

**BAXTER CITY COUNCIL MINUTES**  
**June 17, 2014**

Mayor Olson, who led in the pledge to the flag, called the regular meeting of the Baxter City Council to order at 7:00 p.m.

MEMBERS PRESENT: Mayor Darrel Olson, Council Members Mark Cross, Todd Holman, Rob Moser and Jim Klein.

STAFF PRESENT: City Administrator Gordon Heitke, Community Development Director Josh Doty, Finance Director Jeremy Vacinek, Police Chief Jim Exsted, Public Works Director Trevor Walter, and City Attorney Brad Person

**PUBLIC COMMENTS**

Ernie Kawlewski, 14246 Forest Drive, discussed water problems occurring on his property due to the heavy rain.

Dave Schonrock, 6056 Fairview Road, addressed the Council about the comment that special crossing are need for silent railroad crossings. Has looked at other crossing and they are not designed differently, something should be done to make the railroad tracks a quite zone. City should get equipment to measure decibels due to noisy vehicles in Baxter. Mr. Schonrock had requested record of number of tickets issued for noisy vehicles. Chief Exsted explained 59 warnings, written warnings, and citations were issued over the last five years.

**CONSENT AGENDA**

- A. Approve City Council Minutes from June 3, 2014
- B. Approve City Council Work Session Minutes from June 3, 2014
- C. Approve the Payment of Bills and Finance Report
- D. Accept Utilities Commission Minute of June 4, 2014
  - 1. Request City Council come up with a City Policy on liability limitations for all service contracts for commissions and staff to follow.
  - 2. Approve the SEH, Inc. Agreement for Professional Services for Excelsior Road Improvements in the not to exceed amount of \$284,306.00
  - 3. Approve the Anderson Brothers Final Pay Estimate No. 3 for the Industrial Park Stormwater Basin Cleaning and Expansion in the amount of \$2,921.17
  - 4. Approve the Quality Flow Systems, Inc. Quote for the Lift Station No. 9 Rehabilitation Project in the amount of \$53,506.00
  - 5. Approve the WSN Agreement for Professional Services for the Independence Road Improvements in the not to exceed amount of \$12,950.00
  - 6. Approve the Anderson Brothers Construction additional traffic control in the amount of \$1,640.00 for the 4787 Cedar Scenic Road sanitary sewer repair (no attachment).
- E. Appoint Kristine Kahler as GIS Intern
- F. Approve Resolution No. 2014-62 Accepting Bid for the 2014 Woida Road, Wildflower Drive, and Franklin Drive Utility and Roadway Improvement Project

- G. Approve the 2013 Financial Statements & the 2013 CliftonLarsonAllen Audit Report & Its Findings
- H. Approve Purchase Agreement for Sale of Property to Isle Drive, LLC
- I. Approve Isle Drive, LLC Development Agreement
- J. Approve Isle Drive, LLC Assessment Agreement
- K. Adopt 2015 Budget Calendar
- L. Approve Resolution No. 2014-50 Receiving Feasibility Report for Independence Road
- M. Approve Resolution No. 2014-51 Ordering Improvement and Preparation of Plans and Specifications for Independence Road
- N. Set Whipple Beach Shelter Grand Opening for Thursday, June 26, 2014 at 6:00 p.m.
- O. Accept Architectural Review Commission Minutes from June 5, 2014
- P. Accept Planning Commission Minutes from June 10, 2014
- Q. Approve amending the WAC budget from \$13,000.00 to \$14,580.00 and approve KLM Engineering for furnishing and installing the Solarbee Submersible Mixer in the North Water Tower

**MOTION** by Council Member Cross, seconded by Council Member Moser to approve the Consent Agenda with the exception of agenda item D6. Approve the Anderson Brothers Construction additional traffic control in the amount of \$1,640.00 for the 4787 Cedar Scenic Road sanitary sewer repair and agenda item N. Set Whipple Beach Shelter Grand Opening for Thursday, June 26, 2014 at 6:00 p.m. Motion carried unanimously.

### **PULLED AGENDA ITEMS**

**D6. Approve the Anderson Brothers Construction additional traffic control in the amount of \$1,640.00 for the 4787 Cedar Scenic Road sanitary sewer repair.**

Council Member Klein request the agenda item be pulled from the consent agenda.

**MOTION** by Council Member Moser, seconded by Council Member Holman to approve the Anderson Brothers Construction additional traffic control in the amount of \$1,640.00 for the 4787 Cedar Scenic Road sanitary sewer repair. Motion carried with Moser, Holman, Cross, and Olson voting yes; Klein voting no.

**N. Set Whipple Beach Shelter Grand Opening for Thursday, June 26, 2014 at 6:00 p.m.**

Mr. Walter requested the agenda item be pulled from the consent agenda for further discussion. The grand opening cannot be held as scheduled, as structure will not be completed.

**MOTION** by Council Member Cross, seconded by Council Member Moser to table until July 1. Motion carried unanimously.

### **OTHER BUSINESS**

**PUBLIC HEARING AT 7:00 p.m. or thereafter to discuss the Falcon Drive Improvement**

Mr. Welch presented an overview of the Falcon Drive Improvement Project. The City received a 100% petition from adjacent property owners. The total estimated project cost is \$175,190.

Nystrom and Associates and McDermott will be assessed a combined total of \$89,920, with the City covering the balance. Mr. Welch finds the project feasible from a construction stand point.

Mayor Olson opened the public hearing at 7:28 p.m. With there being no other public comments on the proposed Falcon Drive Improvement Project, the mayor closed the public hearing at 7:29 p.m.

**Adopt Resolution No. 2014-60 Ordering Improvement and Preparation of Plans for Falcon Drive**

**MOTION** by Council Member Klein, seconded by Council Member Moser to adopt Resolution No. 2014-60 ordering improvement and preparation of plans for Falcon Drive. Motion carried unanimously.

**Adopt Resolution No. 2014-61 Approving Plans and Advertisement for Bids for Falcon Drive**

**MOTION** by Council Member Klein, seconded by Council Member Moser to adopt Resolution No. 2014-61 approving plans and advertisement for bids for Falcon Drive. Motion carried unanimously.

**PUBLIC HEARING at 7:00 p.m. or thereafter to Discuss Vacating drainage and utility easements for Noah's Addition to Baxter.**

The applicant is requesting a vacation of the five foot wide public drainage and utility easement along the north property line for lot consolidation.

Mayor Olson opened the public hearing at 7:32 p.m.

Bobbie Thiesse spoke on behalf of the applicant. Ms. Thiesse explained her parents purchased both lots as they are being sold in pairs due to build a lot, save a lot. Parents are planning to build the same house across the street. They cannot place home, well, and septic on one lot. Larger lots surround the property.

Mayor Olson closed the public hearing at 7:40 p.m.

**Adopt Resolution No. 2014-52 Vacating drainage and utility easements for Lots 5 and 6, Block 2, Noah's Addition to Baxter**

**MOTION** by Council Member Cross, seconded by Council Member Moser adopt Resolution No. 2014-51 vacating drainage and utility easements for lots 5 and 6, block 2, Noah's Addition to Baxter. Motion carried with Moser, Klein, and Cross voting yes, Holman and Olson voting no.

**PUBLIC HEARING at 7:00 p.m. or thereafter to Discuss Vacating utility easements for Wild Wood.**

The public hearing is to discuss the vacation of the five foot wide public utility easement along the west property line. There are no city utilities in existing easement.

Mayor Olson opened the public hearing at 7:45 p.m. With there being no public comments on the proposed vacation of utility easements for Wild Wood, the mayor closed the public hearing at 7:45:15 p.m.

**Adopt Resolution No. 2014-53 Vacating utility easements for Lots 7 and 8, Block 2, Wild Wood**

**MOTION** by Council Member Klein, seconded by Council Member Moser to adopt Resolution No. 2014-53 vacating utility easements for lots 7 and 8, block 2, Wildwood. Motion carried unanimously.

**PLANNING & ZONING ACTIONS**

**Adopt Resolution No. 2014-54 Approving Conditional Use Permit to allow a wireless communication tower and related ground equipment area for Verizon Wireless for property located at 15237 Edgewood Drive**

**MOTION** by Council Member Moser, seconded by Council Member Klein to adopt Resolution No. 2014-54 approving conditional use permit to allow a wireless communication tower and related ground equipment area for Verizon Wireless for property located at 15237 Edgewood Drive.

Council questioned if there will be a light at the top. The applicant indicated there would not be a light on the tower. Council discussed looking for a way to require the least intensive light.

**MOTION for a friendly amendment** to condition any lighting it be the minimum intensity to meet FCC requirements. No objection to the friendly amendment was made. Motion carried unanimously.

**Adopt Resolution No. 2014-55 Approving Variance to allow a zero foot setback from the north, side property line for a trash enclosure for Poncho & Lefty's for property located at 14151 Edgewood Drive**

**MOTION** by Council Member Moser, seconded by Council Member Holman to adopt Resolution No. 2014-55 approving variance to allow a zero foot setback from the north, side property line for a trash enclosure for Poncho & Lefty's for property located at 14151 Edgewood Drive. Motion carried unanimously.

**Adopt Resolution No. 2014-56 Approving Conditional Use Permit amendment to allow multiple entrance signage for Sound Connection for property located at 15808 Edgewood Drive**

**MOTION** by Council Member Cross, seconded by Council Member Holman to adopt Resolution No. 2014-56 approving conditional use permit amendment to allow multiple entrance signage for Sound Connection for property located at 150808 Edgewood Drive. Motion carried unanimously.

**Adopt Resolution No. 2014-57 Approving Conditional Use Permits to allow a bank drive through and to allow the moving of Lakes State Bank to property located at 14521 Edgewood Drive**

Council inquired if there was any discussion for additional right-of-way. Mr. Doty explained the property is not being platted, which would be the means of increasing the right-of-way, but applicant has been receptive to granting an easement. Council questioned whether a sidewalk system should be planned for back of the development and requested as part of the conditional use permit.

**MOTION** by Council Member Moser, seconded by Council Member Klein to adopt Resolution NO. 2014-57 approving conditional use permits to allow a bank drive through and to allow the moving of Lakes State Bank to property located at 14521 Edgewood Drive. Motion carried unanimously.

**Adopt Resolution No. 2014-58 Approving Findings of Fact, Ordinance No. 2014-19 and Summary Ordinance No. 2014-20 approving a City Code Amendments to Title 8, 9, and 10 related to performance standards and special provisions**

Community Development Director Doty reviewed the main changes to the ordinance.

**MOTION** by Council Member Holman, seconded by Council Member Cross to adopt Resolution No. 2014-58 approving findings of fact, Ordinance No. 2014-19 and Summary Ordinance No. 2014-20 approving a city code amendments to Title 8, 9 and 10 related to performance standards and special provisions.

**MOTION for a friendly amendment** to change landscape amendment to previous requirement. There was no objection to the amendment. Motion carried unanimously.

**Adopt Resolution No. 2014-59 Approving Preliminary and Final plat to adjust the common lot line between properties to be named “Nystrom Addition” for property located North of Isle Drive, west of Falcon Drive, and south of Glory Road**

**MOTION** by Council Member Moser, seconded by Council Member Holman to adopt Resolution No. 2014-59 approving preliminary and final plat to adjust the common lot line between properties to be named “Nystrom Addition” for property located north of Isle Drive, west of Falcon Drive, and south of Glory Road. Motion carried unanimously.

### **Proposed Isle Drive Economic Development TIF District Modification**

Finance Director Vacinek presented the proposed modification to the existing Isle Drive Economic Development TIF District and provided a history of the TIF district. The modification to the TIF District and TIF Plan is being proposed to account for adjustments to the TIF district's boundaries and budget. A parcel originally in the TIF district had to be removed due to the re-platting of the parcel before its development. The original parcel was enlarged to include land not originally within the TIF district's boundaries. The city received special legislation in 2014 to add the new parcel back into the TIF district.

Details of the proposed district and a map were reviewed. The reasons and facts supporting the finds of modification to the TIF Plan as outlined in the TIF Plan and resolution were presented. Finance Director Vacinek recommended holding the public hearing with the council considering adoption of the resolution modifying the existing TIF district and its TIF Plan after the public hearing. Finance Director Vacinek further recommended adopting the resolution approving the TIF district's special legislation.

Mayor Olson opened the public hearing at 8:54 p.m. Kurtis Busman, Facilities Director of St. Joseph's Medical Center and the affiliated Baxter Essentia Health Clinic, inquired about how the proposed project would affect the Baxter clinic's entrance. It was explained to Mr. Busman the clinic's entrance would not be impacted by the project to extend Isle Drive. It was offered Public Works Director Walter could answer and provide more detailed information to Mr. Busman about the proposed Isle Drive project.

With there being no other public comments on the proposed modification to the Isle Drive Economic Development TIF District, the mayor closed the public hearing at 8:55 p.m.

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution 2014-46, adopting a modification to the Development Program for Development District Number One and modification to the Isle Drive Economic Development Tax Increment Financing District (District 10) and adopting a modified tax increment financing plan. Motion carried unanimously.

Finance Director Vacinek explained the City received special legislation from the State of Minnesota to modify the Isle Drive TIF District. Adoption of Resolution 2014-47 is necessary to approve the special legislation prior to forwarding the necessary documents to the Secretary of State's office.

**MOTION** by Council Member Cross, seconded by Council Member Moser to adopt Resolution 2014-47, approving Minnesota Laws, 2014 Chapter 308, Article 6, Section 6 related to the Isle Drive Economic Development TIF District. Motion carried unanimously.

**Consider Resolution No. 2014-46, Adopting a Modification to the Development Program for Development District Number One and Modification to the Isle Drive Economic Development Tax Increment Financing District (District 10) and Adopting a Modified Tax Increment Financing Plan.**

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution No. 2014-46 adopting a modification to the development program for Development District Number One and modification to the Isle Drive Economic Development Tax Increment Financing District (District 10) and adopting a modified tax increment financing plan. Motion carried unanimously.

**Adopt Resolution No. 2014-47, Approving Minnesota Laws, 2014 Chapter 308, Article 6, Section 6 Related to the Isle Drive Economic Development TIF District.**

**MOTION** by Council Member Cross, seconded by Council Member Moser to adopt Resolution No. 2014-47 approving Minnesota Laws, 2014 Chapter 308, Article 6, Section 6 related to the Isle Drive Economic Development TIF District. Motion carried unanimously.

**Proposed Isle/Falcon Drive Redevelopment TIF District Establishment**

Finance Director Vacinek presented the proposed establishment of the Isle/Falcon Drive Redevelopment TIF District and explained the district was being created to facilitate redevelopment of a blighted site with a substandard building and assist with public improvements in the city. Details of the proposed district and a map were reviewed. The reasons and facts supporting the finds of adoption of the TIF Plan as outlined in the TIF Plan and resolution were presented. Finance Director Vacinek recommended holding the public hearing with the council considering adoption of the resolutions establishing the TIF district and authorizing the interfund loan for the TIF district's eligible related costs after the public hearing.

Mayor Olson opened the public hearing at 9:00 p.m. There being no public comments on the proposed Isle/Falcon Drive Redevelopment TIF District, the mayor closed the public hearing at 9:00:15 p.m.

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution 2014-48, adopting a modification to the Development Program for Development District Number One and establishing the Isle/Falcon Drive Redevelopment Tax Increment Financing District (District 12) and adopting a tax increment financing plan. Motion carried unanimously.

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution 2014-49, authorizing an interfund loan for advance of certain costs in connection with the Isle/Falcon Drive Redevelopment Tax Increment Financing District. Motion carried unanimously.

**Consider Resolution No. 2014-48, Adopting a Modification to the Development Program for Development District Number One and Establishing the Isle/Falcon Drive Redevelopment Tax Increment Financing District (District 12) and Adopting a Tax Increment Financing Plan.**

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution No. 2014-48 adopting a modification to the development program for Development District Number One and Establishing the Isle/Falcon Drive Redevelopment Tax Increment Financing District (District 12) and adopting a tax increment financing plan. Motion carried unanimously.

**Consider Resolution No. 2014-49, Authorizing an Interfund Loan for Advance of Certain Costs in Connection with the Isle/Falcon Drive Redevelopment Tax Increment Financing District.**

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt Resolution No. 2014-49 authorizing an interfund loan for advance of certain costs in connection with the Isle/Falcon Drive Redevelopment Tax Increment Financing District. Motion carried unanimously.

**Chlorine Generation Equipment Project – Bolton & Menk  
Power Point Presentation of the Chlorine Generation Equipment Evaluated Bid Process**

Paul Saffert, Bolton and Menk, Inc., presented a PowerPoint presentation regarding the evaluation process for the chlorine generation equipment to replace the existing MIOX system. The project will advertise and bid in mid-July. The equipment evaluation process will be undertaken near the end of July and final recommendation will be in early August 2014. Equipment delivery is anticipated in October for installation prior to the end of 2014.

**Approve the specifications for the procurement of the Chlorine Generation Equipment for the Water Treatment Plant and authorize staff to bid the project through the Evaluated Bid Process**

**MOTION** by Council Member Cross, seconded by Council Member Moser to approve the specifications for the procurement of the chlorine generation equipment for the water treatment plant and authorize staff to bid the project through the evaluated bid process. Motion carried unanimously.

**Request to Temporarily Close Clearwater Drive, Conduct Emergency Services Training and Demolish Building by Burning at 14521 Edgewood Drive**

City Administrator Heitke introduced the request from Lake States Bank and Fire Instruction and Rescue Education (“F-I-R-E”) to temporarily close a portion of Clearwater Drive to conduct emergency services training and demolish the building by burning 14521 Edgewood Drive (the former Integra Building). The training and burning activity is scheduled to occur on Sunday, June 22. Adjacent and nearby businesses and property owners are being contacted. There will be no financial implications to the City as any time required of staff and the cost of water used

will be fully reimbursed. Chip Lohmiller, F-I-R-E, overviewed the proposed disaster drill and burn training. Council inquired the schedule for removing the building remnants. Mr. Lohmiller explained the site would be cleaned up the next day or two.

**MOTION** by Council Member Cross, seconded by Council Member Holman to approve the request to temporarily close Clearwater Drive, conduct emergency services training and demolish building by burning at 14521 Edgewood Drive. Motion carried unanimously.

**CITY ATTORNEY’S REPORT**

**Closed Session Minnesota Statute 13D.05, Subd. 3 (b) Attorney/Client Privilege-Pending Litigation**

**MOTION** by Council Member Cross, seconded by Council Member Klein to close the session at 9:30 p.m. Motion carried unanimously.

No action was taken as a result of the closed session.

**MOTION** by Council Member Moser, seconded by Council Member Holman to open the session at 9:45 p.m. Motion carried unanimously.

**ADJOURNMENT**

**MOTION** by Council Member Cross, seconded by Council Member Moser to adjourn at 9:46 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

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Darrel Olson  
Mayor

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Kelly Steele  
Assistant City Administrator/Clerk