

**REGULAR MEETING
OF THE COUNCIL OF THE
CITY OF VADNAIS HEIGHTS
DECEMBER 6, 2017**

The regular meeting of the Council of the City of Vadnais Heights was held on the above date and called to order by Mayor Fletcher at 7:00 p.m.

ROLL CALL

Upon roll call, the following members were present: Mayor Bob Fletcher, Councilmembers: Craig Johnson, Heidi Gunderson, and Terry Nyblom.

The following member was absent: Councilmember Greg Urban.

Also present were: Kevin Watson, City Administrator; Kathy Keefe, Assistant City Administrator; Mark Graham, City Engineer; Nolan Wall, Planning/Community Development Director; Bob Sundberg, Finance Director; Ed Leier, Fire Chief; Caroline Bell Beckman, City Attorney; and Jeff Melcoch, Cable Producer.

PLEDGE OF ALLEGIANCE

Everyone present stood and said the Pledge of Allegiance, led by Cub Scout Pack #212. Cub Scout Pack #212 presented a wreath that will hang outside City Hall. Mayor Fletcher, on behalf of the City and Council, thanked Cub Scout Pack #212 for donating a wreath to the City.

ANNOUNCEMENTS

City Administrator Watson provided several announcements.

APPROVAL OF AGENDA

Upon motion by Gunderson, seconded by Johnson, it was

17-12-231 “RESOLVED, that the agenda for the December 6, 2017, Council Meeting be approved as submitted.”

Ayes – 4

Nays – 0

The resolution was adopted.

APPROVAL OF MINUTES

A. November 15, 2017, Workshop Meeting

Upon motion by Nyblom, seconded by Johnson, it was

17-12-232 “RESOLVED, to approve the November 15, 2017, Workshop Meeting Minutes as presented.”

Ayes – 4 Nays – 0

The resolution was adopted.

B. November 15, 2017, Regular Meeting

Upon motion by Johnson, seconded by Nyblom, it was

17-12-233 “RESOLVED, to approve the November 15, 2017, Regular Meeting Minutes as presented.”

Ayes – 4 Nays – 0

The resolution was adopted.

APPROVAL OF CONSENT AGENDA

Mayor Fletcher stated Councilmember Johnson has requested to pulled Item 7H.

City Administrator Watson referenced Item 7C and clarified the donation is to the Lions Club Foundation.

Mayor Fletcher asked Assistant City Administrator Keefe to make comment on the Deputy Clerk’s resignation. Assistant City Administrator Keefe stated Deputy Clerk Beckie Kidd worked for Vadnais Heights 2½ years and before that had served as Deputy Clerk for Lake Elmo. Ms. Keefe explained Ms. Kidd was recently married, moved to Apple Valley, and was able to get a position closer to her home. She stated Ms. Kidd did a great job and will be missed.

Mayor Fletcher agreed and stated Ms. Kidd was dependable, did a good job, and he was sorry to see her resignation. He wished Ms. Kidd the best and offered to be a reference.

Upon motion by Johnson, seconded by Nyblom, it was

17-12-234 “RESOLVED, that the Consent Agenda items for the December 6, 2017, meeting be approved as follows:

- A. Approve Claims #75383 through #75449, and Electronic Claims #1162 through #1165 for payment.
 - A-1. US Bank Visa Payment in the Amount of \$4,493.36.
- B. Approve the Official City Calendar Setting Meeting Dates for 2018.

- C. Authorize Donation to Vadnais Heights Lions Club Foundation Holiday Food & Toy Drive.
- D. Approve of Abdo, Eick & Meyers, LLC to Provide Auditing Services.
- E. Approve Clarification to November 1, 2017, Regular Council Meeting Minutes.
- F. Approve Extension of Drapery/Chair Cover Provider Agreements for Vadnais Heights Commons for a Period Ending January 1, 2019.
- G. Accept Resignation of Deputy Clerk, Beckie Kidd, effective December 1, 2017, and Authorize Advertisement.
- H. ~~Approval of Contract with Lockridge Grindal Nauen P.L.L.P. for Legislative Services for 2018.~~
- I. Approval of 2018 Addendum to Recording Secretary Contract with TimeSaver Off Site Secretarial, Inc. for Recording Secretary Services in 2018.
- J. Approve Appointment of Probationary Firefighters Alexander Boyer, Matt Montain, and Paul Yang effective December 12, 2017.
- K. Approve Renewal of Optional 2 a.m. Liquor License for TMK1, LLC dba: Macaluso's Roadhouse located at 3857 Labore Road."

Ayes – 4

Nays – 0

The resolution was adopted.

- H. Approval of Contract with Lockridge Grindal Nauen P.L.L.P. for Legislative Services for 2018.

Mayor Fletcher stated he would like this discussion delayed until Councilmember Urban is present. Councilmember Johnson expressed a willingness to lay over this item until the next meeting.

Upon motion by Johnson, seconded by Gunderson, it was

- 17-12-235 “RESOLVED, to table consideration of Contract with Lockridge Grindal Nauen P.L.L.P. for Legislative Services for 2018 to December 19, 2017.”

Ayes – 4

Nays – 0

The resolution was adopted.

OPEN TO THE PUBLIC

Mayor Fletcher stated residents are probably concerned with the icy road conditions. He explained that the City is not responsible for all roads within its borders as Ramsey County is responsible for County streets. Mayor Fletcher stated when a complaint is received, staff calls Ramsey County to make that request. City Engineer Graham stated that is correct and with this storm, it rained first, then snowed, followed by strong winds, creating icy conditions. He reported that staff received very few complaints about the road conditions.

No one wished to speak and Mayor Fletcher closed Open to the Public.

PRESENTATIONS

A. Cub Scout Pack #212 Wreath Presentation.

B. Fairview / HealthEast Presentation

Leah Christiansen, Vice President of Hospital Operations, stated she was glad to see some on the Council participate at the recent community breakfast. She described the recent integration with Fairview, stating for patients this means they will receive great patient care, easy access to services, and reduced costs of health care. She explained the two boards and CEOs came together to talk about how to do it better together so it is being considered an integration rather than a merger. Ms. Christiansen stated a specialty building was just completed across from St. Johns, which they see as an investment in services being provided.

Don Strobel, Primary Care Service Line Executive with HealthEast, stated they are excited to continue investing in the community and hope to move in July of 2018. He stated this will be a great place to give and receive care, with new ways to deliver that care. Mr. Strobel displayed a colored rendering of the front elevation, chart identifying where their customers live, and items important to customers with separation of sick and well, privacy-exam, state of art services and technology being ranked the three highest. He presented their five goals to continue commitment to the community, provide an easy transition for existing customers, differentiated customer experience, flexible support of future models of delivering care, and to test new approaches.

Mayor Fletcher noted in many cases, it makes no sense to come into the clinic. He asked if the building will be equipped with enough fiber ability to conduct video visit capabilities. Mr. Strobel answered in the affirmative.

Mayor Fletcher asked whether urgent care will be provided. Mr. Strobel stated it will not, however, there is walk in care at Maplewood Center with expanded hours and at a lower cost. At this location, there will be one evening with extended hours and as they build the number of customers, will expand hours. Mr. Strobel answered questions from the audience relating to the location of the Vadnais Heights clinic. Mayor Fletcher noted this will be a convenient location.

Mayor Fletcher and the City Councilmembers thanked Ms. Christensen and Mr. Strobel for this presentation.

PUBLIC HEARINGS

A. Continue Public Hearing for Franchise Fee Policy Consideration.

City Administrator Watson stated for the past six months, the City Council has been discussing with Excel and Connexus about a Franchise Fee that they have the statutory authority to put on their utility bills. The City has been talking about having a small fee used for the street repair program. Mr. Watson explained that currently, the City is using a funding stream of pooled TIF that was acquired through redevelopment of projects around the City over the years. However, this is a finite funding stream that is estimated to disappear within four to five years.

Mr. Watson noted annually, the City repairs a little less than 1 mile per year but should be doing 1.2 miles per year. He displayed a chart showing the City's past street repair program costs and presented options to establish a Franchise Fee ranging from \$1/month to 3/month. Mr. Watson stated these options are for the City Council's consideration to find a funding source to repair the City's streets, noting some Councilmembers have raised concerns that the businesses would pay a greater percentage of the franchise fee fund but have a smaller percentage of roads designated as commercial roads.

Mayor Fletcher stated Councilmember Urban is not present tonight and it may not be important to vote on this tonight, but the Council will hold the public hearing. He explained the City does not have a stable funding source to repair streets so it has borrowed funds from other sources. The Council considered whether to raise taxes as it needs to raise \$300,000 a year to pay for streets.

Mayor Fletcher re-opened the public hearing at 7:35 p.m.

Rod Raschke, 731 Stockdale Road, asked if this isn't the same as a tax, since it is a fee either way. He noted the City already gets many fees for the cell phones, cable television, and satellite dishes, which he believes are actually a tax. Mr. Raschke stated we all need to live within our budget and took exception to the City calling it a fee instead of what it actually is, a tax. He asked what the City will do when this 'well runs dry,' thinking the City will add another fee.

Mayor Fletcher noted Vadnais Heights is the second lowest in the metro area for taxes per capita. Also, the City's proposed levy increase of 3.4% is the lowest of every city in Ramsey County, which shows City Councils have been good stewards now and in the past. He agreed with Mr. Raschke that maybe it should be called a tax, noting some on the Council have made that point in deliberations. But, the difference is that a franchise fee is established by the electric bill rather than property value and is assessed to every user, even tax-exempt status property, so it reaches a slightly different pool of people. He stated it is very common throughout Minnesota to use this fee to maintain streets.

Mr. Raschke pointed out that he can deduct taxes, but not a franchise fee. Mayor Fletcher

explained why a tax increase would be higher than the proposed fee. He stated the City has been using TIF from properties that have developed but agreed that ‘well will run dry’ so the Council needs to find another source if it wanted to keep the City’s streets well maintained and remain a premier community.

Mr. Raschke stated he heard a comment that people do not come to Council meetings because they don’t believe they are heard. Mayor Fletcher asked Mr. Raschke how he would propose to pay for street repairs. Mr. Raschke noted the Council always compares Vadnais Heights to other communities, but he found that to be an apples-to-oranges comparison because all cities are different. He asked the City to live within their budget and not create new fees such as the Lambert Creek fee. Mayor Fletcher noted the Lambert Creek fee has been in place for many years and is not a new fee.

Mr. Raschke stated Councilmember Nyblom has always been against taxes and fees. Councilmember Nyblom stated he still is. Mr. Raschke stated Councilmember Urban has also been against new fees. Mayor Fletcher stated all on the Council are opposed to new taxes. Mr. Raschke suggested the Council ‘sharpen their pencils’ and live within their budget.

No one else wished to speak and Mayor Fletcher closed the public hearing at 7:44 p.m.

Mr. Watson stated there is a 90-day lag between approval, notice to the utility companies, and receipt of franchise fees on a quarterly basis.

Councilmember Nyblom agreed there is a need for a revenue stream to pay for roads and that source is yet to be determined. Mayor Fletcher noted tonight is the last night to consider funding through a property tax increase. Mr. Watson explained another option is to consider a budget amendment. Councilmember Nyblom stated there is still \$3 million of TIF available to go through another year, if need be, and he would be comfortable with that.

Councilmember Johnson stated he is comfortable laying over this item to January if there is a full Council present.

Upon motion by Johnson, seconded by Nyblom, it was

17-12-236 “RESOLVED, to continue consideration of Ordinance adopting Electric Franchise Agreement with Xcel to the first meeting in January 2018.”

Ayes – 4

Nays – 0

The resolution was adopted.

B. Consider 2018 General Fund Budget and 2018 Property Tax Levies, and Consider 2018 – 2022 Capital Improvement Plan and 2018 Employee Compensation & Recognition Plan.

Finance Director Sundberg provided an overview of the 2018 proposed levy, budget, and CIP. He explained the action is to adopt the 2018 levy, establish the 2018 General Fund budget,

approve the 2018 portion of the CIP, approve the 2019-2022 portion of the CIP for planning purposes only, approve the employee compensation and recognition plan, and approve the Special Revenue Fund and Enterprise Fund Budgets. Mr. Sundberg described changes made based on Council discussion to use reserve fund balances and stated the currently proposed levy increase is 3.4% higher than the 2017 levy. The General Fund budgeted expenditures are 1.7% higher than 2017 levels and the General Fund levy is 1.15% more than 2017. The 2018 capital levy is 81% higher than the 2017 levy. Mr. Sundberg reviewed the estimated property tax for residential single-family homes and commercial properties. Based on that proposed levy, the annual City property taxes for a median valued home would increase by \$2.83 in 2018 as compared to 2017. Mr. Sundberg displayed a chart depicting 2017 tax rates versus 2018 LGA, noting Vadnais Heights receives no LGA but the tax rate is still the third lowest of peer cities.

Mayor Fletcher noted Falcon Heights raised their taxes 24% to cover the change in their policing contract, which may move Vadnais Heights to the second lowest in the metro. Mr. Sundberg stated that is correct and White Bear Lake also has an increase due to funding deferred maintenance. Mayor Fletcher reviewed levy increase amounts of other cities and complimented staff and the City Council for putting together a budget with only a 3.4% increase. Mr. Sundberg stated the proposed budget also uses \$303,255 of reserve funds to finance capital improvements.

Mayor Fletcher opened the public hearing at 7:57 p.m.

No one wished to speak and Mayor Fletcher closed the public hearing at 7:57 p.m.

Upon motion by Johnson, seconded by Gunderson, it was

17-12-237 “RESOLVED, to approve Resolution Adopting Final Tax Levy Upon Taxable Properties in the City of Vadnais Heights for Taxes Payable in 2018.”

Ayes – 4

Nays – 0

The resolution was adopted.

Upon motion by Johnson, seconded by Gunderson, it was

17-12-238 “RESOLVED, to approve Resolution Establishing the 2018 General Fund Budget and 2018-2022 Capital Improvement Plan of the City of Vadnais Heights, Minnesota.”

Ayes – 4

Nays – 0

The resolution was adopted.

Upon motion by Johnson, seconded by Gunderson, it was

- 17-12-239 “RESOLVED, to approve Resolution Establishing the 2018 Employee Compensation and Employee Recognition Plans of the City of Vadnais Heights, Minnesota.”

Councilmember Nyblom asked who negotiated the benefits for employees. City Administrator Watson stated Gallagher and Companies negotiated on the City’s behalf with insurance providers. Currently, the City has Blue Cross Blue Shield and their rates for the City’s plan increases 13% in 2018. Councilmember Nyblom stated tonight the City Council is being asked to approve what has already been granted to City employees. Mr. Watson explained it is a 2018 plan and this is the same plan employees had in 2017.

Assistant City Administrator Keefe explained that she negotiated the union contract, with assistance from the City Administrator, and that 2.5% increase was approved by City Council in April of 2017.

Ayes – 4

Nays – 0

The resolution was adopted.

Mr. Sundberg explained the Special Revenue Funds and Enterprise Funds budgets are already in place and self-supporting so a resolution is not needed for those items.

C. Consider Approval of Tax Increment Financing Plan and Tax Increment Development Agreement with Willow Ridge East, LP.

Planning/Community Development Director Wall provided an overview of the Tax Increment Financing (TIF) Plan and Tax Increment Development Agreement with Willow Ridge East, LP. He noted the public hearing was originally scheduled for November 15, but rescheduled and republished for December 6, 2017, at the request of the developer.

Mr. Wall reviewed the timeline concerning this matter as detailed in the staff report. He stated the Willow Ridge East approved project was for a 3-story, 36-unit workforce housing development on a 1.36-acre site at 1277 County Road D Circle E. Mr. Wall explained the approved project requires funding from several sources including the requested TIF and pending federal tax credits. If approved, it would be a Housing TIF District created now but not certified until 2019 when construction is anticipated to begin. Staff consulted with Ehlers and Kennedy & Graven to review the business subsidy request and negotiate the agreements.

Mr. Wall reviewed terms of the TIF Plan involving modification to the Development Program for Development District No. 1. The duration of the District will be for 25 years from the date of receipt of the first increment and the estimated annual increment is up to \$75,548. In addition, an interfund loan may be needed to repay the City for unreimbursed expenses. He stated it is anticipated the developer will cover 100% of the City’s costs, but this would provide a safety net for the City.

Mr. Wall stated the Tax Increment Development Agreement was prepared by legal counsel and

would provide increment assistance up to \$360,000 plus interest, with conditions. It would be a pay-as-you-go payment for qualifying costs with no upfront payments, the developer is solely responsible for all costs incurred, the TIF Note payments are solely from pledged tax increment, and 40% of the residential units will be occupied or held available for occupancy by individuals whose income is 60% or less of area median gross income. Mr. Wall described the purpose for each of the three resolutions before the City Council.

Councilmember Nyblom stated the City has serious expenses related to creating this TIF District and asked if the developer will reimburse. Mr. Wall answered in the affirmative, noting the developer was required to establish an escrow to cover the costs for creating the TIF documents.

Mayor Fletcher opened the public hearing at 8:09 p.m.

No one wished to speak and Mayor Fletcher closed the public hearing at 8:09 p.m.

Upon motion by Nyblom, seconded by Gunderson, it was

17-12-240 “RESOLVED, to approve Resolution Adopting a Modification to the Development Program for Development District No. 1 and Establishing Tax Increment Financing District No. 1-31 Therein and Adopting a Tax Increment Financing Plan Therefor.”

Ayes – 4

Nays – 0

The resolution was adopted.

Upon motion by Nyblom, seconded by Gunderson, it was

17-12-241 “RESOLVED, to approve Resolution Authorizing an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment Financing District No. 1-31.”

Ayes – 4

Nays – 0

The resolution was adopted.

Upon motion by Nyblom, seconded by Johnson, it was

17-12-242 “RESOLVED, to approve Resolution Approving TIF Development Agreement for the Willow Ridge East Project.”

Ayes – 4

Nays – 0

The resolution was adopted.

Mr. Chris Stokka, representing Willow Ridge East, L.P, thanked City staff, Ehlers, and Kennedy

& Graven for working with them on the Agreement and offered to answer questions about the project. Regarding next steps, he stated once approved they will acquire the property and apply for remainder of funding next summer. They will hear back about funding in the fall and break ground in 2019. He stated this is a very competitive site and since Minnesota Housing allocated tax credits for the Willow Ridge first phase, he is confident it will be granted here.

The City Council agreed with the request of Councilmember Nyblom to reorder the agenda and next consider Item 10E.

E. Case 17-022: Open and Continue Public Hearing to December 19, 2017, to Consider Approval of a Minor Subdivision on Koehler Road.

Planning/Community Development Director Wall provided an overview of the request, noting the City received the Minor Subdivision application on November 1. He explained that due to issues raised during the application review process and delays in subsequent revisions to the survey, staff was not able to complete the required analysis and report in time for tonight's Council packet. He stated staff has confirmed that the applicant is agreeable to consider this request on December 19, 2017, and the applicable action deadlines can still be met. Mr. Wall stated he did speak with one resident earlier tonight to explain staff's recommendation to continue this item as there is not a formal application to present tonight.

Mayor Fletcher opened the public hearing at 8:15 p.m.

Carol Krey, stated she does not live in Vadnais Heights but used to own this property, still owns property in that area, and was concerned with what the developer intends to do along Koehler Road, as this is a long lot. Mr. Wall stated the intent of the current request is to split the property into two lots along Koehler Road.

Mayor Fletcher asked who owns the property on the north side of Koehler Road behind the homes. Ms. Krey stated she still owns some of the parcels behind the houses. Mayor Fletcher stated the City has discussed how to get a trail from Edgerton to Vadnais Elementary School, near the creek, because the road is so dangerous. Ms. Krey stated she also has the property next to Jacobson's property that was used for an ice skating rink. Mayor Fletcher stated if she owns the property from Edgerton farther east, the City would like to talk with her about how to create a path to get safely to the school. Ms. Krey explained her husband thought if they could get another parcel, it would be open to the creek and maybe good for a senior high rise. She stated she can't pursue that on her own and asked the City to keep in touch.

Upon motion by Nyblom, seconded by Johnson, it was

17-12-243 "RESOLVED, to continue the Public Hearing to December 19, 2017."

Ayes – 4

Nays – 0

The resolution was adopted.

D. Case 17-024: Consider Adoption of Ordinance No. 715 Concerning Chapter Six of the Zoning Code.

Planning/Community Development Director Wall provided an overview of amendments to Chapters 5 and 6 of the City Code concerning definitions and zoning administration. He explained that currently, public hearings are held at Planning Commission and the City Council. This lengthens the process due to the requirement to publish notices so it takes longer to get through the development review process and sometimes the City is up against the 60-day deadline. Mr. Wall explained the intent of the proposed amendments to the current procedural requirements are meant to streamline the process for applicants, not eliminate the public's opportunity to address the City Council on zoning/land use matters. Mr. Wall explained the proposed language changes related to powers given to the Council, limitations on powers given to the City Council, Development Review Committee, and procedure for amendments to the Code.

Mayor Fletcher asked when a 4/5ths vote of the City Council is required. City Attorney Bell Beckman advised that a 4/5ths vote is only required when there is change in zoning from Residential to Commercial. Mr. Wall stated each of the two scenarios are covered in the ordinance. Ms. Bell Beckman advised it is also in the Comprehensive Plan.

Mr. Wall continued with an explanation of the proposed language changes related to procedures for Land Use Plan Amendments, rezoning, variances, site plan approval, detailed landscape plans, hearing procedure for site plan, development agreements, special use permit approval, interim use permit approval, and definitions. Mr. Wall stated the entire City Code is being codified so in the interim, the definition is being changed from special use to conditional use with the indication that any prior references contained in the Zoning Code to a special use permit shall be conditional use permit.

Ms. Bell Beckman advised when the Municode is adopted, the language will be changed to assure consistency.

Mr. Wall stated the Planning Commission considered the request at its November 28, 2017, meeting and discussed potential unintended circumstances and concern with removing the public hearing at City Council meetings, as they want to ensure it does not diminish the public's opportunity to provide input. Mr. Wall stated he assured the Planning Commission that public comment will still be encouraged and the intent was not to limit public's ability to provide comment but to streamline the process. The Planning Commission recommended approval subject to exploring the option to add specific language to ensure public comments can be heard.

Mayor Fletcher noted the City Council discussed this before and made it clear they would hear public comment on issues previously before the Planning Commission but the question was how to assure it is part of the Code in case there is not majority support to do so with a future Council.

Ms. Bell Beckman advised it would be problematic to add language to the Code related to public comment because that would undo the intent of the amendment as public comment can become a public hearing. She explained if people want to repeat what they stated at the Planning

Commission, the City Council can hear that as long as it is clear that another public hearing is not being held.

Mayor Fletcher agreed that if opening up to the public, it may imply a public hearing without the required official notice. He stated he would like this matter referred to a workshop so the City Council and staff can discuss it further. Mayor Fletcher expressed concern that a future City Council may say a public hearing has already been held and not take additional comment. He wanted to ensure comments are heard even though the mechanism of a public hearing is not met.

Ms. Bell Beckman stated staff can research what other cities are doing. She explained the issue that can arise with due process should some residents in attendance be heard while someone at home did not receive notice that additional public comment would be heard.

Mayor Fletcher asked whether there is a timing issue or can this item be continued for further discussion. Mr. Wall explained staff wanted it accomplished as soon as possible so it can be instituted the first of the year.

Mayor Fletcher opened the public hearing at 8:42 p.m.

No one wished to speak and Mayor Fletcher closed the public hearing at 8:42 p.m.

Mayor Fletcher noted the City Council can adopt a policy of rules of procedure in how the meetings are conducted without officially calling a public hearing. Mr. Watson asked if there is a real concern that the City Council will not hear resident's comments. Ms. Bell Beckman stated she would like time to think about the options.

Mr. Wall stated this is consistent practice in most every city where public hearings are held at the Planning Commission level as it unburdens the City Council. He noted at many public hearings, no one attends to provide comment yet the current process requires a longer process to notice another public hearing before the City Council. He asked if it is a policy matter or something that needs to be crafted within the ordinance. Mayor Fletcher stated it may be a policy matter.

Mr. Watson noted at each meeting it is stated that Open to the Public is for items not included on the agenda so implication is that comments on agenda items will be accepted later.

Upon motion by Nyblom, seconded by Johnson, it was

17-12-244 “RESOLVED, to table consideration of Ordinance 715 Amending Chapters 5 and 6 of the Zoning Code, Concerning Definitions and Zoning Administration.”

Ayes – 4

Nays – 0

The resolution was adopted.

- E. Case 17-022: Open and Continue Public Hearing to December 19, 2017, to Consider Approval of a Minor Subdivision on Koehler Road.

This item was considered prior to Item 10D.

OLD BUSINESS

- A. Consider Approval of Development Agreement and Revised Site Plan for Willow Ridge East, LP.

Planning/Community Development Director Wall presented staff's recommendation to accept the Drainage and Utility Easement, subject to City Attorney review prior to recording, and approve the Development Agreement between the City of Vadnais Heights and Willow Ridge East, LP, including a revised Site Plan. The proposal is to extend a six-foot fence on the east property line, next to the retaining wall, to provide additional screening. He displayed the landscape plan, described the location of plantings to screen headlights from homes, and stated the secondary driveway access is now proposed to be changed to an emergency vehicle access. Mr. Wall stated staff is supportive of these changes to the Site plan and recommends approval.

Upon motion by Johnson, seconded by Gunderson, it was

17-12-245 "RESOLVED, to accept the Drainage and Utility Easement, subject to City Attorney review prior to recording, and approve the Development Agreement between the City of Vadnais Heights and Willow Ridge East, including the revised Site Plan."

Ayes – 4

Nays – 0

The resolution was adopted.

Mayor Fletcher thanked the developers for their work on this project.

NEW BUSINESS

- A. Consider Setting Tuesday, January 2, 2018, Workshop and Agenda.

Mayor Fletcher asked if the organizational structure will be considered in January. Mr. Watson answered in the affirmative and stated the City Council meetings have already officially been changed to Tuesdays.

City Administrator Watson reviewed pending items and suggested that the workshop agenda include Zoning Code Amendments and/or Water Meter Radio Reads.

Councilmember Nyblom asked about discussing the contract with Lockridge Grindal Nauen P.L.L.P for 2018 legislative services. Mayor Fletcher stated that item will be scheduled for the December 19, 2017, meeting as the contract is expiring.

The City Council consensus was to discuss Zoning Code Amendments and Water Meter Radio Reads at the January 2, 2018, Workshop.

COUNCIL AND DEPARTMENT REPORTS

Finance Director Sundberg had no report.

City Engineer Graham reported the PJs with Santa event was well attended. With regard to the City's water meters, he explained the company used by Vadnais Heights to read meters has indicated this is the last year they will do manual readings so the City will need to address how the meters can be read. This will involve a significant change and major up-front cost.

Mr. Graham reported on the job opening for Westfield Warming House attendants that pays \$10 per hour. Mayor Fletcher suggested posting it on Facebook. Councilmember Gunderson suggested also posting it on Snapchat. Mr. Graham stated the City will start flooding rinks next week.

Mr. Graham described discussions with the City of Gem Lake about residential development along International Drive and County Road E, on the north side of the road. He stated the developer has sent a preliminary request to Vadnais Heights to get utilities.

Councilmember Johnson asked whether this is the same group that came in previously to build homes on a cul-de-sac. City Engineer Graham answered in the affirmative and explained there have been some preliminary discussions with the City of Gem Lake Mayor but at this point, Vadnais Heights has approved nothing. Mr. Watson explained the City received a formal request from the City of Gem Lake for water service. City Engineer Graham stated as staff receives details, it will be presented to the City Council and maybe Gem Lake officials should be invited to a Council meeting.

Mr. Watson asked whether Vadnais Heights would even be interested in assisting Gem Lake given the most recent judgement relating to permitting and DNR rules. City Engineer Graham explained that Little Canada has potential for development along Twin Lake Boulevard, by Five Star. Staff has talked about street improvements on Twin Lake Boulevard in 2018 and now Little Canada is also interested so more information will follow.

Planning/Community Development Director Wall reported the City received a development application for another medical office building for the narrow piece of property between Wal-Mart and Summit Orthopedics. This application will be considered by the Planning Commission on December 20, 2017. Mr. Wall stated he attended the White Bear Area Chamber Holiday Gala last Friday night, which was a great event.

City Attorney Beckman Bell had no report.

Councilmember Gunderson had no report.

Councilmember Nyblom had no report.

Fire Chief Leier reported on the pump repair to a first line engine, which was expensive, but the truck is now back in service. He stated four times today, the Fire Department had no data communications but several dedicated fire fighters are monitoring the radios tonight. Fire Chief Leier thanked those fire fighters.

Assistant City Administrator Keefe reported on the RFP advertisement for a sales marketing vendor for the Commons, reporting no responses have been received to date. She encouraged all with qualifications to visit the City's website and submit by December 15, 2017. She also reported that the opening for Deputy City Clerk was advertised and posted to the City's website. Applications for this position close on December 21, 2017.

Councilmember Johnson asked about the traffic on I-35E southbound and Highway 36 because of the watermain break in Oakdale. He noted the freeway also bisects Vadnais Heights and asked if that is a concern. Mr. Graham stated several have asked that same question and explained the pipes are 30 years old. He described the location of City watermains and sewer lines in the area of the freeway.

City Administrator Watson reminded all that on Tuesday, December 19, 2017, the City will host the public hearing on Rice Street bridge layout. Mayor Fletcher asked staff to post that information to the City's website.

Mr. Watson reported on his conversation with Mr. Hoffman who has tenants lined up for the Veteran's Village project, which will receive final approvals soon. He invited the City Council to attend tomorrow's employee luncheon. Mr. Watson stated the Comcast meeting is in the near future, and today the City received notice from the Cable Commission that the franchise fee agreement was extended from July 1 to October 1 to give more time to negotiate a new agreement. Mr. Watson stated he also attended the White Bear Area Chamber Gala, which was a nice event.

Mayor Fletcher stated on Friday he was not at the Chamber's Christmas Gala because he was running hockey tournament for the White Bear Hockey Association that was attended by 16 teams from all over Minnesota and patronized local hotels and businesses. Mayor Fletcher stated he has a prior commitment and apologized for not being able to attend the employee luncheon tomorrow. He stated if another Councilmember could attend, it would be good to represent the City Council and thank staff. He commented on his recent interview with a cable television program to promote Vadnais Heights.

Upon motion by Johnson, the meeting was adjourned at 9:12 p.m.

Respectfully submitted,

Kevin P. Watson, City Administrator

ATTEST:

Bob Fletcher, Mayor