

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, NOVEMBER 4, 2013**

**CALL TO ORDER**

The regular meeting of the Zimmerman City Council was called to order at 7:00 p.m. at City Hall by Mayor Earenfight, followed by the Pledge of Allegiance.

**ROLL CALL**

Present: Mayor Earenfight, Council Members Clough, Laney and Mathison. Member Brisbin was excused absent. Also present were Administrator Piasecki Public Works Director Horvath, and Clerk/Treasurer Tillmann.

**AGENDA APPROVAL**

**Mathison/Clough unanimous to approve the agenda with the following changes:**

- **Delay Consideration of Longevity until November 18**

**APPROVAL OF MINUTES**

**Clough/Mathison unanimous to approve the minutes of the October 21, 2013 Regular Meeting of the City Council as presented.**

**CONSENT AGENDA**

**Mathison/Laney unanimous to approve the consent agenda as follows:**

- a. Approve the payment of claims (check #35599 - #35638) in the amount of \$36,871.27 and electronic payments (e-check #952 - #954) in the amount of \$27,866.16 as presented.
- b. Adopt the 2013 – 2014 Snowmobile Trail Map as presented.
- c. Adopt **RESOLUTION #13-11-01**, approving Change Order No. 2 for the 2013 Street Improvement Project, resulting in a net increase of \$11,487.15 to the contract price, as recommended by staff and the Project Manager.
- d. Adopt **RESOLUTION #13-11-02**, accepting Pay Request #3 which authorizes payment to C & L Contracting in the amount of \$346,802.68 (ck# 35641) for Construction Services for the 2013 Street Improvement Project, through September 20, 2013, as recommended by staff.
- e. Accept Invoice #160768 authorizing payment to Bolton & Menk in the amount of \$34,123.00 (ck# 35640) for Project Management Services related to the 2013 Street Improvement Project for the month of September, 2013, as recommended by staff.
- f. Approve the license application to operate three (3) Billiard Tables for the period of January 1 – December 31, 2013 for RS Zimmerman Enterprises, dba Angeno's Pizza & Pasta/Zimmerman Bar & Grill, -- 13100 Fremont Avenue, Zimmerman, MN 55398.
- g. Approve the license application to operate six (6) Electronic Entertainment Devices for the period of January 1 – December 31, 2013 for RS Zimmerman Enterprises, dba Angeno's Pizza & Pasta/Zimmerman Bar & Grill, -- 13100 Fremont Avenue, Zimmerman, MN 55398.

**OPEN FORUM**

**Ben Scheel and Kathy Timinskis, 12640 – 2<sup>nd</sup> Avenue North, Zimmerman**, were present to address the Council about the pending assessments for the 2013 Street Improvement Project. Mayor Earenfight reminded them the Public Hearing for the project is scheduled for Monday, November 18. Timinskis stated that according to their hearing notice, their assessment is 10% higher than originally told and they requested a copy of the assessment roll, including facts, figures, footages and amounts for all properties to be assessed. They are on a corner lot, claiming they are only corner lot being assessed and thought they would only be assessed for the portion of their property along 2<sup>nd</sup> Avenue North, not both sides. Mr. Scheel also addressed the Council on October 21 about the maintenance of the sidewalk in front of their house. Timinskis requested resolution of his request in writing at this meeting.

Public Works Director Horvath stated that in that area, homeowners are responsible for the removal of snow on sidewalks in front of their property. For this snow season (2013/14) in that area, Horvath stated the City would clear the sidewalks, but likely not in the 2014/15 snow season. Timinskis also complained about the storage of snow from the street on their property. They feel the plow driver is purposely pushing snow onto their property when the road is cleared. Scheel added that it has been a problem for 12 years. Horvath stated that if it was a concern for so long, he would have appreciated hearing about it prior to now, adding that the City will address that street differently this year because the final bituminous lift will not be placed until Spring, and he will talk to the plow driver for that area.

**PROGRAM UPDATE – Ricky Solomon, President/CEO – Boys & Girls Club of 10,000 Lakes**

Ricky Solomon, President and CEO of the Boys & Girls Club of 10,000 Lakes, was present to provide information about the activities of the Zimmerman Boys & Girls Club for Fiscal Year 2012. At the Zimmerman Club in 2012, there were 123 kids registered with average attendance of 24 kids per day. In 2013, the daily average increased to 30 + kids per day. This year, the Club partnered with UPS to create a safe driving program for youth ages 13 – 18 years old. 16 youth from the Zimmerman Club participated in the program. The Zimmerman Club also has two openings for Program Coordinators. Solomon thanked the Council and City for their continued support and looks forward to partnering with the City to impact services provided to the youth in our community.

**FIRE DEPARTMENT REPORT**

**Fire Chief Ryan Maloney** presented the Fire Department report for the month of October, 2013. The Department responded to 3 medical assists, 2 injury accidents, 2 fire alarms, 3 carbon monoxide calls, 1 downed power line, 1 hazardous material spill, 1 water rescue, 2 vehicle fires, and a residential house fire. Maloney stated Neighbors Helping Neighbors has started and the angel trees are available at local banks in town. This year, there are about 130 families participating. The Department will hold a live training burn on November 23 at a property owned by Connexus Energy located north of County Road 4 on County Road 45.

The Department is requesting permission to remodel the kitchen and bathroom areas of the Zimmerman Fire Station. Funding would be provided by the Department or the Relief Association.

**Clough/Mathison unanimous to authorize the Zimmerman/Livonia Fire Department to remodel the kitchen and bathroom areas of the Fire Department building with the condition that all funding is provided by the Fire Department or the Fire Relief Association and no city funds are requested.**

**Council accepted the Fire Department Report for October, 2013 by unanimous consensus as presented.**

**ADMINISTRATOR'S REPORT –presented by Administrator Piasecki**

**Request for Temporary Reduction of SAC/WAC Fees**

Prior to the October 21 Council meeting, staff had been contacted by Woodland Development requesting the City consider a reduction in the SAC/WAC fees to spur single family residential construction. Currently, SAC and WAC rates are \$6,000 each for a total of \$12,000 per connection. At the October 21 meeting, Council indicated they were receptive to considering a temporary reduction in the connection rates to encourage builders to start new residential construction in city limits. Staff has been working with Financial Consultants Jim Casserly and Greg Johnson on financial projections under a reduced SAC/WAC rate.

Casserly and Johnson were present to explain the memorandum and supporting documentation provided in the Council packet. Casserly explained that they would recommend a temporary reduction in fees if Council chose to

reduce the connection charges. Reducing fees for an indefinite period of time would create a long-term deficit situation that would be difficult to recover from. Connection charges are used to make the debt payments on capital improvements such as water towers and water and sewer treatment facilities. Johnson explained that connection charges currently equal \$12,000 per new unit and the fee grows by \$500 each year, with a cap at \$15,000 in 2019. Several years ago, when development was strong, connection charges were regularly being paid in to the City. Starting in 2009, development slowed down and annual connections dropped significantly. In this situation, eventually, there will not be enough connections to support the annual debt payments on the capital improvements.

Woodland Development has asked that the City's annual connection fees be reduced in an effort to spur development. Casserly and Johnson suggest a temporary reduction limited to 100 new building permits issued in 2014. They would recommend reducing the fee to \$9,000 (\$4,500 each for WAC and SAC) for the 1<sup>st</sup> 50 building permits issued and \$10,000 (\$5,000 each for WAC and SAC) for the second 50 building permits issued in 2014. At that time, the Council could review the financial structure and determine if additional reductions are warranted in 2015 and beyond.

Comments were heard from **Byron Westlund, Woodland Development, 13632 Van Buren Street, Ham Lake**, who stated that Woodland Development was excited at Council's consideration of the request. They currently have 150 vacant lots in the City and they are committed to developing those properties with residential housing. They have builders that are interested in building in the City and anticipate increased interest if a reduction is approved. He expressed his appreciation for Council's consideration.

**Laney/Clough unanimous to authorize staff to proceed with a decrease in connection charges to \$9,000 (\$4,500 each for SAC and WAC) for the 1<sup>st</sup> 50 units issued in 2014 and \$10,000 (\$5,000 each for SAC and WAC) for the second 50 units issued in 2014, and direct the City Attorney to prepare an ordinance amendment for consideration on December 2, 2013.**

Comment were heard from **Lee Christopherson, 11824 -- 237<sup>th</sup> Avenue NW, Zimmerman**, who commented that the City would still be losing money on each connection by reducing the fee. He questioned if there was any intent to recoup the \$3,000 difference on each connection. Administrator Piasecki responded that Christopherson's assumption was correct; however, since the reduction was only temporary, eventually the amount of the connection charges would be back to scheduled levels, which would allow the City to collect adequate funds to make the annual debt payments.

Mayor Earenfight declared a recess at 7:55 p.m. and reconvened the meeting at 7:57 p.m.

## **PUBLIC WORKS REPORT**

### Project Update – 2013 Street Improvement Project

Horvath reported that the 2013 Street Improvement Project is winding down. The second lift of bituminous will not be put down this year, except by the Dairy Queen site. The sewer has been inspected and testing is scheduled for Thursday. The contractor was seeding grass earlier in the day and will continue on Tuesday. Sidewalks are completed and turned out nice. No action taken.

## **FINANCE REPORT – presented by Clerk/Treasurer Kary Tillmann**

### Certification Hearing – Delinquent Utility Bills

Tillmann reported that on October 2, 2013, staff mailed 354 letters notifying residents of pending certification of delinquent utilities totaling \$55,983.73. This hearing is an opportunity for residents to appeal the pending certification if they so choose. A final certification list will be presented for adoption on November 18. Final certification must be approved by Council at the November 18 meeting for submission to the County

Auditor/Treasurer by November 30, adding that in the past, the County has allowed properties to be removed from the certification list into December and sometimes January of the following year, but there is not guarantee that they will continue to do so.

The following person was present to appeal the pending certification of delinquent utility bills.

**Wendy Kowalski, 26412 Lake Avenue** – Ms. Kowalski owns investment properties located at 13018 – 8<sup>th</sup> Avenue North and 12007 Birch Street, both of which reflect delinquent utilities that are proposed to be certified with taxes payable 2014.

Kowalski read aloud a prepared statement which was also provided in the Council packet, stating her objection to the pending certification of delinquent utilities, presenting additional exhibits in support of her argument. She believes that water and sewer charges should be left out of certification and collected with general taxes. She presented a receipt indicating that the delinquent utilities had been paid earlier in the day, along with a copy of her tax statement, indicating 2013 property taxes had also been paid in full. She also addressed a certified copy of the Board of Appeal and Equalization minutes, explaining that these show that no one in the City objected to their taxes being what they were. Kowalski also provided a copy of the County Auditor's Certificate for the 2007 PFA Bond Issue stating that in her opinion, this indicates water and sewer funds should be included in the General tax levy for the City.

Mayor Earenfight interjected that delinquent utilities are not considered a tax, but fees that are collected to operate the City's water and sewer enterprise. Kowalski requested Council not adjourn the Certification Hearing, but continue it until December 2nd to allow her more time to prepare additional evidence to be presented in support of her argument. Administrator Piasecki recommended Council not continue the hearing until then because December 2<sup>nd</sup> is after the County imposed deadline to certify delinquencies for collection with 2014 taxes.

Comments were heard from **Kathy Timinskis, 12640 – 2<sup>nd</sup> Avenue North, Zimmerman**, who stated that she agrees with the City's position and doesn't believe that Ms. Kowalski has proven the City is operating incorrectly. She continued that she has read Council minutes and watched Council meetings and believes Ms. Kowalski's issue has been addressed over and over by Council, suggesting Kowalski take the City to Court to resolve her complaint.

The certification hearing was closed.

#### 2014 General Fund Budget and Levy Review

Mayor Earenfight suggested that discussion on the 2014 Budget and Levy and related items as identified on the meeting agenda be delayed until the full Council was present. Tillmann offered to answer any questions Council might have on the materials provided in the packet. No action taken.

#### MAYOR/COUNCIL ITEMS

Mayor Earenfight noted the following upcoming events:

- November 1 – City-wide Winter parking rules went into effect. No parking on City streets between the hours of Midnight and 8:00 a.m. until April 1, 2014
- November 11 – All City Offices closed in observance of Veteran's Day
- November 12 – Fire Board Meeting – City Council Chambers
- November 23 – Passing the Bread Food Distribution – Sheriff's Department Substation
- December 7 – Chamber of Commerce Celebrate the Season – various locations throughout the City
- December 8 – Zimmerman Lions Breakfast with Santa – Civic Building

- December 21 – Passing the Bread Food Distribution – Sheriff’s Department Substation

Before adjourning, Mayor Earenfight asked for a moment of silence in honor of US military personnel.

**Clough/Mathison unanimous to adjourn the meeting at 8:27 p.m. Motion carried.**

Approved this 18th day of November, 2013.

s/s Kary Tillmann, Clerk/Treasurer

Approved 11/18/2013