment or they want the constant payment method to make it easier on their yearly budgets.

Johnson called for a vote. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Motion by Spencer, second by Wenck, to assess the Lindgren Lane/ Independence Road Sanitary Sewer project cost among 60 parcels.

Wenck asked if the City has a process for residents who wish to purchase the rights to additional sewer connections.

Johnson responded the paperwork has been drafted and made available to interested residents.

Vose noted the resolution approving the assessment role includes a statement that the assessment role will be modified to include any property owners that apply to receive additional connections.

Wenck asked if the paperwork that is drafted could be used in the future, after the properties have been assessed.

Vose responded the amount paid would be similar, but the additional connections would not be assessments. Instead, they would be paid for as a fee to the City.

Johnson noted residents must decide by November 15, 2010 if they want to purchase additional connections and they have until November 23 if they want to pay for the additional connections now.

Johnson called for a vote. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Johnson asked if the Resolution included both the Lindgren Lane and Independence Road properties, or if separate motions would be needed for each area.

Vose responded staff had drafted two assessment roles: one that reflects the assessment spread over 49 units and one spread over 60 units. Staff will attach the correct assessment role to the resolution. The assessment role could be modified if additional connections are requested. The resolution gives staff approval to change the assessment role if that should happen.

Motion by Wenck, second by Spencer, to approve Resolution No. 10-1109-01. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Appelhof asked for a summary of the project's status.

Miller stated the contractor anticipates doing just the pavement patches on Independence Road. The patches needed on Lindgren Lane will not be done until the spring because the contractor anticipates there will be additional settling. Island View Drive will receive additional finishing work on the side of road and dormant seeding. The sewer system should be able to go into service after the lift station panels arrive at the end of November.

A resident asked if the pavement on Lindgren Lane would be smoothed out.

Miller responded the contractor would even out some of the pavement, but it needed to be higher than the manhole in case there is settling during the winter. If the pavement is lower than the manhole, then snowplow blades could catch on them.

Betts asked when Independence Road will be open to the public.

Miller responded residents are able to travel through Independence Road, although it is rough. The road closed signs are still in place to keep non-residential traffic out of the area. Once the bituminous patches are on Independence Road, the road closed signs should be taken down.

Steve Skillen, resident, asked if residents have the option to pay the 2010 Met Council SAC rate now and connect in the future. He noted it will cost him \$11,000 to connect to the sewer.

Wallace asked if the City could set-up a payment schedule to spread the connection fees out instead of making them pay the fees all at once.

Hirsch responded the SAC charge is not collected until the resident pulls a permit to connect to the sewer system. The Met Council sets its SAC charge and there is not a consistent pattern in the yearly fee increases.

Wallace suggested spreading out at least the City's connection charges instead of collecting them all at one time.

Wenck requested staff review the issue and make a recommendation to the Council.

Spencer noted the City did reduce the cost of the project by carrying the unused connections it acquiring by assessing 60 parcels.

A resident asked when they would be able to connect to the sewer system.

Miller responded the City would send out a notice to residents when the project is complete. He stated residents should anticipate being able to connect toward the end of November.

8. OPEN/MISC.

Nothing was added to the agenda.

9. ADJOURN.

Motion by Betts, second by Spencer, to adjourn the City Council meeting at 8:50 p.m. Ayes: Betts, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Respectfully submitted by Christina Scipioni, Recording Secretary