

**BAXTER CITY COUNCIL MINUTES**  
**November 18, 2014**

Mayor Darrel 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 and Council Members Mark Cross, Rob Moser, and Jim Klein.

MEMBERS ABSENT: Council Member Todd Holman

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

**CONSENT AGENDA**

- A. Approve City Council Minutes from November 5, 2014
- B. Approve City Council Work Session Minutes from November 5, 2014
- C. Approve City Council Budget Work Session Minutes from November 6, 2014
- D. Approve City Council Special Election Canvassing Board Meeting Minutes from November 12, 2014
- E. Approve City Council Special Meeting Minutes from November 12, 2014
- F. Approve the Payment of Bills and Finance Report
- G. Authorize Contract Execution for Employee Dental Insurance Renewal
- H. Approve Resolution No. 2014-93 Ordering the Preparation of Report on Improvement for the 2015 Excelsior Road Improvement Project
- I. Accept Utilities Commissioner Minutes of November 5, 2014
  1. Approve the right of way permit with a limited use agreement for the Excelsior Place Townhome Association Free Library subject to the following conditions:
    1. Located only on Non-collector streets.
    2. Installed only on an approved post by the City Engineer.
    3. Can only be located within Townhome Association settings.
    4. Library Box can be no larger than 8 cubic feet (2' x 2' x 2').
    5. Must be placed adjacent to a current commercial cluster mailbox system.
    6. Must be installed flush with the existing commercial cluster mailbox system.
    7. Association to sign Limited Use Agreement and carry limited liability insurance.
  2. Acknowledge receipt of the Martin's Addition Outlot A Concept Layout in order to meet the adequate facilities ordinance 9-5 deadline of December 1, 2014.
  3. Approve the Bolton & Menk Proposal for Engineering Services for the 2015 City of Baxter Chip Sealcoat Improvements in the not to exceed amount of \$14,350.00.
  4. Approve the Pratt's Affordable Excavating and Borden Excavating Partial Pay Estimate No. 5 in the amount of \$778,149.31 for the Wolda Road, Wildflower Drive and Franklin Drive Street and Utility Improvements Project.
  5. Approve the DeChantel Excavating, Inc. Partial Pay Estimate No. 2 in the amount of \$28,958.99 for the Falcon Drive Improvements Project.

6. Approve the CCS Contracting, Inc. Final Pay Estimate No. 1 in the amount of \$95,700.00 for the Lift Station No. 9 Rehabilitation Project.
7. Approve the SEH 95% Plan Submittal of the 2015 Excelsior Road Improvements Project and submit plans to the Minnesota Department of Transportation for formal review.
- J. Adopt Resolution 2014-89, Approving Funding the City's Outstanding 2007A G.O. Water and Sales Tax Revenue Bonds and 2007A Portion of the Water Revenue Bonds Portion of the 2013 G.O. Refunding Bonds with Sales Tax Proceeds
- K. Accept Architectural Review Commission Minutes from November 14, 2014
  1. Approve alternative building materials for Lakes Counseling Center at 7251 Excelsior Road as recommended by the Architectural Review Commission on November 14, 2014
- L. Authorize staff to enter into an agreement with Health Partners for Flexible Spending Account Administration

**MOTION** by Council Member Cross, seconded by Council Member Moser to approve the Consent Agenda with the exception of agenda item I. 1. Approve the right of way permit with a limited use agreement for the Excelsior Place Townhome Association Free Library subject to the following conditions:

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6. Must be installed flush with the existing commercial cluster mailbox system.
7. Association to sign Limited Use Agreement and carry limited liability insurance.

and agenda item I. 3. Approve the Bolton & Menk Proposal for Engineering Services for the 2015 City of Baxter Chip Sealcoat Improvements in the not to exceed amount of \$14,350.00. Motion carries unanimously.

### **PULLED AGENDA ITEMS**

**II. Approve the right of way permit with a limited use agreement for the Excelsior Place Townhome Association Free Library subject to the following conditions:**

- 1. Located only on Non-collector streets.**
- 2. Installed only on an approved post by the City Engineer.**
- 3. Can only be located within Townhome Association settings.**
- 4. Library Box can be no larger than 8 cubic feet (2' x 2' x 2').**
- 5. Must be placed adjacent to a current commercial cluster mailbox system.**
- 6. Must be installed flush with the existing commercial cluster mailbox system.**
- 7. Association to sign Limited Use Agreement and carry limited liability insurance.**

Council Member Cross asked for the agenda item to be pulled because he explained he is uncomfortable approving the request to allow placement in the right-of-way. The Council discussed the request would be approved with a limited use agreement which provides the city with the ability to ask the property owner to remove the item. The Council further discussed setting a precedent for allowing the use in the right-of-way. The differences between the request and mailboxes located in the right-of-way were discussed.

**MOTION** by Council Member Klein, seconded by Council Member Moser to approve I1. Approve the right of way permit with a limited use agreement for the Excelsior Place Townhome Association Free Library subject to the following conditions:

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3. Can only be located within Townhome Association settings.
4. Library Box can be no larger than 8 cubic feet (2' x 2' x 2').
5. Must be placed adjacent to a current commercial cluster mailbox system.
6. Must be installed flush with the existing commercial cluster mailbox system.
7. Association to sign Limited Use Agreement and carry limited liability insurance.

Motion fails with Council Members Klein and Moser voting yes, Mayor Olson, and Council Member Cross voting no.

**I3 Approve the Bolton & Menk Proposal for Engineering Services for the 2015 City of Baxter Chip Sealcoat Improvements in the not to exceed amount of \$14,350.00.**

Council Member Klein asked to pull the agenda item. Council Member Klein explained he is in favor of completing the project, but is opposed to contracting for the service when city staff can complete the work. Public Works Director/City Engineer Walter explained he does not have specifications and bid sheets. In addition, there is not enough staff time to complete the project. Public Works Director/City Engineer Walter further explained he does not have staff time to complete the profile sheets and a staff person who can use AutoCAD. Council discussed the importance of completing the sealcoating and looks forward to staff being able to complete the work in the future.

**MOTION** by Council Member Cross, seconded by Council Member Moser to approve the Bolton & Menk proposal for engineering services for the 2015 City of Baxter chip sealcoat improvements in the not to exceed amount of \$14,350.00. Motion carries with Mayor Olson and Council Members Cross and Moser voting yes and Council Member Klein voting no.

**OTHER BUSINESS**

**Certification of Delinquent Utility Bills and Nuisance Abatements**

Mayor Olson opened the public hearing at 7:28 p.m. With there being no public comments on the certification of delinquent utility bills and nuisance abatements, Mayor Olson closed the public hearing at 7:28:15 p.m.

**Adopt Resolution 2014-90, Adopting Assessments for Unpaid Delinquent Utility Bills and Nuisance Abatement Charges**

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt resolution 2014-90, adopting assessments for unpaid delinquent utility bills and nuisance abatement charges. Motion carries unanimously.

## **Sale of \$1,925,000 G.O. Improvement Bonds, Series 2014**

### **Adopt Resolution 2014-91, Providing for the Issuance and Sale of \$1,925,000 General Obligation Improvement Bonds, Series 2014**

Finance Director Vacinek explained the bond sale was held for the Woida and Falcon Drive projects. Four favorable bids were received. Per the City's adopted special assessment policy, the interest rate on special assessments financed with the issuance of city debt for non-developer requested projects is set at one and one-half percent greater than the true interest cost rate of the bond issue. The true interest rate was determined to be 2.2% and the resulting assessment interest rate is 3.7%. The City issued a 12-year bond to get a more favorable interest rate.

**MOTION** by Council Member Cross, seconded by Council Member Klein to adopt resolution 2014-91, providing for the issuance and sale of \$1,925,000 general obligation improvement bonds, series 2014. Motion carries unanimously.

### **Adopt Resolution 2014-92, Setting the Final Special Assessment Interest Rate on the 2014 Falcon Drive and Woida, Wildflower, and Franklin Improvements**

Finance Director Vacinek explained final assessment sheets are being completed for submittal to Crow Wing County. Staff is looking for the council to affirm the interest rate of 3.7%.

**MOTION** by Council Member Moser, seconded by Council Member Klein to adopt resolution 2014-92, setting the final special assessment interest rate on the 2014 Falcon Drive and Woida, Wildflower, and Franklin Improvements. Motion carries unanimously.

## **CITY ATTORNEY'S REPORT**

### **Closed Session: Minnesota Statute 13D.05, subd. 3 (c) Purchase of Real Property**

City Attorney Person asked the council to enter into a closed session under Minnesota Statute 13D.05, subd. 3 (c) for the purchase of real property.

**MOTION** by Council Member Cross, seconded by Council Member Moser to enter into a closed session at 7:34 p.m. Motion carries unanimously.

**MOTION** by Council Member Cross, seconded by Council Member Klein to open to the regular meeting at 7:50 p.m. Motion carries unanimously.

City Attorney Person explained to remain on schedule with the Isle Drive extension project; it is time to start the eminent domain process. Council will need to pass a motion to proceed with litigation on 601 West 1<sup>st</sup> Avenue, Suite 1600, Spokane, Washington and 2424 South 6<sup>th</sup> Street, Brainerd, Minnesota. If the one or both parties settle, they will be removed from the litigation.

**MOTION** by Council Member Cross, seconded by Council Member Moser to proceed with the eminent domain process with 601 West 1<sup>st</sup> Avenue, Suite 1600, Spokane, Washington and 2424 South 6<sup>th</sup> Street, Brainerd, Minnesota. Motion carries unanimously.

**ADJOURNMENT**

**MOTION** by Council Member Cross, seconded by Council Member Moser to adjourn to the Isle Drive Improvement Hearing at 7:30 p.m. on Monday, November 24, 2014. Motion carries unanimously.

Approved by:

Respectfully submitted,

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Darrel Olson  
Mayor

\_\_\_\_\_  
Kelly Steele  
Assistant City Administrator/Clerk