

City of Oronoco

Special City Council Meeting Agenda

May 12, 2010

6:00PM

I. CALL TO ORDER

The meeting was called to order at 6:00pm.

II. ROLL CALL

Members Present: Attorney Fred Suhler, Councilor Kevin McDermott, Councilor Jackie Hall, Councilor Mayor Scott Keigley, City Engineer Joe Palen, Clerk Sandy Jessen, and Paul Briggs, arrived at 6:15pm. Absent: Councilor Brian Breider.

III. APPROVAL OF AGENDA

Mayor Scott Keigley motioned to approve the agenda, Councilor Jackie Hall second; all in favor, motion carried.

IV. SNOW PLOW BIDS

Councilor Kevin McDermott motioned to accept Ottman's bid, Councilor Jackie Hall second; discussion: bids are very even, all in favor, motion carried.

V. ORONOCO PARK – ORDINANCE REVISION; Attorney Fred Suhler said only a motion to allow alcohol in attended parks is required. **Councilor Jackie Hall motioned to allow alcohol at the attended parks, Councilor Kevin McDermott second; discussion: during regular park hours, all in favor, motion carried.**

VI. 4TH OF JULY: \$4680 FIREWORKS; need a motion to approve the cost of the fireworks. Councilor Kevin McDermott motioned to accept the \$4680.00 for the fireworks, Councilor Jackie Hall second; all in favor, motion carried.

VII. ORONOCO CROSSINGS: COST SECURITY & DEVELOPMENT AGREEMENTS

Bill Tointon: received a copy of City Engineer Joe Palen comments on the Development and Cost Security Agreements and put together the responses: Dan Berndt, People's attorney drafted the development agreement after the Oronoco Commercial Park development agreement. City Engineer Joe Palen referenced some of the other Oronoco development agreements. There are some zoning items that are restrictive and have been discussed with P&Z; such as parking requirements that would prevent a site plan approval.

General Discussion:

Each point was addressed by submitted comments from Bill Tointon. The following were points of discussion:

2. Stormwater facilities: City Engineer Joe Palen; many associations cannot take care of them on a continued basis or are not willing to maintain; it can cause problems in the future in a larger pond - the larger one is 2-3 acres. Attorney Fred Suhler; there is also a liability issue. Bill Tointon: a public pond in Rochester is only mowed once a year. With an association there will be a fee and they will be able to be maintained with those fees. Attorney Fred Suhler; if you create outlots and the taxes aren't paid, it goes to the government. People's intention is to put in fountains and lights which will help keep down the mosquito population. City Engineer Joe Palen; grant the city an easement and they can do the maintenance.
5. The City Engineer will be listed as an entity requiring a construction plan.
6. Provide additional City ROW next to the Cravath Addition: Elm and 15th. City Engineer Joe Palen: the existing roadway is 3 -4 feet into the People's land being purchased, the existing

- 14- 16' wide road now and doesn't meet any standards. Someday there will be sewer and water and there needs to be room for that utility and the city will have to go back and purchase ROW. Attorney Fred Suhler: it is township at this point. There is no benefit for People's to give the ROW; they have no interest in doing that. City Engineer Joe Palen; could allow for a utility easement. The houses are there, the lots are developed and the other side is not developed. People's has plans for their land. They don't want to give up property.
7. Impervious surface: The City Ordinance only provides for a 25% impervious surface. It is tied to not adding stormwater runoff; increased pavement will increase water volume. The Ordinances are being worked on and need to be completed. A convenience store will not have much green space; the bigger spaces will bring in more industrial type users for using more power during non peak hours. The city has significant setback requirements.
 9. Sewer Collection System 10 year usage: the window makes it difficult to facilitate and fund a project. Rochester doesn't extend the lines until 60% is occupied; go twelve years not ten and connect right of way, within a few months. If the system needs an upgrade the commercial association would be responsible for repairs if the money is required to be escrowed they would have to pay tax on funds for escrow money. City Engineer Joe Palen; as long as the obligation is not the city's why should the city care. Bob Hamilton: make it part of the purchase agreement. Delete paragraph E. 3.
 10. Ownership of sewer system within City ROW: Community system: the association will maintain it and when the city connects with municipal system it will be abandoned within a year, the green space previously should be turned over to the city, so that it remains green space. Then the city would be able to develop the roadway. Bob Hamilton: at that time there may be a use for the land and they may want to sell or will want to convert, or develop it. Pipes will belong to the city when it is connected. When treatment system is gone, the zone will remain M1 – Mayor Scott Keigley; it is shown as green space and will remain green space. Stipulate that the city will allow certain things and city will have first right of refusal.
- Mayor Scott Keigley called for a 5 minute recess at 7:30pm. Mayor Scott Keigley called the meeting back to order at 7:35pm.
11. SAC Fees: will pay fair share at the time it is needed. Mayor Scott Keigley: sac charge may not be necessary per developed acre but will be required to pay the fees when sewer is available.
 12. Payment of watermain over sizing: set a maximum for price for the bid and if it comes in less it would be less; the maximum was set at 5.20 for PVC and a fittings price will need to be checked and then calculate the costs.
 13. Developable acreage – Bill Tointon: took the definition from the Oronoco Commercial Park. With the city's setbacks it adds to the amount unusable land. City Engineer Joe Palen: used the Cedar Woodlands development agreement and would like to see the calculations of how it was determined. There is an area that you won't turn over to the city and maybe have the fee added on that land.
 14. Construction Cost Index: adjust on a yearly basis – August to August; it is published monthly
 15. same as 13
 16. Eliminate SAC charge.
 17. Frontage Road Access: there are 7 proposed on east and 3 on west entrances proposed. Discussion: The frontage is posted 40; people drive 55, it is a safety concern and goes against policy to encourage alternate plans for access. Access is being provided by the city and state. The proposed is similar to 52 access in north Rochester; they would have difficulty bringing in retail and they want to have less restriction for the frontage road. City Engineer Joe Palen: this segment of frontage is not similar to Rochester; it is a rural segment with a higher posted speed. Olmsted County required Northland on MN Ave. to share one drive for four parcels; they didn't allow in individual drives; this development is similar. Mayor Scott Keigley: 7 seem excessive; would like to see it around 5. Bob Hamilton: sewage represents half the treatment on west go with 3 on west, 6 on east. Councilor Paul Briggs: the frontage it is hard to say with the Elk Run development how much traffic will be running

- through the frontage. There will be 6 on east and 3 on west. Councilor Paul Briggs: with the larger setback requirements; as a compromise, would it be more agreeable to have fewer accesses and on the east have lesser setback requirements? Bob Hamilton: will go with the setbacks, but want more accesses with the location being determined in the final platting process.
18. Agreed on street lights.
 19. Construction staking within City ROW: the city needs to insure that punch lists are completed and City Engineer Joe Palen, Bonestroo would oversee and approve. MNDOT will not have oversight of the utilities; they will oversee the drainage and the frontage road. People's can add that they will be responsible for requiring the specs and documentation. City Engineer Joe Palen; all the pipe gets buried; there is only one chance to see it. People's will agree to fix anything that is wrong. Other communities will do oversight of the work and Bill Tointon will provide all the testing results and also a final review and the warranty does not start until approved. City Engineer Joe Palen; Rochester has their own engineering people for inspections; other communities do what Oronoco is proposing. Many of the suburb cities do coordinate the processes and work with Bonestroo. Councilor Jackie Hall; the city engineer was hired for the reassurance of what needs to be done is done. If the cost is \$1000- \$2000 that's not a big deal; \$20000 is a big deal. Bob Hamilton: allow up \$2000 for the inspection .City Engineer Joe Palen recommends no. People's thinks it's a duplication of service. Mayor Scott Keigley; has faith that this will be properly built. The warranty would be 2 years from date of acceptance. Councilor Paul Briggs; has more faith than with past residential agreements. Councilor Jackie Hall; the city has to trust City Engineer Joe Palen. Mayor Scott Keigley; accept \$2000 for inspections and add 1 additional year warranty. Done.
 20. McGhie & Betts will provide auto cad drawings.
 21. Peoples will provide letter of credit preferable – less expensive or a bond, either is acceptable.
 22. Cost Security Payment – issue; cost security is an interim cost for the development agreement is complete \$10,000 down with a credit of the \$7000 paid minus costs.
 23. Contact LMC: is insurance coverage of \$1,000,000 adequate? Sandy will contact Bill Tointon with the response.
 24. Purchase of ROW: the city could pay for it and then assess the property back. In the beginning the city was going to assess property owner now the city just needs the purchase of the ROW. Not paying for the ROW would be a deal breaker for Peoples; the tax base growth would pay for itself. Don't think it's worth assessing. People's will sell to the city for the appraised value once it is received.
- May 24th is the People's board meeting – redraft of the development agreement by McGhie & Betts and will have it ready for Monday night's meeting. Bill Tointon will send it to Sandy and she will forward it on to Attorney Fred Suhler and City Engineer Joe Palen for review.
- Back to #6. ROW on Elm Ave.: Mayor Scott Keigley: that's township and would have to look at it at the time that it becomes city. It is surrounded with city. There is 33 feet of ROW now; ideally it should be 60. This leaves 27 feet x 1300 roughly an acre. Discussion: would the city be will to buy the extra ROW for \$25,000, what would it affect? The city wouldn't want to dedicate city funds for a township road. Option: the city has first right of refusal for the ROW for \$25,000 when sewer is within the city.

VIII. WATER METERS:

- A. Own or Lease: most cities' lease with a one time payment.
- B. Water surcharge: non metered use in developed areas where the connection is immediate there would be a grace period for hook up and after that point there would be a flat fee.
- C. Well sealing; City Engineer Joe Palen is collecting information on this; Olmsted County monitors and permits this.
- D. Meter Reading: there are three options; request RPU to read, hand held drive / walk, antenna-fixed read. Hand held drive / walk is recommended: cost, time, proven method. City Engineer Joe Palen; we met with a distributor which is being used by many of area cities. The hand held can be driven around town to read all the meters within 1 -2 hours instead of paying \$500 per month to hire out. The other alternative is one main receiver with

an hourly read to the city computer. The technology is only a few years old; the cost is more, it takes longer to get, and has computer and cell phone requirements.

- E. PFA and ARRA Funding: the meters were included in the loan and were used in the ARRA funding. The thought is to have the city purchase the meters with WAC funds and then they will be out to residents within a few months to recoup the cost. The meter reader would be run through PFA. The city may need competitive bids yet. There is a specification that City Engineer Joe Palen has put together that will be advertised and will see if more than one bid is received. **Mayor Scott Keigley motioned to start the advertisement for the meters, Councilor Kevin McDermott second; discussion: the ad runs for 10 days. All in favor, motion carried.**

Mayor Scott Keigley called a 5 minute recess at 9:20pm and reopened the meeting at 9:25pm.

IX. PERSONNEL

Added jobs & responsibilities, training: Council expectations of city staff. Councilor Kevin McDermott; he has concerns with the undertaking of the water project with the new financial system and don't know what Tim's going to be required to do. The financial admin part of the budget was \$10,000 under budget, there are added duties with the parks and dam, additional billings, water phase I and the second phase is beginning. Discussion: with the added responsibilities should do something now and then revisit at budget time. The past clerk was making almost \$2 more an hour two years ago. Councilor Jackie Hall; recommend \$2 per hour now and revisit at budget time. Mayor Scott Keigley; look at budget. Councilor Kevin McDermott; look at Tim's wage as well. It needs to be addressed now and at budget time; we have good employees and want to keep them. Council needs to look at what expectations are and the job descriptions need to be updated. Tim will soon be in a supervisory role. **Councilor Jackie Hall motioned to give Tim and Sandy a \$2 raise immediately and will be reassessed at the time of budget; Mayor Scott Keigley second, all in favor, motion carried.**

X. CLOSED SESSION

Mayor Scott Keigley moved the meeting into closed session at 9:40pm reopened the meeting at 9:45pm. Mayor Scott Keigley: summary of the closed session; discussion on pending litigation, potential settlement, and declining the offer.

XI. ADJOURNMENT

Mayor Scott Keigley motioned to adjourn 10:04pm, Councilor Jackie Hall second; all in favor, motion carried.