

**CITY OF HANOVER
CITY COUNCIL MEETING
JUNE 4, 2019 – OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance:

Mayor Chris Kauffman called the regular meeting of Tuesday, June 4, 2019, to order at 7:02 pm. Present were Mayor Chris Kauffman, Councilors Ken Warpula, Doug Hammerseng, Jim Zajicek and MaryAnn Hallstein. Also present were City Attorney Jay Squires, City Planner Cindy Nash, City Administrator Brian Hagen, Public Works Supervisor Jason Doboszenski and Accountant / Deputy Clerk Jackie Heinz. Guests included Doug Voerding from Wright County Journal Press, Chad & Jill Brink, Clark Lee, Tom Jones, Dan & Suz Heinecke, Aaron Reihl, Terry Johnson, Terry Johnson, Steve & Lynn Beise, Dee Zajicek, Hanover Fire Department Members Dave Malewicki, Dave Pinor, Tony Wychgram, Brian Gronsberg, Bob Waldorf, Steve Vrieze, Justin Ray, Lindsey Groves, Stacy Thompson, and Anoka Fire Department Member Charlie Thompson.

Approval of Agenda:

MOTION by Warpula to approve the agenda, seconded by Hammerseng. **Motion carried unanimously.**

Consent Agenda:

MOTION by Warpula to approve the consent agenda, seconded by Hammerseng.

a. Approve Minutes of May 21, 2019 City Council Work Session Meeting

b. Approve Claims as Presented:

➤ Claims	\$ 49,612.31
➤ Payroll	\$ 10,249.91
➤ P/R taxes & Exp	\$ 3,697.54
➤ Other Claims	<u>\$ 1,994.00</u>
➤ Total Claims	<u>\$ 65,553.76</u>

b. Res No 06-04-19-41 – Approving Capital Funds Transfers

c. Res No 06-04-19-42 – Approving Purchase of Fire Department Equipment

d. Res No 06-04-19-43 – Approving Quote for Asphalt Patches

e. Res No 06-04-19-44 – Approving Annual Liquor License Renewals

f. Res No 06-04-19-45 – Approving Temporary Liquor License

g. Res No 06-04-19-46 – Approving Purchase of Trees for Settlers Park Ballfield

h. Res No 06-04-19-47 – Approving Purchase of AED

i. Res No 06-04-19-51 – Authorizing the Sale of Equipment

Motion carried unanimously.

Citizen's Forum:

State Representative Eric Lucero

Lucero gave a post legislative wrap up. Topics included bills which passed of public safety, higher education, roads and bridges, tax conformity. Bills which didn't pass include \$0.20 gas tax, gun control, felons voting, drivers license for illegals, cutting nursing homes and green new deal. Other discussion included equity in education, budget surplus and light rail.

Fire Department Pinning – Stacy Thompson

Fire Chief Dave Malewicki stated Stacy Thompson has successfully completed one year of probation and has passed Firefighter 1 and Firefighter 2 classes. Chief Malewicki further stated Thompson will be a great asset

for the Hanover Fire Department. Thompson gave the Firefighter Oath of Office and was presented with her Fire Department badge and pins by her dad, Anoka Fire Department Member Charlie Thompson.

Terry Johnson

Johnson stated there are weeds growing where the curb meets the asphalt on Prairie Lane, Doboszenski stated they would handle it. Kauffman inquired if the speed limit sign was working. Johnson stated yes and inquired if another speed limit sign could be posted at the other end of Prairie Lane. Johnson also inquired if a hidden driveway sign could be posted, he has almost hit 3 dozen times in the 15 years he's lived there. Johnson further stated he feels he's being singled out by the City for wood stacked in the yard, he would like no more calls and rather have a letter mailed stating the problem with 30 days to resolve the issue. Johnson also stated there was a couch across the road which sat for 6-8 weeks and another item for over one year now. Kauffman stated all site lines in the City would be looked at this year.

Public Hearings:

None

Unfinished Business:

Work Hours Discussion

Hagen gave a brief summary of the previous discussion held. Kauffman stated he reached out to other cities on the LMC mayors board and received 354 responses, 238 of which had office hours of 8-4:30 M-F with a half hour lunch, 70 have office hours of 8-5 M-F with a one hour lunch, 36 had off early on Friday hours and 10 had no Friday hours. Discussion continued regarding defining summer months, working lunches, different start and end time options, changing Public Works hours.

MOTION by Hallstein to change City Hall hours to 7:30 am – 4:30 pm Monday through Thursday and 7:30 am – 1:30 pm on Fridays, and change Public Works hours to 6:30 am – 4:00 pm Monday through Thursday and 6:30am – 10:30 am on Fridays, to be revisited in the fall, seconded by Warpula. **Motion carried unanimously.**

New Business:

Res. No. 06-04-19-48 – Approving Variance for 500 Kadler Avenue

Nash stated included in the packet is a variance request for 500 Kadler which Planning Commission is recommending approval on. Nash further stated the variance is several in one including an encroachment within the wetland buffer of a 1' overhang, driveway retaining wall buffer and the orientation of the home is slightly angled. The conditions are listed in the resolution. Nash further stated the applicant owns both lots and will combine them, no accessory building or fence will be allowed. Hammerseng stated at the Planning Commission meeting the conditions and ordinances were stated as of today, the applicants can't come back and ask for another variance to change an item months or years from now. Clark Lee stated the neighbors of the property have gotten to know Scott, the father in law, very well. Lee further stated the neighbors who are present at tonight's meeting support the variance as long as condition #5 is met and the lots are combined before the permit is issued. Tom Jones stated this is not the first draft of the variance, there has been some hard conversations, each included condition has been discussed. Jones further thanked staff and council for all their work. Nash stated there will be one change to the plans, the house is taller than the ordinance allows, therefore the roof pitch will change before the permit is issued. Lee inquired the variance is for that specific footprint, if the applicant applies for the permit with a different footprint it would be denied, Nash stated yes. **MOTION** by Warpula to approve Res. No. 06-04-19-48, seconded by Hammerseng. **Motion carried unanimously.**

Res. No. 06-04-19-49 – Approving EDA Low Interest Loan Request

Res. No. 06-04-19-50 – Approving EDA Matching Grant Request

Hagen stated the next two resolution discussions will be combined into one. Hagen stated Chad Brink introduced himself 1 year ago with a vision of purchasing Chops. He recently submitted an application to the EDA and meets the program guidelines. Brink is asking for \$92,500 as a low interest loan towards the purchase and a \$7,500 grant. Hagen further stated Brink will be subject to the following conditions for the loan: a second real estate mortgage which is personally guaranteed, UCC filing against the assets of the operating company, an appraisal showing a high enough value, title opinion, loan repayment over 10 years, all corporation and LLC documents supplied to the City and anything else BankWest sees fit. Hagen stated the grant portion of \$7,500 is for aesthetics, Brink will incur the cost then submit for reimbursement. Kauffman inquired when the appraisal would be completed. Brink stated the appraisal is done in 3 parts, a current appraisal, one during construction and a final at completion. Brink further stated they intend to update the interior and exterior, the Lions will stay doing Bingo as well as pull tabs. Brink stated eventually the volleyball courts will be replaced with a patio. The current indoor stage will be multi-use for dining and music.

Zajicek asked for clarification on the second real estate mortgage and personal guarantee. Squires stated personal means him personally, if the business doesn't succeed the City would recover from him personally. Hagen stated since the loan is through SBA, Brink won't touch the money, it will be wired directly to the bank. Zajicek stated he is concerned about risk assessment. Hagen stated valuation is key. Squires stated the EDA loans focus is to reduce risk to an acceptable level for the City. Hammerseng stated he supports the project and inquired what the risk is. Squires stated on paper the valuation needs to be big enough, currently there are too many variables. Brink stated the SBA requires 10% financing by him with an additional \$15,000 for escrow. Brink further stated the 7A loan they're going with has monitoring and strict guidelines, is guaranteed by the LLC, S Corp. and personally. Squires stated SBA will provide to make sure bad doesn't happen, they're a good watch dog.

MOTION by Hammerseng to approve Res. No. 06-04-19-49, seconded by Hallstein. **Motion carried unanimously.**

MOTION by Hallstein to approve Res. No. 06-04-19-50, seconded by Warpula. **Motion carried unanimously.**

Ordinance 2019-3 – Amending Zoning Map and Text Changes

Nash stated the Comprehensive Plan was updated last fall, the zoning ordinance and zoning map are used to carry out that plan, therefore revisions have been made to the zoning map to align the zoning districts with the Future Land Use Map and to separate the existing RA zoning district into both an Agriculture and Rural Residential district. Nash went on to state the changes made to each section of the zoning ordinance. Hallstein inquired if feedback was given from the property owner on the North side of Beebe Lake Road. Hagen stated the property owner expressed frustration and feels commercial is not abundant in Hanover to support the change.

MOTION by Hallstein to approve Ordinance 2019-3, seconded by Warpula. **Motion carried unanimously.**

Economic Development Finance Professional Certification Program

Hagen stated information on the training certification is included in the packet, this is a way develop his EDA knowledge and bridge the gap of no consultant. Hagen further stated the Industrial Park remains full and the City continues to gain 1 business per year. Kauffman inquired where the classes are located. Hagen stated Minneapolis, 3 weeks of courses this year and finish next spring.

MOTION by Zajicek to approve Economic Development Finance Professional Certification Program, seconded by Hallstein. **Motion carried unanimously.**

Reports

Nash

- The Mahler Pit annexing from St. Michael will be at an upcoming meeting. Includes 2 acres, St. Michael has already approved, currently drafting the EAW and hope to have it out at the end of June, currently waiting to see plans.

Heinz

- Park Board visited the City parks at their last meeting discussing minor maintenance and future amenities outlined for each park. They will visit the future park sites at the June meeting.
- Asked for approval for the Hanover Harvest Festival to use the old Public Works area during the festival – council consensus is yes.

Hagen

- Chip Seal project to cost \$100k, will be discussing in future.
- Columbarium will go out for bid.
- June 18th Work Session will include CIP Funding Plan discussion.
- Asked for approval to close City Hall on Friday, July 5th – council consensus is yes.

Adjournment

MOTION by Warpula to adjourn at 9:12 pm, seconded by Hammerseng. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator