

**CITY OF HANOVER
CITY COUNCIL MEETING
DECEMBER 3, 2013 – OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance: 7:00 p.m.

Mayor Kauffman called the Regular Council Meeting of Monday, December 3, 2013 to order at 7:01 p.m. Present were Mayor Chris Kauffman, Councilors Wendy Pinor, John Vajda, Doug Hammerseng and Ken Warpula. Also present were Interim City Administrator Bob Derus, City Clerk/Asst. City Administrator Annita Smythe, Administrative Assistant Brian Hagen, Public Works Supervisor Scott Vogel, and City Attorney Jay Squires. Guests present were Doug Voerding from the Wright County Journal Press, Lynnae Karsten, Linda Burke, several members of the Hanover Historical Society, and a Wright and Hennepin County Sheriff.

Approval of Agenda:

Smythe added a resolution to consent as item 3.i. The resolution shows support of a grant application for a handicapped accessible election booth. Smythe also revised the total claims amount to \$141,030.48. The final pay voucher of 2013 for the Beebe Lake Trail was added to pay New Look Contracting, Inc. Mayor Kauffman suggested to table items 3.g. and 7.b.

MOTION by Hammerseng to approved the amended agenda, seconded by Warpula. Motion carried unanimously.

Consent Agenda:

MOTION by Warpula to approve the following consent agenda, seconded by Vajda.

- a. **Approve Minutes of November 19, 2013 Regular City Council Work Session Meeting**
- b. **Approve Minutes of November 25, 2013 Emergency City Council Meeting**
- c. **Approve Claims as Presented:**

➤ Claims	\$ 132,746.04
➤ Payroll	\$ 4,949.02
➤ P/R taxes & Exp	\$ 2,031.12
➤ Other Claims	\$ 1,304.30
➤ Total Claims	<u>\$ 141,030.48</u>
- d. **Resolution No 12-03-13-125 Approving 2013 Budgeted Year-end Transfers**
- e. **Resolution No 12-03-13-126 Approving Year-end Review Meeting**
- f. **Resolution No 12-03-13-127 Approving Pay Ranges for 2014**
- g. **Resolution No 12-03-13-128 Approving Changes to the Personnel Policy - *Tabled***
- h. **Resolution No 12-03-13-129 Approving Pay Voucher #3 Beebe Lake Trail**
- i. **Resolution No 12-03-13-130 Support of the City of Hanover's Application under the Election Assistance for Individuals with Disabilities (EAID) Grant Program**

Motion carried unanimously.

Citizen's Forum:

Linda Burke lives on Esterly Oaks Drive, she was present to ask Council to enforce ordinances on properties. Specifically she is concerned about the property adjacent to hers. The property is a single family rental dwelling. Ms. Burke stated since the residents began renting the property in July 2013 the garbage has been collected very seldom. She further stated an unlicensed vehicle has been parked on the wrong side of the road for several weeks. Ms. Burke stated she has been working with Brian Hagen to try and resolve the issue, but there have been little results. Hagen stated he has sent two letters to the residents as well as the property owner. He has not been able to see any results. Smythe stated that the next option would be to charge an administrative fine to the property. Squires informed Council that the City Ordinances will outline a process of Administrative Enforcement which prevents the need to have the process settled in Court. Pinor asked if the rental housing within Hanover is being regulated through the permitting process. Hagen stated that in the July ordinance

updates the single family rental housing permit was eliminated. Smythe further stated it was eliminated for several reasons, but the main reason is that single family rental homes are regulated like all other single family properties. Lynnae Karsten also reminded Council that single family rental housing inspections are exterior inspections only. Derus stated that was an additional reason the permit was eliminated. Council informed Ms. Burke that staff would find the regulations of Administrative Enforcement. Council also thanked her for her concern.

Lynnae Karsten also addressed Council. She was present to question the approval of the variance request at 707 Kalea Court. Karsten outlined a three factor test to determine practical difficulties. Karsten stated that practical difficulties must be found in order to grant the variance. Smythe stated that these three factors were discussed at the public hearing held by the Planning Commission. Karsten stated she does not feel these three factors are met for this parcel. Mayor Kauffman stated these factors can be interpreted differently between people. Squires informed Council that Karsten is correct on the practical difficulties requirement but pointed out there are actually two additional factors. He pointed out, however, that Council Members are the ones who interpret the factors and determine whether or not practical difficulties are present. Smythe further stated that the Planning Commission as an advisory board to the Council has made a recommendation to approve the variance request with some conditions. She further stated that Commission members have discussed the topic twice. They held a public hearing in October, where it was tabled for more information and in order to gain more knowledge of the property. A second lengthy discussion was held at the public hearing in November that included the builder.

Martin Waters was present along with several members of the Hanover Historical Society. On behalf of the Historical Society, Waters thanked Council for their support of the restoration on the Historic Bridge. Waters stated that he is happy with the actions staff has taken to apply for grant funding, as well as the hopes to complete an assessment of the Bridge. Waters and the members presented a donation of \$1,000 where half would go towards the cost of the assessment, and the other half would go towards the cost of replacement planks. Waters also stated the Historical Society may form a program where people can purchase a plank for the bridge. This would be to help offset costs.

Truth in Taxation:

Smythe gave a presentation outlining how tax money is spent. Smythe stated that Hanover's 2014 Tax Levy had a zero increase from the previous year. There are four main areas funded by the tax money. General operating is the largest category that demands the money. Public safety, public works, and capital improvement funds are three other areas which require large portions of funding. Cities were asked to estimate how much money will be saved in 2014 because of the new Sales tax Exemption. Based on 2012 expenditures, the estimated savings will be \$7,400. Smythe informed the listeners that Hanover is considered to be middle to low for the tax rate compared to other cities within Wright County. This tax money provides residents with several benefits like public safety, fire protection, recreation, street maintenance, etc. Smythe finished the presentation by stating the final budget will be approved at the 6 p.m. December 17, 2013 meeting.

Fee Schedule Changes:

Smythe outlined the changes made for the proposed 2014 Fee Schedule. Smythe stated significant changes were made to the Community Hall rental portions. These changes will allow everyone to understand what the cost is without having to answer several questions. These changes also make the cost the same for residents versus non-residents. There is a slight increase in rental costs and this was done due to the bathroom remodel which will happen early in the year and because fees had not changed for several years, so had fallen behind comparable sites.

Pinor asked why the amusement license was eliminated. Derus stated there is no need for this license because it only affects the businesses like Chops Bar who typically have pool tables. Derus also stated these licenses were

not enforced in the past and there really is no need to enforce the license. Pinor also stated the Rental Dwelling license was to enforce and track the houses which were turned to single family rental dwellings. Derus stated this license was popular in the foreclosure era. This is not needed now, and there are ordinances that allow staff to enforce these properties so they stay desirable. Warpula asked how many single family homes are being rented. Derus explained there is not an easy way to determine that, especially if people are not asking to receive a permit anyways. Further discussion was tabled until December 17th.

Unfinished Business:

Athletic Association Lease Changes

Smythe stated no one was able to attend tonight's meeting, but she had met with Tom Spier to discuss the Athletic Associations requested changes and concerns. The following are questions and/or concerns:

- They are curious on who is responsible to determine the legal description of the area being leased. Mayor Kauffman stated they can be responsible because they are the ones who know how much area they will need. Mayor Kauffman also suggested they take into consideration any area that may be needed for a future 8th Street expansion.
- They expressed concern about the possibility of a long term lease changing the tax status. Squires informed Council that a long term lease can sometimes affect the tax status. The statement in question protects the City from having to pay the taxes. Derus stated that if the tax status does change, the City will hold the argument that it is still being used as a public purpose. Derus further stated to strike the statement that the Lessee shall pay all assessments.
- The Athletic Association does not want to be unreasonably denied permission to perform updates to the parcel. Council concurred with adding a provision stating this.
- Currently there is \$1 million dollars of liability coverage, but the lease agreement states \$1.5 million is needed. They question whether the \$1.5 million is needed. Squires stated this just ensures enough will be available; the current \$1 million will suffice. Council agreed to go with \$1 million.
- The last concern is on who would be required to have background checks. They ask whether a group renting the fields would be required to have background checks completed. Squires stated the clause relates only to Athletic Association staff and volunteers.

Council directed the changes be made and for the edited draft to be reviewed by the Athletic Association.

Memorandum of Understanding – Region 7W

Mayor Kauffman stated he was not in favor, but it does provide us some control. It also opens us up to federal funding options. Smythe stated that she has spoken with other administrators and the neighboring towns are approving the request.

MOTION by Vajda to approve, seconded by Warpula. Motion carried unanimously.

Senior Center Budget Request

Pinor asked Claudia Pingree how many Hanover seniors visit the Senior Center. Pingree stated she did not know an exact number, but it is well used by Hanover residents. Vajda asked what the yearly amount would change to. Smythe stated the request is for \$7,250 a year, which reflects a pro-rated split based on the population of the Wright County portion of Hanover. Smythe included a proposal for where the funds could come from without changing the total dollar amount of the proposed 2014 budget.

MOTION by Warpula to approve the request, seconded by Pinor. Motion carried unanimously.

New Business:

Resolution No 12-03-13-130 Approving Variance Request – 707 Kalea Ct.

Hammerseng opened the discussion by outlining what was discussed at the previous Planning Commission meetings. The builder was present at these meetings and he is aware and agrees with the conditions suggested. Hammerseng described what was discussed in order to protect the wetland similar to the variance approval on

the same wetland but a different parcel. At the November Planning Commission meeting, Nash outlined the requirements that changed after the preliminary plat was approved. A change was made to require an additional \$1,000 in escrow money to ensure conditions of the variance are followed.

Karsten argued that the wetland setback was implemented before that parcel was platted. Hagen responded to Karsten by stating she was at the two previous Planning Commission meetings when the wetland setback was discussed in detail. He explained to Karsten and Council what was explained at the Planning Commission meetings. Hagen stated that the Crow River Heights development was preliminary platted and approved in 1999. Before the Crow River Heights East Second Addition was final platted, Hanover adopted a Comprehensive Plan and adopted a 30 foot wetland setback ordinance in order to protect the natural environments. The City was then part of a lawsuit which ended in the preliminary plat for Crow River Heights to be followed for all future additions until a sunset date of December 31, 2010. Hagen finished his response by stating that if this development did not go to foreclosure that these parcels would have been allowed to be built right against the wetland.

MOTION by Vajda to approve the resolution, seconded by Hammerseng. Motion carried unanimously.

Staff Reviews:

Tabled

Agenda Order for 2014

Smythe stated that a resident expressed concern about the agenda order of meetings. Enclosed is what our ordinance reads for Hanover's Agenda. Mayor Kauffman stated if a citizen expresses concern about an item on consent prior to the meeting Council can pull that item. Karsten stated ordinances and resolutions should be separate agenda items. Derus stated that when ordinance and resolutions are placed on consent, that they are non-controversial and have been discussed several times. Hanover also allows citizens to speak quite often which is not always the case with other Councils. Derus finished by stated that just because an item has a separate agenda section, that item may still not be opened for discussion. Mayor Kauffman asked if Hanover's agenda has any legal concerns. Squires stated it does not. Council consensus was to leave the agenda as is.

Reports:

Vogel stated the Christmas Lights have been hung in portions of Hanover. He stated he is borrowing Rockford's equipment and has made more progress than expected. He did express concern about forecasted snow delaying the process.

Hagen stated a transportation enhancement grant will be applied for to go towards the bridge restoration. This is due in February. The Hennepin County Road 19 Trail land acquisitions are moving forward and so far the offers are going smoothly.

Vajda asked where the snowmobile trail along County Road 34 will be. Vogel stated that this year the trail will be on the unfinished bike path.

Mayor Kauffman asked if anyone wanted to join him December 11, 2013 for the monthly mayor meeting. Warpula stated he would join again if no one else wanted to attend.

Smythe:

- Chief Malewicki is looking to replace three sets of turnout gear. Council directed Smythe to allow Chief Malewicki to do so. Warpula stated the Fire Department is completing a grant request to cover the cost of additional gear as well.

- Brad Bass sent plans for the Green House project. They were altered from the original plans and she spoke with both the Engineer and Planner. Smythe will contact Mr. Bass and require new plans that match the original plans.
- Easement discussion with the Bridges HOA is almost final. Attorney Squires will draft an agreement to deed the land to the City for specific use of two driveways, and limitations of what can be constructed on the property.

Derus informed Council this is his second to last meeting with Hanover, and he is impressed with Smythe's ability to complete the job.

Adjournment:

MOTION by Pinor to adjourn at 9:03 p.m., seconded by Vajda. Motion carried unanimously.

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Annita Smythe, City Clerk/Asst. City Administrator