

Cambridge City Council Meeting Minutes
Monday, May 20, 2019

A regular meeting of the Cambridge City Council was held on Monday, May 20, 2019, at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008.

Members Present: Mayor James Godfrey; Council Members Kersten Conley, Marlys Palmer, Lisa Iverson, and Bob Shogren. All present, no absences.

Staff Present: City Administrator Woulfe, Community Development Director Westover and Economic Development Director Gustafson.

Call to Order and Pledge of Allegiance.

Godfrey called the meeting to order at 6:00 p.m. and led the public in the Pledge of Allegiance.

Citizens Forum

There was no one in attendance for the forum.

Approval of Agenda

Shogren added 9A Street Signs under Council Concerns. Iverson moved, seconded by Palmer, to approve the amended agenda. Motion carried unanimously.

Consent Agenda

Shogren moved, seconded by Conley, to approve consent agenda Items A-G:

- A. Regular and Summary City Council Meeting Minutes for May 6, 2019
- B. Warrants #113238 - #113564 and ACH/Wire items totaling \$1,560,328.56
- C. Cambridge Downtown loan for Ashland Arts Building, LLC (Joel Pennington) 218 Ashland St S
- D. Street Closure Request – American Legion, May 27, 2019 – Memorial Day Observance Main Street from 2nd Ave. S to 3rd Ave. S
- E. Resolution R19-033 Accepting restricted donations for Fire Department
- F. Approve Contract with Mike Jungbauer for septic review and inspections at the proposed Cambridge-Isanti Special Education building
- G. Approve postponement of bond sale for water tower

Upon call of the roll, Godfrey, Shogren, Palmer, Iverson, and Conley voted aye, no nays. Motion carried.

Work Session

There were no items for discussion.

Unfinished Business

Resolution R19-032 Resolution to Support a Proposal from Greg Oppegard, Walker Methodist and Roers Investment, LLC to Construct Affordable Senior Housing Apartment Building in the City of Cambridge

Gustafson reported staff has been working with Greg Oppegard, Walker Methodist on the Maple Ridge Development site within the City of Cambridge for development of a senior multi-family housing development. Gustafson explained the property has been idle for many years and staff has talked with several developers about the site. (See map provided in the packet.)

Gustafson explained the Developers, Greg Oppegard, Walker Methodist and Jared Ackman, Roers Investment, LLC are preparing a Tax Credit application to Minnesota House Financing Authority.

Gustafson stated the Developers are proposing to build a 65-unit, three-story senior apartment building on the site, offering a combination of one- and two-bedroom affordable units. Gustafson explained the complex will offer a community room, sprinkled, elevator and appliances.

Gustafson explained the Developers will be submitting their application for a tax credit project to MHFA by June 1, 2019. Gustafson stated Mr. Oppegard will be applying for tax increment financing to assist with the project. Gustafson reported Ehlers has reviewed the project's performa and supplied the TIF run shown in the packet. Gustafson explained the project qualifies for a TIF Housing District up to 26 years. Gustafson stated the City's financial advisor is recommending a district that is up to 20 years and a maximum amount of \$506,000.00. Gustafson reported the estimated project cost is \$14 million plus and if the project is awarded tax credits, it would start construction in the spring of 2020.

Gustafson reported the project will need approvals from Planning Commission and City Council which will all be handled simultaneously. Gustafson explained the Developer will submit and proceed with these following items:

- Application and finalize creation of the Tax Increment Financing District
- PUD amendment would need to be approved by Planning Commission and City Council.
- Water and sewer area charges and park dedication fees need to be paid
- Water and sewer access charges need to be paid
- Platting the properties
- Trail needs to be completed on the west side of Old Main St

Oppegard addressed the Council, thanking them for their time and explained the rationale for the proposed 65-units stating the model and affordability scores better and moves their application up in priority.

Conley moved, seconded by Palmer, to approve Resolution R19-032 Supporting Tax Credit Application by Walker Methodist and Roers Investment, LLC to construct affordable senior housing apartment buildings in the City of Cambridge, approve the letter of intent, and support of the tax credit application for construction. Motion carried unanimously.

Ordinance 691 – Amending Title XI Business Regulations, Chapter 115 Tobacco

Tony Buttacavoli, Director of Isanti County Public Health addressed Council in follow up from the May 7, 2019 meeting presentation. Buttacavoli explained the County has provided data which shows the tobacco usage rate in the area is very high, as well, the discovery that 18-20-year-olds make up only 20% of tobacco retailer sales, yet this age group contributes 75% towards supplying users under age 18. Buttacavoli explained T21 is about reducing minors use of tobacco products and long-term prevention. Buttacavoli stated the city of Chicago saw a 6% decrease in tobacco usage in minors after passing T21 and encourages Cambridge to consider passing the ordinance.

Woulfe stated PureXhale went on record stating they support T21 which makes it approximately half of the City's licensed tobacco retailers in support of T21.

Godfrey reported the letter from Ray Queener, Superintendent of Cambridge-Isanti Schools was added to the packet, which states he is in support of T21.

Iverson asked when the State Legislature would decide on the matter at the state level. Woulfe stated a special session was initially scheduled for Thursday, May 23, but noted Representative Daudt requested it be postponed until after Memorial Day. Woulfe explained she was not able to find a current status, but it is in the house omnibus Health and Human Services bill. Woulfe noted the Council may not have more answers until its June 3 meeting.

Iverson moved, seconded by Shogren, to table the topic until the June 17, 2019 City Council Meeting.

Conley and Godfrey stated they would both vote no to tabling until the June meeting. Godfrey explained he doesn't feel the state will pass the bill this year and prefers not to wait on the issue.

Woulfe reported the County could also consider a local Public Health Act to pass a resolution that would override the City's policy. Woulfe opined that prolonging the discussion may also send a message to youth that reinforces the feedback teens have given that nobody cares about them and encourages Council to make a decision now, rather than later.

Buttacavoli stated it is a possibility for the County to consider passing a Local Public Health Act Resolution, but was not at liberty to opine on the County's behalf.

Buttacavoli reported the Coalition presented the same information to Braham, who feels it is a local decision that they will be discussing further at their next meeting. Buttacavoli explained they provided language to draft an ordinance to Braham.

The motion passed 3 ayes (Iverson, Palmer, Shogren) and 2 nays (Conley and Godfrey).

Refuse Hauling RFP Responses

Woulfe stated City Council directed staff to solicit proposals for refuse/garbage/recycling haulers to serve the City of Cambridge. Four providers responded to the RFP:

Ace Sanitation
LePage and Sons
Quality Disposal
Waste Management

Woulfe explained a spreadsheet of the responses and the actual RFP responses are provided in the packet. Woulfe reported she prepared a sample residential and commercial bill based upon the RFP responses. Woulfe explained please note that all proposed fees (e.g. sales tax, environmental fee, etc.) are included in the sample bills below.

Sample Bills for Comparison

Residential Bill 96 Gallon Can picked up once per week with recycling included

Waste Management Single Hauler	20.97
LePage	21.20
Waste Management Multi Hauler	21.58
Ace Sanitation*	23.96

*please note Ace has a range of prices quoted, I used the lowest price for comparison purposes

Commercial Bill 4-yard dumpster with 2-yard recycling container picked up once per week

	Dumpster	Recycling	Total Cost
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Waste Management Single Hauler	\$72.54	44.00	116.54
Waste Management Multi Hauler	\$81.90	74.00	155.90
Ace Sanitation	\$117.33	40.00	157.33
Quality Disposal	\$152.10	43.00	195.10
LePage	\$130.81	75.18	205.99

Woulfe reported LePage quoted a Senior rate of \$12.00 per month. Woulfe stated garbage would be picked up twice a month and is based upon a 35-gallon waste and recycling container. Woulfe stated Ace Sanitation would give seniors a 15% discount on their rate for a 35-gallon container, making the senior rate \$17.78 per month.

Woulfe explained LePage and Sons indicated they would provide free garbage service for both Customer Appreciation and Cambridge Day Out. Woulfe stated Ace Sanitation indicated they would provide free garbage service for one event only. Woulfe reported Waste Management indicated they would provide free service if they were single hauler or discounted service if multiple licenses are given out.

Woulfe explained based upon the RFP responses it appears the residential/commercial licenses should be granted to Waste Management and LePage & Sons and the commercial only license would then be granted to Ace Sanitation.

Woulfe explained Waste Management put in two proposals – one for a multi-hauler license and one for a single source license. Woulfe reported the least expensive rates for both residential and commercial were the rates quoted by Waste Management for their single hauler scenario.

Woulfe stated Council will need to determine how many licenses they desire to issue and which providers to license based upon the RFP responses. Woulfe explained the ordinance amendment allows you to issue up to two licenses for residential/commercial and one commercial only.

Woulfe reported if Ace Sanitation is picked for either residential and commercial, the contract will need to be more detailed on their rate structure because they provided a sliding scale on all of their pricing.

Shogren moved, seconded by Conley, to authorize the issuance of refuse hauling licenses for residential and commercial properties to LePage and Sons and Waste Management and Ace Sanitation for commercial properties. Motion carried 4-1 with Palmer voting nay.

New Business

Approve Resolution R19-034 Authorizing the Sale of City Owned Properties

Gustafson reported the City owned properties are in various zoning districts, B-2 Highway Business District, industrial, single-family housing zoned under a planned unit development (PUD) and in R-3 residential districts. Gustafson explained the properties will be marketed for economic development recruitment, retention, and/or expansion projects and are currently zoned as indicated above which is consistent with the guidance of the 2017 comprehensive plan.

Gustafson reported the Planning Commission reviewed this request on May 7, 2019 and approved Resolution R19-034 authorizing the potential sale of property owned by the City of Cambridge and Economic Development Authority. Gustafson stated the City Council needs to approve the on-going efforts to market these properties for sale by resolution. Gustafson explained the City Council will take final action on all purchase agreements.

Shogren moved, seconded by Iverson, to approve Resolution R19-034 Authorizing the Sale and Marketing of City Owned Properties. Motion carried unanimously.

*Resolution R19-035 Accepting Bid and Award Contract for West Water Tower
SEH Construction Services Contract*

Woulfe stated on Friday, May 10, 2019 staff received and opened bids for the 750,000 Gallon West Water Tower Improvement project. Woulfe reported four bids were received and Phoenix Fabricators from Avon, Indiana is the low bidder at \$2,159,840.00.

	Contractor	Total Bid
1	Phoenix Fabricators	\$2,159,840.00
2	Landmark Structures	\$2,227,850.00
3	Caldwell Tanks	\$2,236,716.00
4	CB&I	\$2,276,850.00
	Engineer's Estimate	\$3,195,000

Woulfe reported Phoenix Fabricators has successfully constructed numerous water towers and are currently constructing a similar tank in Brainerd, as well, they have the backing of their bonding company to support their bid.

Woulfe stated also included is a proposal from SEH to perform construction related services (Agenda item 7B1). Woulfe reported these services include preconstruction coordination, part time on-site construction observation, construction staking, construction administration, project closeout, and record plan preparation. Woulfe stated the estimated cost of these services is \$118,000.

Woulfe reported the water tower is located in proximity to the airport and that the FAA is required to conduct a study to determine if it will affect aviation. Woulfe explained the FAA has found this tower has no effect on Instrument Flight Rules (IFR) or Visual Flight Rules (VFR) operations or minimum flight altitudes, would not exceed traffic pattern airspace, would have no physical or electromagnetic effect on air navigation or communications, and would have no effect on military airspace and routes. Woulfe explained the FAA is withholding final approval until their public for comment period closes on June 16, 2019. Woulfe stated staff is asking Council to approve the contract contingent upon FAA signing off on placement and height of structure.

Woulfe reported the tower has been in the City's long-range plan for many years and rates have been set in accordance with this planned construction. Bonds will be issued to fund the construction cost.

Shogren moved, seconded by Palmer, to approve Resolution R19-035 to accept bid and award the contract for the West Water Tower to Phoenix Fabricators for a cost not to exceed \$2,159,840.00 contingent upon FAA's final approval and approve the proposal from SEH to perform construction related services at a cost not to exceed \$118,000. Motion carried unanimously.

*Approve Resolution R19-036 Preliminary Plat for Cambridge 2nd Avenue SW and Resolution R19-037
Final Plat for Cambridge 2nd Ave SW*

Westover reported the City of Cambridge is preparing to build a water tower on the west side of the city near the Armed Forces Reserve Center. Westover explained plans are in place to construct the

water tower this summer. Westover stated access to this water tower needs to be provided, the land has been purchased, and this plat of 2nd Avenue SW will give the city the right-of-way to access the water tower site.

Westover explained in addition to the water tower access, securing the 2nd Avenue right-of-way prepares this area for future development. Westover stated with the right-of-way secured, development can commence leading into the property known as the Kelly property. Westover explained previous plans have shown residential development for this area with commercial development at the corner of Spirit River Drive and Highway 95.

Westover stated the right-of-way plat consists of 1.27 acres. Westover reported the area to the north is zoned commercial, to the south is R-1 One Family Residence, to the west is RA Rural Residence/Agriculture, to the east is Scenic River II (Anoka Ramsey Community College) and infrastructure is installed along the right-of-way at this time.

Westover reported the Planning Commission recommended approval of the proposed preliminary plat named Cambridge 2nd Avenue SW at their regular meeting on May 7, 2019 and the final plat, which is consistent with the preliminary plat.

Iverson moved, seconded by Conley, to approve Resolution R19-036 Preliminary Plat for Cambridge 2nd Ave SW and R19-037 Final Plat for Cambridge 2nd Ave SW. Motion carried unanimously.

Abatement of a Blight Structure located at 15.069.0620

Westover reported upon receiving a complaint, a property compliance notice was mailed to the property owner of PIN 15.069.0620 regarding exterior maintenance on the accessory structure located on this property. Westover explained there are no other structures on this property as it is being used accessory to the property located at 129 2nd Ave SW (House of Liu restaurant).

Westover stated according to §92.21, once an officer charged with enforcement determines that a public nuisance exists, we are to notify the owner of the premises and order the nuisance be terminated or abated. Westover reported the owner was mailed a letter on April 11, 2019 with a compliance date of May 11, 2019. Westover stated upon reinspection on May 14, 2019, the violations remained. Westover explained Chapter 92 of the City Code addresses nuisances.

§92.16 (l) states:

Buildings, fences, and other structures which have been so poorly maintained that their physical condition and appearance detract from the surrounding neighborhood are declared to be a public nuisance because they: 1) are unsightly, 2) decrease adjoining landowners and occupants enjoyment of their property and neighborhood, and 3) adversely affect property values and neighborhood pattern.

Westover reported since the violation has not been resolved within the time specified, staff must bring this issue before the City Council. Westover stated we have provided notice of this to the property owner in the letter dated April 11, 2019.

Westover explained the owner of the property which a nuisance is abated by the City is personally liable for the cost to the City for the abatement, including administrative costs. Westover stated if Council chooses to abate the violation, we will direct our abatement contractor to perform the work and bill the City. Westover explained once the City receives the invoice, we will bill the property owner, if the property owner does not pay the invoice, the cost of abatement will be assessed to the property for collection with taxes.

Westover stated the resident contacted staff today and requested an extension, stating she would fix the property by June 15, 2019. Westover reported staff approved the extension, therefore approval of the abatement would occur only if the work is still incomplete after June 15, 2019.

Shogren moved, seconded by Palmer, to direct staff to abate the blight structure located at 15.069.0620 if work is not completed by the owner on or before June 15, 2019. Motion carried unanimously.

There were no Committee or City Attorney's reports.

Citizens Forum

Godfrey opened a second citizens forum, stating Mr. Cottrell was unable to arrive at 6:00 p.m. for the open forum.

Mr. Cottrell addressed Council stating his address as 509 Main Street N, Cambridge Minnesota, which is a small car lot. Cottrell stated he is certain his lot can hold more than the 6 cars he is allotted by the City and requests to know what he can do about the situation. Cottrell explained his previous attempts to work with City staff have not been addressed by Council and would like them to be heard.

Godfrey explained no action would be taken during the meeting.

Mayor's Report

Godfrey thanked council for coming to the Love your City Session on May 13 and reminded Council of the next session on June 10th in City Park for the Ice Cream Social.

Council Concerns

Shogren brought to Council attention that he noticed an area of public safety concern in which street signs are not properly addressed. Shogren stated his concern is police, fire and emergency staff would be unable to locate properties in the event of an emergency due to unmarked streets. Woulfe stated the issue would be taken care of. Westover agreed Community Development would handle the matter and that the signs are in violation of city code.

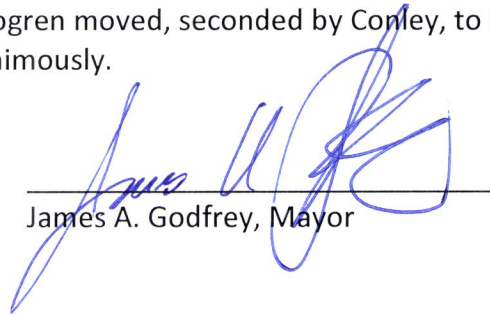
There was no City Attorney's Report

City Administrator's Report

Woulfe congratulated Son Duong for the Lifetime Achievement Award as a 20-year veteran of the Cambridge Fire Department. Woulfe also presented Jim Kowalski and Brian Dorsey of Cambridge Fire with their five-year employment anniversary certificates and coffee cups.

Adjournment of Council Meeting

Being no further business before the City Council, Shogren moved, seconded by Conley, to adjourn the regular meeting at 7:25 p.m. Motion carried unanimously.



James A. Godfrey, Mayor

ATTEST:



Lynda J. Woulfe, City Administrator