

**CITY OF HANOVER
CITY COUNCIL MEETING
DECEMBER 2, 2014 – DRAFT MINUTES**

Call to Order/Pledge of Allegiance:

Acting Mayor Wendy Pinor called the Regular Council Meeting of Tuesday, December 2, 2014 to order at 7:01 p.m. Present were Councilors Wendy Pinor, John Vajda, Doug Hammerseng, and Ken Warpula. Mayor Kauffman arrived at 7:30 p.m. Also present were City Administrator Annita Smythe, Administrative Assistant Brian Hagen, and Public Works Supervisor Scott Vogel. Guests present included the remaining City Staff Nancy Schmitz, Jason Doboszinski, Amy Biren, Councilor-elect Jim Zajicek, Doug Voerding from the Wright County Journal Press, a Wright and Hennepin County Sheriff, John Ganfield, and several other guests.

Approval of Agenda:

MOTION by Warpula to approve the agenda as presented, seconded by Vajda. **Motion carried unanimously.** Absent: Kauffman.

Consent Agenda:

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

a. Approve Minutes of November 18, 2014 City Council Work Session Meeting

b. Approve Claims as Presented:

➤ Claims	\$ 46,960.32
➤ Payroll	\$ 7,206.21
➤ P/R taxes & Exp	\$ 2,952.90
➤ Other Claims	<u>\$ 1,232.49</u>
➤ Total Claims	<u>\$ 58,351.92</u>

c. Res No 12-02-14-86 – Approving Year-end Transfers

Motion carried unanimously. Absent: Kauffman.

Citizen's Forum:

John Ganfield – Appealing Zoning Decision for Home Business Licensing

Mr. Ganfield was present to appeal a decision staff made about allowing him to receive a commercial license and a second address for his property. Mr. Ganfield lives on County Road 34 in a wooded lot. He feels the side business he operates of selling boats and boat parts would be suitable for his property. He states no one would notice an increase in activity to the property. Staff stated that Mr. Ganfield's initial request was to buy and sell boats throughout the year. Staff was under the understanding that the amount of boats Mr. Ganfield would purchase and sell would be approximately ten per year. Staff advised Mr. Ganfield that home businesses can operate, as long as the home business is clearly incidental to the main use.

Smythe explained that when Mr. Ganfield later requested a second mailing address for the same property, further explanation was provided by Mr. Ganfield that indicated he was pursuing a commercial dealer's license from the State of Minnesota. Staff then explained that a use requiring a commercial dealer's license was not compatible with the types of home-based businesses allowed under the City's zoning ordinance for the RA district. At the advice of the City Planner, staff was also reluctant to allow a second address for the parcel for emergency response reasons. City policies and ordinances do not clearly state whether one parcel is allowed two addresses. Commercial businesses are however, not allowed as a home occupation.

This response from staff brought Mr. Ganfield to the Council for appeal. Council directed staff to have the Planning Commission review the regulations in the Zoning Ordinance related to the request of Mr. Ganfield.

Pat Athmann

Mr. Athmann explained he recently began reading documents from the Council meetings. He stated he feels more information should be provided in the minutes and well as in the resolution headings. For example, if a resolution is for payment of work completed, he feels it would be beneficial to have the dollar amount from the resolution also noted in the Council meeting minutes. Council and staff agreed with the comment and stated future documents will be more detailed.

Mr. Athmann further expressed concern about the Beebe Lake Trail. He does not feel that the quality of work matches what was spent. Additionally, he feels Hanover should not have been responsible for fully funding the trail, then asking for reimbursement from the various parties involved until the end. Council explained that they are not happy with how the project has been delayed, but weather was a factor. Council further explained that the agreement between Hanover, St. Michael, Wright County, and the outside funding sources require us to take these steps in order to request reimbursement.

Public Hearings:

None

Unfinished Business:

None

New Business:

Truth in Taxation Presentation

Smythe provided the Truth in Taxation Presentation for the Proposed 2015 Budget. Smythe noted a \$44,747 increase to the property tax levy from 2014 to 2015. Smythe provided information on the Tax Capacity, Tax Rate, and Tax Levy from 2009 to 2015. The levy remained flat for six years and saw the first increase for 2015. Due to the Tax Capacity of Hanover, the overall Tax Rate is anticipated to drop from 53.16% in 2014 to 49.51% in 2015, based on preliminary valuation estimates. This drop in tax rate is credited to home values increasing and the addition of new homes in recent years. Smythe provided an example of a median value home for both Hennepin and Wright County. Wright County median value is \$217,000, total tax is \$3,144, and City portion is \$961. Hennepin County median value is \$277,000, total tax is \$3,911, and City portion is \$1,276.

The final budget and tax levy for 2015 is set to be adopted on December 15, 2014 at 6:00 p.m. at City Hall.

At this time Mayor Kauffman arrived at 7:30 p.m.

Summary Conclusion of Closed Session for Administrator Review

Mayor Kauffman read a statement to summarize results of the closed session. "As a result of the evaluation, the Council determined that Annita has met the overall standards and expectations for her position, and does a good job. The Council concluded that areas she could focus on in the upcoming year to continue to improve include: continuing to provide Council with full and timely information, and working cooperatively with the Council in the upcoming year to identify any future areas of emphasis for ongoing performance improvement."

At this time Vajda dismissed himself from the meeting at 7:45 p.m.

Res No 12-02-14-87 – Approving Annual Staff Reviews

The resolution outlined the proposed staff wage increases based on the completed annual reviews and in accordance with the City's Personnel Policy. Proposed increases ranged from 4%-5%. Mayor Kauffman opened discussion by stating he felt the increase to medical benefits should be considered as part of the annual wage increase for staff. He further proposed a 3% increase to all staff wages. Hammerseng agreed with Kauffman and stated 3% is normal in today's market from what he has seen.

MOTION by Hammerseng to approve 3% wage increase for all staff, seconded by Kauffman. **Motion failed to pass.** Voting aye: Kauffman, Hammerseng. Voting nay: Pinor Warpula. Absent: Vajda.

Warpula stated he agrees with the reviews and the proposed increases.

MOTION by Warpula to approve proposed increases as presented in Res No 12-02-14-87, seconded by Pinor. **Motion failed to pass.** Voting aye: Pinor, Warpula. Voting nay: Kauffman, Hammerseng. Absent: Vajda.

MOTION by Warpula to approve 4.5% wage increases for all staff, seconded by Pinor. **Motion failed to pass.** Voting aye: Pinor, Warpula. Voting nay: Kauffman, Hammerseng. Absent: Vajda

MOTION by Pinor to approve 4.25% for all staff. **Motion failed to receive a second.**

MOTION by Kauffman to approve 4% wage increases, seconded by Hammerseng. **Motion carried 3 to 1 vote.** Voting aye: Kauffman, Hammerseng, Warpula. Voting nay: Pinor. Absent: Vajda.

Reports:

Vogel stated he received a call from Hennepin County Highway Department about the intersection at Co. Rd. 19 and 117 near Crow Hassan Park. They requested to discuss the layout of the intersection. Council directed Vogel to open discussion with Hennepin County.

Hagen stated the December Planning Commission Meeting will more than likely be cancelled due to lack of urgent business. The Greenhouse has not submitted a development application yet. Also, the City continues to work with a land owner for a potential lot split along County Road 34.

Smythe:

- Noted upcoming elected officials training offered by League of Minnesota Cities.
- A resident has requested a meeting with one or two Council members to discuss Crow River Heights wetlands. Smythe explained this resident has been informed that any future meetings with staff will be billed to him because staff has answered his questions to the best of their knowledge and questions are beginning to be repeated. Mayor Kauffman stated he is best available Friday afternoons.
- Provided Mahler Mining Pit Report. Report shows the project is 29% completed.
- City Engineer has mentioned various solar initiatives in the past. Staff has received a request from a company to meet with Council to discuss a solar opportunity for Hanover. Council requested more information on the benefits to the City before scheduling Council meeting time with the company.
- Federal Grant opportunity to put towards the 8th St. Extension project. Total of \$750,000 available. The last estimate for the project was \$2 million. Council suggested looking into safe routes to school grants to put towards upcoming trails.

Plaque Presentation

On behalf of the City of Hanover, Mayor Kauffman presented a plaque to Wendy Pinor for her years of dedication to the City. Pinor served on the Planning Commission before being elected to City Council for two terms. Pinor has also dedicated her time to other boards and committees.

PHS West Discussion

Smythe informed Council of an informal meeting with Dan Cummings of PHS West. He expressed interest in expanding his business within the City once again. He asked what Council thoughts would be in order to determine how he moves forward. Council was excited about an expansion to a Hanover business. They suggested Mr. Cummings begins with the EDA to see what incentives can be offered.

Adjournment:

MOTION by Pinor to adjourn at 8:58 p.m., seconded by Hammerseng. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Annita Smythe, City Administrator