

**REGULAR ANDOVER CITY COUNCIL MEETING – MAY 21, 2019
MINUTES**

The Regular Bi-Monthly Meeting of the Andover City Council was called to order by Mayor Julie Trude, May 21, 2019, 7:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Mike Knight, Sheri Bukkila, Valerie Holthus, and Jamie Barthel

Councilmember absent: None

Also present: City Administrator, Jim Dickinson
Community Development Director, Joe Janish
Director of Public Works/City Engineer, David Berkowitz
City Attorney, Scott Baumgartner
Others

PLEDGE OF ALLEGIANCE

RESIDENT FORUM

Merlyn Prochniak, 2941 141st Avenue NW, stated he is glad to see the WDE Landfill site being addressed and thanked all who spent time on that matter. He asked the City to respond in writing to his comments. He believed streets needed to be a high priority as they are a safety factor, complimented the Public Works Department for doing what they can, and asked what is the City's plan for street repair and the resulting impact on taxes. Mr. Prochniak stated there are 9,000 to 10,000 youth in Andover and asked how that is used to justify additional facilities. He also asked about \$1 million in park dedication fees that are being used. Mr. Prochniak stated electronic signs in Andover are used to inform residents of upcoming meetings but last week's public meeting was not advertised in that way. Mr. Prochniak asked when Andover residents will see decrease in taxes.

No one else wished to address the Council.

AGENDA APPROVAL

Mayor Trude noted the supplemental information received:

Item #8b – Set Special Meeting for June 26, 2019, 7 p.m., at Ramsey City Hall.

Motion by Barthel, Seconded by Knight, to approve the Agenda as amended above. Motion carried unanimously.

APPROVAL OF MINUTES

May 7, 2019, Regular Meeting

Motion by Trude, Seconded by Holthus, to table consideration of the May 7, 2019, Regular meeting minutes to the next meeting for additional review. Motion carried unanimously.

May 7, 2019, Closed Meeting: Correct as written.

Motion by Holthus, Seconded by Knight, to approve the May 7, 2019, Closed meeting minutes as presented. Motion carried unanimously.

CONSENT ITEMS

Item 2 Approve Payment of Claims

Item 3 Award Bid/18-39/Lift Station #10 Improvements (See Resolution R045-19)

Item 4 Approve Refuse/Recycler Hauler Licenses

Item 5 Accept QCD Drainage and Utility Easement

Item 6 Approve City Hall Skylights Replacement

Item 7 Approve First Amendment to Sublease Agreement/YMCA

Item 8 Approve Lease Agreement/Anoka Hennepin School District/2019 Andover Family Fun Fest

Item 8b Approve Setting Special Meeting for June 26, 2019, 7 p.m., at Ramsey City Hall.

Motion by Holthus, Seconded by Knight, approval of the Consent Agenda as read. Motion carried unanimously.

ANOKA COUNTY SHERIFF'S OFFICE MONTHLY REPORT

Lieutenant Paul Lenzmeier indicated they responded to 1,233 calls for service including 1 burglary, 31 thefts, 1 DWI, and no domestic calls during the month of April. He described the significant events and announced they have opened registration for the August 6, 2019, Night to Unite, Kids Safety Series Home Alone, and the August 9, 2019, CAST Fishing Events.

PRESENTATION OF 2018 AUDIT

City Administrator Dickinson explained the City is required to have an annual audit and the City contracts with Redpath and Company, Ltd. to perform that audit. He introduced Peggy Moeller of Redpath and Company and indicated that following the presentation, the Council will be asked to consider a motion accepting the audit.

Ms. Moeller described the five reports issued by the auditor. Following audit of the 2018 financial statements, the auditor has provided a clean opinion. She congratulated Andover for receiving the Government Finance Officer Association's Award for Excellence in Financial

Reporting, noting the City has received this award every year since 2002. She described how they audit internal controls, noting no finding was provided for a clean report on internal controls. Review of the seven audit guidelines published by the Office of the State Auditor resulted in finding one legal compliance finding having to do with deficiencies in collateral as a result of the City receiving a fairly large utility payment at year end. She noted, however, that the required collateral was provided by the next business day.

Ms. Moeller reviewed the management letter relating to the General Fund and significant variances in revenues and expenditures. The fund balance December 1, 2018, was \$8,136,336, the majority of which is classified as unassigned. She explained that since tax receipts are not received until after May, sufficient fund balances are needed to provide sufficient capital for the first six months of the new year. Ms. Moeller reviewed the City's Minimum Fund Balance Policy.

Ms. Moeller explained the changes in accounting policies with GASB Statement No. 75, noting Andover has significant estimates relating to land held for resale and pensions. She stated the audit found no findings relating to changes in required communication, encountered no difficulties in performing the audit, and there were no disagreements with management.

Looking forward, Ms. Moeller indicated there are six additional GASB statements required to be implemented. The City's Finance Department has already started to gather the information on leases that will be needed in 2020. Ms. Moeller thanked the City's finance staff for their help during the audit.

Councilmember Barthel referenced the internal control audit and asked Ms. Moeller if, in her expertise, there is good segregation of duties. Ms. Moeller confirmed Andover has excellent separation of duties.

Mr. Dickinson stated Andover has worked with Redpath and Company for 14 years and this will be Ms. Moeller's last presentation. He stated the City has had a great working relationship with Ms. Moeller and thanked her for the great job she has done for Andover. Mr. Dickinson explained that with regard to the one legal compliance finding, Andover received an unexpectedly large deposit with about \$250,000 more than expected on the last day of the year and provided the required collateral the next day.

Mayor Trude stated this audit gives her confidence the City is running a cautious financial organization. She noted the audit takes a lengthy time to assure everything is being done correctly. Mayor Trude referenced the letters the City and Council receive, noting one contains information on what the Council needs to do to perform its due diligence. She thanked Ms. Moeller for her work on behalf of Andover.

Motion by Barthel, Seconded by Knight to accept the presentation from Redpath and Company, Ltd, the City of Andover Comprehensive Annual Financial Report (CAFR) as of December 31, 2018, the corresponding Management Report, report on internal controls, independent auditor's

report, report on legal compliance, and a communication with those charged with governance. Motion carried unanimously.

Mr. Dickinson displayed the City's CAFR and described the statistics and information it includes. Mayor Trude agreed it is a substantial document and also includes information on the City's largest employers, large projects, staff activities, number of building permits issued, and a capsule of what has happened in Andover over the past several years.

CONSIDER REZONING ORDINANCE – 1049 ANDOVER BLVD. NW – MARK SMITH

Community Development Director Janish stated the Council previously approved the Catcher's Creek West preliminary plat contingent on a rezoning. The Planning and Zoning Commission held a public hearing at its May 14, 2019, meeting and recommended approval to rezone this particular property from R-1 Single Family Rural to R-4 Single Family Urban. Mr. Janish explained the two findings needed to consider a rezoning and stated it has been found that the character has changed as the property is in the Municipal Urban Service Area (MUSA) within the current stage of sewer expansion and can be served with utilities. Mr. Janish stated there were no public comments or much discussion by the Planning and Zoning Commission and it was recommended for approval on a 6-0 vote with one Commissioner absent.

Motion by Bukkila, Seconded by Barthel, to adopt Ordinance No. 493, amending City Code Title 12-3-4, Zoning District Map of the City of Andover. Motion carried unanimously.

CONSIDER REZONING ORDINANCE – 14328 & 14329 BUTTERNUT STREET NW – JAN THOMAS

Community Development Director Janish stated the property owner is requesting a rezoning from R-1 Single Family Rural to R-4 Single Family Urban for 14328 and 14329 Butternut Street NW. In the Comprehensive Plan, this property was guided as URL Urban Residential Low. The properties are located within MUSA with the ability to be serviced by City water and sewer. The Planning and Zoning Commission held a public hearing at its meeting of May 14, 2019, with no comments made and no real discussion occurring amongst the Commissioners. The Planning and Zoning Commission recommended approval on a 6-0 vote with one Commissioner absent.

Motion by Bukkila, Seconded by Knight, to adopt Ordinance No. 494 amending City Code Title 12-3-4, Zoning District Map of the City of Andover. Motion carried unanimously.

CONSIDER PRELIMINARY PLAT – SHADOWBROOK NORTH – JAN THOMAS

Community Development Director Janish stated this consideration is a 14-lot preliminary plat for Shadowbrook North. He displayed a site map to point out the subject property as well as points of access from Andover Boulevard, University Avenue, and 144th Avenue. He explained this property was approved for a rezoning to R-4 in the previous Council action.

Mr. Janish noted the plat meets Code requirements for lot size and layout, the floodways and floodplains will be impacted so the developer has submitted a Letter of Map Revision (LOMR) to the Federal Emergency Management Agency (FEMA). Also, the developer is proposing to fill some areas within the floodplain to create buildable lots, which requires a Letter of Map Amendment (LOMA) from FEMA. Mr. Janish recommended approval with the plat being recorded but building permits and grading not allowed until the LOMR and LOMA are approved by FEMA. Mr. Janish noted the property owner is also required to obtain permits from all required regulating agencies.

Mr. Janish used a map to point out the location of the regional trail along Coon Creek that is included in the Comprehensive Plan. He explained it is within a floodplain so construction may be challenging. This will be a regional trail and paid from the City's trail fund and possibly MnDNR grant funding. Mr. Janish described the trail alignment and connections with other trails. He stated the Park and Recreation Commission reviewed this preliminary plat at its November 15, 2018, meeting and recommended cash in lieu of land. The Planning and Zoning Commission considered this application at their May 14, 2019, meeting, held a public hearing, and recommended approval on a 6-0 vote with one Commissioner being absent.

Councilmember Barthel asked about the location of Catcher's Creek East. Mr. Janish used a map to point out the location of that project.

Motion by Bukkila, Seconded by Knight, to adopt Resolution No. R046-19 approving the Preliminary Plat of Shadowbrook North. Motion carried unanimously.

ADMINISTRATOR'S REPORT

City Staff updated the Council on the administration and city department activities, legislative updates, updates on development/CIP projects, and meeting reminders/community events.

(Administrative Staff Activities and Meetings) Mr. Dickinson reported on staff activities including attendance at QCTV Board and North Metro Mayors Association meetings as well as lease negotiations, and receipt and review of bids for the potential Community Center expansion. He stated 50 new building permits have been issued, which meets the 2019 budget.

Mr. Dickinson stated a WDE public information meeting was held in the Council Chambers hosted by the MPCA and many agency representatives were in attendance to answer the public's questions. He stated the resident reviews provided were all very positive and people indicated they received a good understanding of what will be happening on that site. Mr. Dickinson stated for residents who were unable to attend, that meeting is being rebroadcast on QCTV.

(Engineering Staff Activities) Mr. Berkowitz reported on construction projects including Hanson Boulevard, noting Jay Street at Hanson Boulevard will be closed on June 4, 2019, for a week or two to make a connection to a manhole. Following that, once school is out, Andover Boulevard will be closed at Hanson Boulevard for the entire summer. That section of roadway

will be open when school starts in the fall.

With regard to trail projects, Mr. Berkowitz noted staff is working on designs, which are not yet complete. Due to staff's current work load and the bid climate, staff recommends the trail projects be combined and bid as one large project in 2020. He noted the funding working with Finance will also be better balanced in 2020.

Mr. Berkowitz stated the Crosstown Boulevard crosswalk remains closed as additional work is needed on the deck boards and railings.

Mr. Berkowitz stated site work and grading is ongoing at the Public Works expansion site and utilities are being installed. The footings will be poured late June then in July, the panels will be delivered and erected. The date to occupy the Public Works facility is set for the end of February 2020 and occupancy of the cold storage building is expected by the end of the year so equipment can be stored.

Mr. Berkowitz reported on additional projects indicating the Veterans Memorial Boulevard construction is continuing and moving quickly. University Avenue has curb installed and he anticipates paving by the end of this week or next week depending on the weather. With regard to grants, the Kelsey Round Lake Park grant has a verbal extension. Since the project has to be completed by the end of June 2020, the contractor will be paid by that date.

Councilmember Barthel asked whether Anoka County will sign that Hanson Boulevard will be closed. Mr. Berkowitz stated the County will mail out a post card. Mr. Janish stated there is also an option to sign up for weekly e-mails from Anoka County to receive project updates. Mayor Trude stated that is very helpful, noting there are many projects going on in Anoka County.

(Community Development Staff Activities) Mr. Janish stated the Associate Planner position has been filled and staff is working to address Code enforcement issues.

MAYOR/COUNCIL INPUT

(Census Data) Mayor Trude stated she and Mr. Janish met with census staff. She commented on the importance of the census data, noting \$675 billion in funds are distributed based on the census data and it is important the City does not lose a congressional representative. Mayor Trude stated the City needs to make sure all new residents get counted in the census. She noted the City can sign up for a new construction program and a small local committee may be organized. Mayor Trude noted that major corporations also use that data to decide where to locate their next business.

(Free Teen YMCA Memberships) Mayor Trude announced the local YMCA is offering 300 free teen memberships. The application starts May 28, 2019, and is being funded through a grant from a family.

(Purple Park Rebuild) Mayor Trude announced that due to the weather, the Purple Park rebuild has been rescheduled to June 1, 2019, and is in need of volunteers.

(Population Estimate) Mayor Trude stated the Metropolitan Council has released the population estimate for Andover at 32,728.

(Andover High School Volleyball Team) Mayor Trude congratulated the Andover High School boys' volleyball team that won the state tournament.

RECESS AND RECONVENE

Mayor Trude recessed the regular City Council meeting at 7:51 p.m. to a Closed Session of the City Council to discuss Public Works Negotiations.

The City Council reconvened at 8:10 p.m.

ADJOURNMENT

Motion by Holthus, Seconded by Barthel, to adjourn. Motion carried unanimously. The meeting adjourned at 8:10 p.m.

Respectfully submitted,

Carla Wirth, Recording Secretary

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