

**CITY OF HANOVER
CITY COUNCIL MEETING
DECEMBER 5, 2017 – OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance:

Mayor Chris Kauffman called the regular meeting of Tuesday, December 5, 2017 to order at 7:15 p.m. Present were Mayor Chris Kauffman, Councilors Doug Hammerseng, Ken Warpula and Jim Zajicek. Also present were City Administrator Brian Hagen, Accountant / Deputy Clerk Jackie Heinz, City Attorney Jay Squires and Public Works Supervisor Jason Doboszanski and City Engineer Justin Messner. Guests included Amy Biren, Jason Ramthun and a Hennepin County Sheriff. Councilor MaryAnn Hallstein was absent.

Approval of Agenda:

Kauffman added item #7d GP Welding. Warpula added item #7e EDA House Demolition.

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

Consent Agenda:

Heinz added a claim for \$42,890.50 to Heiman Fire for the final payment on the new truck, bringing claims to \$97,960.31. New claims total would be \$111,930.71.

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

1. Consent Agenda Items:

a. **Approve Minutes of November 21, 2017 City Council Meeting**

b. **Approve Claims as Presented:**

➤ Claims	\$ 97,960.31
➤ Payroll	\$ 8,410.25
➤ P/R taxes & Exp	\$ 3,291.12
➤ Other Claims	<u>\$ 2,269.03</u>
➤ Total Claims	<u>\$ 111,930.71</u>

c. **Res No 12-05-17-117 – Approving Purchase of Jib Crane**

d. **Res No 12-05-17-118 – Appointing Ryan Melchior to the Hanover Fire Department**

e. **Res No 12-05-17-119 – Approving Purchase of Fire Department Turnout Gear**

Motion carried unanimously.

Citizen's Forum:

None

Public Hearings:

Truth in Taxation

Hagen provided the Truth in Taxation presentation for the Proposed 2018 Budget. The annual hearing provides the public with information and an opportunity to ask questions related to the taxing process and the 2018 budget and levy. Hagen educated the audience on factors which influence the tax levy and how the property tax system works. He stated the levy would increase by \$58,531 from 2017 to 2018. Hagen stated the tax rate will go from 49.5% in 2017 to an estimated 46.15% in 2018. Hagen gave examples of proposed tax amounts for the median home value in Hennepin and Wright counties. Hennepin County median home value is \$374,000, total tax is \$5,271.70, city portion is \$1,674.88. Wright County median home value is \$252,800, total tax is \$3,598, city portion is \$1,068.16.

The final budget and tax levy for 2018 will be adopted on December 19th, 2017 at 6:00 pm and City Hall.

Unfinished Business:

2018 Final Budget Draft 2

Warpula asked if there were any large changes from the previous draft. Hagen stated the election equipment amount has decreased by \$15,000. Wright County has verbally stated they will purchase new machines. The machines will be owned by them and we would use, there would possibly be maintenance fees. He stated Wright County has applied for a grant and we in turn applied to Wright County.

Kauffman stated the other glaring need is roads, so any excess money can be transferred to the street fund. Hagen also stated the EDA needs to vote on their levy yet.

New Business:

Res. No. 12-05-17-120 – Accepting Annual Mahler Mining Report

Hagen stated the current agreement will be done at the end of 2018. The IUP is written to terminate if the property is sold. Warpula asked how they know they're 42% complete based on total yards taken out. Hagen stated it's based on where they are in the project as a whole, doesn't include reclamation. Kauffman inquired how to keep the area from becoming a big hole. Squires stated to review the reclamation plan in 2019 if they choose to reapply for an IUP.

Hagen recommended to the Mahlers to start the IUP process early next year as staff, council and planning commission haven't gone through the process before and are likely to have questions.

MOTION by Warpula to approve Res. No. 12-05-17-120, seconded by Zajicek. **Motion carried unanimously.**

Res. No. 12-05-17-121 – Approving 2017 Staff Reviews

Hagen stated staff reviews were completed by himself and combined with self - evaluations. Increases are based on all input and have been gone over with staff.

MOTION by Warpula to approve Res. No. 12-05-17-121, seconded by Zajicek. **Motion carried unanimously.**

Res. No. 12-05-17-122 – Approving Audit Preparation / Training Proposal

Hagen stated the attached proposal from AEM is identical to last years. The proposal includes training for Jackie and audit review before the final audit. The cost in 2017 was roughly \$3,000 and Hagen anticipates it to be roughly the same this year. Liz was requested on the proposal to come out to Hanover since she has previous experience in Hanover.

Warpula asked if there was a final price on the proposal, Hagen stated no, it's as needed. Kauffman asked if Liz is able to perform the tasks on her own. Hagen stated the first year Liz learned the audit prep process and the second year she started her own documents and a library of how to. She also has other resources from AEM to utilize if needed.

MOTION by Warpula to approve Res. No. 12-05-17-122, seconded by Hammerseng. **Motion carried unanimously.**

GP Welding

Kauffman stated he received information from a neighboring cities mayor that GP Welding received an invoice for additional fees incurred. Hagen stated GP Welding applied for the CUP, he was not promised approval, and based on the information given at that time it was supported by staff. Through the process his items and requests changed. He paid \$1,000 to escrow and a \$300 base fee.

When reviewing invoices, the fees incurred were typical. Two items included a lengthy Planning Commission meeting and a lengthy Council meeting. In total there was approximately 20 hours of billable time to the application.

Kauffman asked how the escrow amount is determined. Hagen stated the rate is in our fee schedule. Hagen further explained there was a disconnect from staff, GP Welding's relator was relaying information. Kauffman stated an escrow amount of \$2,000 would make people think more before applying and the applicant would be happy to receive money back.

Hagen stated he called GP Welding and pitched the \$300 adjustment, GP Welding stated he was not paying another dime. Squires stated this is a value judgement, how much do you spend to get paid. Biren stated the council is setting a precedence to others in the future. GP Welding was aware of the commitment, he was told there was a 50/50 shot and the forms were signed stating he would pay all costs. Normally an applicant receives money back, however GP Welding didn't supply all the information up front and staff had to keep asking questions. Hammerseng inquired if GP Welding was misunderstanding the information or pulling one over. Biren stated accurate information was not provided up front and exceptions were added during the planning commission meeting.

Kauffman asked what kind of precedence was being set. Biren stated Lange and Legatt wouldn't put a \$2,000 escrow down for a CUP on a shed. That amount is too high for fences and sheds. Kauffman stated if the applicant is approved they will pay additional fees. Hagen suggested to start with the escrow amount for CUP's and leave variances where they're at.

MOTION by Kauffman to approve waiving additional fees invoiced to GP Welding, seconded by Warpula.
Motion carried unanimously.

EDA House Demolition

Warpula asked if there was a way to not throw everything in the house but rather give away or sell. Squires stated it would benefit the city to adopt a program where the item is taken out before demo, must be fair to all people, question is how to do it fairly. Kauffman asked who would remove the item – staff or purchaser. Squires stated a signed agreement stating it's their responsibility after removed with a waiver which indemnifies the city. Warpula stated he doesn't want to fill the landfill. The exterior doors, storm door and garage door opener are all in good shape yet. Squires stated how much staff time, energy and documentation do you want to devote to this. Consensus was to demo the house without removing any items for the benefit of others.

Reports

Doboszanski

- Have heat and electricity at Public Works. Waiting for the office to get dried out for insulation and vapor barrier.

Messner

- Pavement cores were taken, survey today and plans on the way.

Hammerseng

- The planning commission talked about the mining ordinance, very educating.

Warpula

- Attended WCAT today, not all cities have approved the Joint Powers agreement between the cities and Wright County. Approved \$150,000 check from WCAT to Trailblazer.

Hagen

- Met on the Duinick Pit. They will go through the platting process by first bringing a concept plan forward to the City. They want to have a full master plan approved for the entire area.

- Met with Gary Fehn, he has bought the Ruter Farm and is wondering what the city wants to see done with the property. He holds a desire to mine the land, but wants to be mindful of the end use.
- Plan to have the CO for the Public Works building by the end of the year with finishing work yet to be done.

Heinz

- Park Board was very excited about the skating rinks for Mallard and Cardinal Circle Parks. So excited that they may move their skating event to one of those rinks, this will be decided in January.

Adjournment

MOTION by Warpula to adjourn at 8:12 p.m., seconded by Hammerseng. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator