

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 6, 2018**

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 Brisbin, Mathison, Shepard and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, and Public Works Director Koehler.

AGENDA APPROVAL

Brisbin/Shepard unanimous to approve the agenda as presented.

APPROVAL OF MINUTES

Mathison/Whiting unanimous to approve the meeting minutes of the July 16, 2018 Regular Meeting as presented.

CONSENT AGENDA

Whiting/Shepard unanimous to approve the consent agenda as follows:

- a. Approve the payment of claims (check #40213 - #40279) in the amount of \$66,985.34 and electronic payments (e-checks #1529 - #1536) in the amount of \$33,722.57 as presented.
- b. Approve the semi-annual payment to the Minnesota Public Facilities Authority in the amount of \$509,499.56 (ck #40282) for scheduled principal and interest payments on GO Revenue Bonds as follows and as recommended by staff:
 - 2000 SBR Interest: \$7,843.80 Principal: \$251,000.00
 - 4th Avenue WWTP Interest: \$13,078.80 Principal: \$104,000.00
 - 2010 SBR Interest: \$18,876.96 Principal: \$115,000.00
- c. Accept Invoice #1604 in the amount of \$8,239.23 (ck #40281), authorizing payment to Metro West Inspection Services, Inc., for professional Building Inspection Services in the City of Zimmerman for the month of June, 2018, as recommended by staff.
- d. Approve payment to Vessco, Inc., in the amount of \$8,102.60 (ck #40283) for the replacement of three (3) actuator valves at the 4th Avenue Plant approved by Council on May 7, 2018, to be paid from the Water Fund (Fund 601), as indicated by the Public Works Director.
- e. Approve payment to Hawkins, Inc., in the amount of \$8,611.20 (ck #40280), for bulk chemicals to be used at the Wastewater Treatment Plant as identified in Invoice #4329736, with funds to be paid from the SBR budget in the Sewer Fund, as indicated by the Public Works Director.
- f. Accept the Building Permit Surcharge Report of July 2018, as presented.
- g. Adopt **RESOLUTION #18-08-03**, approving the Lawful Gambling Application for Exempt Permit for the Knights of Columbus Council 8571 for a gambling event to be held on November 11, 2018 at Christ Our Light Catholic Church, 25909 4th Street West, Zimmerman, MN 55398.
- h. Approve the fireworks display permit as requested by the Zimmerman Quarterback Club for fireworks/pyrotechnic special effects display by Curt Serbus, to be located at the Zimmerman High School/Middle School, 25900 – 4th Street West, on August 30, September 7 & 21, October 5, 18, 23 & 27, 2018, and any playoffs games as determined at the end of the 2018 football season.
- i. Approve the permit application for outdoor music and entertainment to be held Sunday, August 19, 2018, from 12:00 Noon – 6:00 p.m., as requested by ZBG/Angeno's, 13100 Fremont Avenue, Zimmerman, MN 55398.
- j. Approve the license application for a Sewer & Water Installer for Sean Olson, dba Grade A Excavating, 220 Andover Blvd. NE, Ham Lake, MN 55304, for the period of August 7 – December 31, 2018.

OPEN FORUM

Mayor Earenfight advised the audience that the Public Hearing on the proposed apartment complex on the agenda for Council consideration was held in front of the Planning Commission on Wednesday, August 1. The Council would not be taking public comment regarding the proposed apartment project at this meeting unless there were persons present who did not address the Planning Commission or if there was new information to be presented from the public. **Shirley Dettmer, owner of Total Image Salon, 12628 Fremont Avenue, Zimmerman**, requested an opportunity to clarify her position on the subject during discussion of that agenda item.

There was no one present to address the Council regarding any other topic during Open Forum.

RECOGNITIONS

Tree Donation for Maefield Park – Dave and Nicole Janas and Family

Public Works Director Koehler advised Council he had been contacted by the Janas Family earlier this spring. They wished to donate a tree to the City to be planted in Maefield Park, which was done by their family in early summer. Clerk/Treasurer Tillmann read aloud a resolution accepting the donation and thanking the Janas Family for their contribution to Maefield Park.

RESOLUTION #18-08-01 Whiting/Brisbin unanimous to adopt RESOLUTION #18-08-01 accepting the donation of a Maple tree valued at \$90 and planted by Dave and Nicole Janas and family at Maefield Park in the Maefield Estates development.

Retirement of Dave Johnson, Public Works Director

Administrator Piasecki reported that Dave Johnson retired as Public Works Director effective July 31, 2018. Johnson began his employment in the Public Works Department on October 26, 1992, holding the positions of Maintenance Technician and Operations Coordinator before becoming Public Works Director in December 2014.

RESOLUTION #18-08-02 Brisbin/Earenfight unanimous to adopt RESOLUTION #18-08-02 expressing appreciation and gratitude to Dave Johnson for his dedicated service to the City of Zimmerman and the Zimmerman community on behalf of the City Council and staff, and offering best wishes in his retirement.

FIRE PROTECTION REPORT – presented by Ryan Maloney, Fire Chief

Fire Chief Ryan Maloney presented the Fire Department Activity Report for the month of July 2018. The Department responded to 3 medical calls, 2 personal injury motor vehicle accidents, 1 carbon monoxide call, a grass fire, an outdoor rubbish fire, and provided mutual aid for a house fire in Baldwin Township. Maloney stated that all the department's trucks were recently inspected and passed certification. He is working with Nelcomm to repair the severe weather warning siren located by Zimmerman Home and Garden, which did not sound during the last monthly test. Adequate coverage is provided to the area by surrounding sirens in case of emergency. The Fire District will be posting signs on their recently purchased property at the intersection of County Roads 4 & 46 after Sherburne County clears trees in the public right-of-way.

Council accepted the Fire Department Report for July 2018 by unanimous consensus as presented.

PUBLIC WORKS REPORT – presented by Keith Koehler, Public Works Director

Replacement of Skid Loader

At the July 16th meeting, Council was informed that the lease program through John Deere the City is currently utilizing to lease a skid loader is being discontinued. Staff has obtained several quotes from local vendors for loaders and had the opportunity to demo several models at the City shop and local show rooms. After reviewing State Contract pricing, staff recommends Council authorize the purchase of a 2018 skid loader (Model #S630HA/C-2 T4 TEL) and an 80” Virnig bucket from Lano Equipment, Inc., at a cost of \$42,873.20, to be paid from the Motor Vehicles Capital Expenditure line in the 2018 General Fund Budget (101-49990-550), as recommended by staff.

Mathison/Whiting unanimous to approve the purchase of a 2018 skid loader (Model #S630HA/C-2 T4 TEL) and an 80” Virnig bucket from Lano Equipment, Inc., at a cost of \$42,873.20, to be paid from the Motor Vehicles Capital Expenditure line in the 2018 General Fund Budget (101-49990-550), as recommended by staff.

2018 Pavement Preservation

Koehler reported that the 2018 pavement preservation project was started a couple weeks ago. The contractor will be coming back to town this week to pick up pavement chips and will complete fog sealing and road striping next week, provided weather is good. No action taken.

FINANCE REPORT – presented by Kary Tillmann, Clerk/Treasurer

Replacement of City Hall Phone System

The current phone system at City Hall was installed over 20 years ago. It was purchased through and installed by Connections, Etc., now doing business as Windstream Communications. Staff was advised by Windstream several years ago that the equipment and technology have become obsolete and would no longer be supported in case of failure. Recently, staff has experienced phones not working and instances where voicemail message notifications appear days after messages are left. Staff discussed a new phone system with Council as part of the 2018 budget process, and \$10,000 was allocated in the 2018 budget for a new phone system at City Hall.

Staff requested quotes from three (3) vendors for a new phone system in March 2018. Loffler Companies provided a quote after meeting with staff at City Hall and during an in-person demo at their office in Bloomington. Loffler’s quote for a comprehensive phone system, including staff training and a 5-year warranty totaled \$8,742.06. The other two vendors did not submit quotes when requested in Spring 2018. After the August 6, 2018 meeting agenda was published, staff was contacted by Coordinated Business Systems, one of the other two vendors, who now wished to submit a proposal. Staff received a proposal on August 6th for \$6,357.76. The quote did not include any expense for a warranty for hardware or software. In order to properly compare the quotes, the vendor was contacted, and staff was advised the warranty would be \$80 - \$107 per month, depending on what was covered. When calculated at \$80/month for 5 years, a warranty would add an additional \$4,800 to Coordinated’s quote, bringing their total quote for a comprehensive phone system at City Hall to \$11,157.76.

Brisbin/Shepard unanimous to accept the Technology Solution proposal from Loffler Companies for the purchase and installation of an NEC SV9100 Phone System Bundle for City Hall at a cost of \$8,742.06 as recommended by staff.

ADMINISTRATOR’S REPORT –presented by Randy Piasecki, City Administrator

Consider Classification/Compensation Study

The City’s current Classification and Compensation Plan was created and adopted in 2008 for implementation in 2009. Due the age of the current Plan, Council approved \$10,000 in the 2018 Budget to fund a new

classification/compensation study. Staff proposes to hire Springsted, Inc., to conduct a new study and develop an up-to-date plan, hopefully providing a base for the next 10-years. Springsted representatives believe they can deliver a finished product for under the \$10,000 budget. The study would include meetings with staff to determine duties and job requirements, review and possible modification of all job descriptions, and development of a new compensation system. Springsted has been used by area governmental agencies including the City of Big Lake and Sherburne County, indicating they have direct and recent experience in the immediate vicinity of the City of Zimmerman. If authorized to move forward with Springsted, staff anticipates a completed plan in late October with presentation to the Council and consideration for approval in November. Any adjustments authorized by Council would be included in the presentation of the final 2019 budget in December.

Mathison/Shepard unanimous to authorize the City Administrator to enter into an agreement with Springsted, Inc., to conduct and prepare a Classification/Compensation study for the City of Zimmerman at a cost not to exceed \$10,000, as recommended.

Planning Commission Report

The Planning Commission met on Wednesday, August 1, 2018 to conduct 4 public hearings on applications received by the Planning Department. Notification was given to those owning property within 350 feet of the project areas and in the City's legal newspaper, the Elk River Star News, as required by statute.

Conditional Use Permit – Reliant Systems, Inc.

Randy and Heidi Olerich were present to discuss their request for a Conditional Use Permit to construct and operate an enclosed light manufacturing business in the Sherburne County Public Safety Addition. Reliant operates an existing manufacturing business in downtown Zimmerman and a machine shop in Orrock Township. They are proposing a new building to house both businesses. Currently, there are 28 employees between the two locations and they anticipate increasing that number to 35 employees within 5 years. Administrator Piasecki stated that the application meets the architectural, parking and setback requirements of City Code. The Commission recommends approval with 5 conditions.

Shepard/Whiting unanimous to approve the request for a conditional use permit for Reliant Systems, Inc., for an enclosed light manufacturing business in the C-1 District on Lots 3 & 4, Block 2, Sherburne County Public Safety Addition, as recommended by the Planning Commission with the following conditions:

- 1. The City Engineer's comments shall be implemented in the development and construction of the storm water management plan and facilities for the property.**
- 2. The site shall be landscaped in accordance with City Code, and a landscape plan submitted to the City Administrator for review.**
- 3. All parking lot lighting shall comply with the provisions of Section 8.0813 of City Code.**
- 4. A minimum of 37 off-street parking spaces shall be constructed with the first phase of development.**
- 5. The dumpster location(s) shall be screened and secured.**

Preliminary Plat "Ice House Village" – PSD LLC

PSD LLC is proposing to build a 65-unit apartment complex on the former 321 Video site at County Road 4 and Main Street. PSD LLC purchased 4 vacant properties that were bank-owned and hopes to acquire 3 outlots from the City, as platted in North Ridge Entry, to make one large parcel, which they are proposing to plat as "Ice House Village". Piasecki reminded Council that the action requested for this item is approval of the plat and not the apartment building project.

Comments were heard from **Shirley Dettmer, owner of Total Image Salon, 12628 Fremont Avenue, Zimmerman**, who stated she was not against the apartment building being constructed. Recent Facebook posts on the Zimmerman Bulletin Board Facebook page garnered over 800 comments about the proposed project, giving the impression that Dettmer was against the project, when in reality, she is against the proposed location. She stated that she did not believe the Planning Commission properly researched the impacts of the project before

recommending approval, nor does she believe the Commission was given all relevant information pertaining to the project. She felt disrespected at the Planning Commission meeting for speaking out. Member Whiting, who was also present at the Planning Commission meeting stated he felt the audience also disrespected Planning Commission members by interrupting members as they were discussing the application after the public hearing was closed. Mayor Earenfight added that the Planning Commission has done adequate research on the project. Staff has been discussing the proposed project with the Commission since the Fall of 2017 and each Planning Commission member received copies of the proposed plat, building schematics, parking and road access drawings and staff reports prior to the Planning Commission meeting. Dettmer commented she was surprised there weren't more people present at the public hearing or the Council meeting. Administrator Piasecki stated that 90 letters were sent out to property owners within 350 feet of the project area and the public hearing notice was properly advertised in the City's legal newspaper.

Piasecki reminded Council that the action in front of them related to the request for the preliminary plat approval and not the proposed apartment project. The Planning Commission reviewed the preliminary plat and recommended approval with conditions.

Shepard/Brisbin unanimous to approve the preliminary plat of "Ice House Village" as requested by PSD LLC, conditioned upon acquiring parcels #95-565-0060, #95-565-0070 and #95-565-0080 from the City of Zimmerman, as recommended by the Planning Commission.

Conditional Use Permit – PSD LLC

PSD LLC is requesting a Conditional Use Permit to allow a 65-unit apartment complex on the former 321 Video site at County Road 4 and Main Street. PSD LLC purchased 4 vacant properties that were bank-owned and hopes to acquire 3 outlots from the City, as platted in North Ridge Entry, to make one large parcel, which they are proposing to plat as "Ice House Village". **Matt Kuker of PSD LLC**, was present to address the Council regarding his proposed project, stating he had followed the commentary on the Zimmerman Bulletin Board Facebook page and wanted to address Council in person to dispel misinformation about PSD's project. The building will be three (3) stories and have 65 market rate apartments, none of which will be Section 8 housing. He does not have any Section 8 housing in any of his existing apartment buildings in Ramsey and Alexandria and does not intend to do so. Kuker continued that his Project Engineer met with Sherburne County Public Works to discuss traffic and access into the complex. Most of the residents of the property will exit onto 2nd Avenue North and likely access Highway 169 South near Jim's Market. Access onto Main Street from Fremont Avenue will be a "right in/right out" meaning cars will not be able to turn left onto Fremont Avenue from Main Street. As part of the project, PSD will install a concrete median on Fremont Avenue to further control the right in/right out access. Sherburne County is in agreement with this plan and has no concerns with access if these measures are put in place.

Kuker stated that building amenities will include a car wash in the underground parking lot, a community room for residents, gas grills, balconies, and a washer and dryer in every unit, as well as a raised deck with a gazebo for residents. The building will be fully landscaped. PSD purchased the 4 lots from 21st Century Bank and not from the City. They are interested in purchasing the three (3) unbuildable outlots that the City owns. He is looking to build three of these buildings in the next 12 months, one being in Zimmerman, plus two other locations. The property will be managed by a management company that currently manages his other properties. The target market is young professionals and older singles or couples without children. Kuker feels the project will be beneficial for local businesses because there is so much within walking distance of the property, including 3 banks, 2 churches, 2 nail salons, several hair salons, the grocery store, post office, chiropractic clinics and restaurants. All residents of the complex will be required to pass background and credit checks in order to rent in the building.

Piasecki added that the Planning Commission recommended approval of the CUP with conditions.

Shepard/Brisbin unanimous to approve a Conditional Use Permit as requested by PSD LLC for a 65-unit multiple family use of property in the C-1 District, on property to be described as Lot 1, Block 1, Ice House Village, conditioned upon PSD LLC acquiring Outlots F, G, and H, North Ridge Center, as compliance with Sherburne County Highway permitting requirements, as recommended by the Planning Commission.

Member Whiting commented that he had researched the project and talked with many business owners in town near the project location. While he appreciated those who voiced concerns about the project, he also spoke with many business owners who had no issues with the project or its location.

Final Plat of “Ice House Village” -- PSD LLC

The Planning Commission considered the request to approve the Final Plat of “Ice House Village” as requested by PSD LLC. Staff recommends the reclassification of the proposed park to an outlot, should the County need additional road right-of-way in the future. The Planning Commission recommended approval of the final plat with that change.

Shepard/Mathison unanimous to approve the Final Plat of “Ice House Village” as requested by PSD LLC, conditioned upon acquiring parcels #95-565-0060, #95-565-0070, and #95-565-0080 from the City of Zimmerman, and changing the ‘park’ description of a proposed parcel to ‘Outlot A’, as recommended by the Planning Commission.

Sale of City Property –Outlots F, G, and H, North Ridge Entry

PSD LLC is interested in acquiring 3 city outlots for inclusion in the plat of “Ice House Village”. These outlots are the remaining portions of properties donated to the City for street right-of-ways. The outlots are not large enough on their own to be considered buildable lots and their best use is to be combined with adjacent properties to be utilized for development. These lots are surplus right-of-way lying adjacent to proposed development and are too small to be developed independently. Since the property is City owned, the Planning Commission is required by state statute to find the sale to be consistent with the long-term plans of the City in order for a sale to take place. The Planning Commission recommended Council move forward with the sale of the three outlots as it is consistent with the City’s long-term plan.

Mathison/Shepard unanimous to accept the August 1, 2018 Planning Commission recommendation to sell Outlots F, G, and H, North Ridge Entry, to PSD LLC for inclusion in the plat of Ice House village, as the sale is consistent with the City’s long-term development plan.

Expansion of Development District #1

The City and Zimmerman EDA are considering the creation of a Tax Increment Financing (TIF) District outside the current boundary of Development District #1. To create a TIF District, the property needs to be in an established development district. Development District #1 must be expanded to add the land area for proposed TIF #10, so staff and the City’s financial consultant have proposed adding several properties to the development district, which will likely see development or redevelopment in future years. The Planning Commission finds expansion of the geographic area of the development district to be consistent with the City’s long-term plan and recommends approval. Piasecki continued that increasing the geographic area streamlines the TIF process and identifies parcels for future development.

Brisbin/Shepard unanimous to approve the expansion of Development District No. 1, finding it to be consistent with the City’s long-term development plan, as recommended by the Planning Commission.

MAYOR/COUNCIL ITEMS

Due to a lack of agenda items, Council agreed to cancel the Committee of the Whole Meeting scheduled for Monday, August 13, 2018. Council will hold a workshop with staff on Monday, August 27, 2018 to discuss the proposed 2019 Budget.

Mayor Earenfight noted the following upcoming events:

- Upcoming Community Events
 - August 7 – Night to Unite (6 – 8:30 p.m.) and Tuesday Night Movie (9 p.m.) in the City Park
 - August 18 – Zimmerman American Legion Golf Tournament – Princeton Golf Course
 - August 19 – Heritage Day – 12 – 6 p.m. – ZBG/Angeno’s Pizza, Pasta and Bar
 - September 9 -- City Wide activities
 - Community Shred Event – 10 a.m. – 1 p.m. -- City Hall
 - Chamber of Commerce 5K and Community Business Expo – City Hall
 - Ladies on the Loose – 10 a.m. – 3 p.m.
 - Fire Department Open House -- 11 a.m. – 3 p.m. – Fire Station
 - Youth Expo – 9 a.m. – 3 p.m. – St. John Lutheran Church
 - Firemen’s Dance – 8 p.m. – Midnight – Fire Station

Before adjourning, Mayor Earenfight asked for a moment of silence in honor of US military personnel and their families, both at home and abroad.

Mathison/Whiting unanimous to adjourn the meeting at 8:04 p.m. Motion carried.

Approved this 20th day of August, 2018.

s/s Kary Tillmann, Clerk/Treasurer

Approved 08/20/2018