

***ANDOVER CITY COUNCIL WORKSHOP MEETING – MAY 28, 2019
MINUTES***

The Workshop Meeting of the Andover City Council was called to order by Mayor Julie Trude, May 28, 2019 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Mike Knight, Sheri Bukkila, Valerie Holthus and James Goodrich

Councilmember absent: None

Also present: City Administrator, Jim Dickinson
Community Development Director, Joe Janish
Director of Public Works/City Engineer, David Berkowitz
Chief Building Official, Fred Patch
Street Supervisor, Jason Baumunk
Others

CODE AMENDMENT DISCUSSIONS

A. SIDE YARD SETBACKS FOR SINGLE FAMILY – URBAN R-4

Mr. Janish presented the staff report and explained that at the request of the Council staff has reviewed the side yard setbacks used by surrounding communities and provided that information. He provided additional background information on the changes of lot sizes and setbacks over the years for the City of Andover. He reviewed some of the potential positive and negative impacts of allowing a six-foot side yard setback for livable space.

Councilmember Barthel asked if a modified option could be chosen. He stated while he would support allowing a six-foot setback for the livable space above the garage but could understand restricting basements to ten feet.

Mr. Dickinson stated there are some homes that built living space under a garage when installing precast flooring in a garage.

Mr. Janish stated the building department would have to review these cases, but engineering would as well because of potential impacts to drainage and utility easements.

Councilmember Holthus stated if both properties used a six-foot setback for the side yard and both had egress windows, there would only be about six feet between the two homes.

Mayor Trude stated most often the cases that come before the Council are for existing residents that want to add onto their homes, rather than new construction that wants to maximize the lot. She stated perhaps there could be a checklist of issues that would need to be met in order for a request to qualify for a six-foot side yard setback.

Mr. Janish stated there have been three requests of this nature in the past five years. He stated the City could continue to review the requests on a case by cases basis using the variance option, whereas a change to the code would allow the activity.

Mayor Trude stated she is more open, using the example of the neighborhood near Walmart where homes are closer together and residents enjoy that neighborhood feeling. She stated she does not spend much time on the sides of her home and suspects others don't as well.

Mr. Patch stated when there are neighborhoods with smaller side yard setbacks, those development generally use a Planned Unit Development (PUD) and therefore there are additional elements of control. He stated he believes that the current ordinance works well and if requests come forward, they should continue to be reviewed on an individual basis.

Councilmember Holthus stated she would not want to change the code, as there have not been that many requests and would rather stay with the current system of using variances to review those requests.

Mayor Trude stated this could go before the Planning and Zoning Commission for additional discussion.

Councilmember Barthel stated he would also support leaving the code as is and not changing the code to allow a smaller setback.

Mayor Trude stated she likes providing residents with the ability to build additional space above their garage but noted it could be tricky for some properties to meet the criteria for a variance.

Councilmember Bukkila asked how many homes would actually run into this situation. She explained she lives in the R-4 and could meet the requirements without a variance.

Mr. Patch noted that many of the developers have ten-foot side yard setbacks. He stated every lot is unique, using the example of a corner lot which has two front yard setbacks.

Councilmember Bukkila stated she would not support changing the code.

Mr. Dickinson stated staff will continue with the variance process for setback where living space pushes into they setback.

B. FRONT YARD SETBACKS FOR SWIMMING POOLS – RURAL R-1

Mr. Patch presented the staff report and explained the current standards for swimming pools. He stated that on a large lot, it may not be unattractive to have a pool in the front yard. He reviewed the fencing requirement and it was noted that the homeowner would make the determination on the type/style of fencing. He asked whether the 200-foot setback would be adequate for a front yard pool.

The Council reviewed larger properties in the city that have pools or could support pools in front rural yards.

Mayor Trude noted there are large parcels and they still chose to put the pool in the backyard.

Councilmember Knight stated most people prefer the backyard because of the desire for privacy.

It was the consensus of the Council to leave the ordinance as is.

2020-2040 CIP DISCUSSION

A. DISCUSS STREET RECONSTRUCTION

Mr. Berkowitz presented the staff report and explained the City has used different methods to prolong the life of the streets. He reviewed the streets that are currently included in the 2019-2023 CIP. He provided additional information on Timber Rivers Estates, noting that in this area there has been an issue with sealcoat delamination. He noted this is not a problem specific to Andover and is being noticed across the metro and is causing road failures. He explained no new roads have been sealcoated in the past five years because of the issues. He stated the City does continue to sealcoat on aged roads that need repair. He explained for some roads, staff would recommend milling off the sealcoating and repaving that area.

Mr. Baumunk stated on the roads where this issue is occurring, you could peel that top sealcoat layer off with your fingers. He stated in the City of Champlin there was a similar issue and that top layer was milled off and the base remained intact.

Mr. Berkowitz provided additional information on the metro wide issue. He provided alternative options which could include fog sealing but noted the long amount of time to cure that process. He stated MnDOT is attempting to find a fog seal that cures faster. He explained the current process that staff has followed for roads, which has removed the sealcoating process.

Mr. Dickinson stated a theory in the paving industry is that the sealcoating is likely the problem.

Mr. Berkowitz stated Timber Rivers Estates and Woodland Estates have the worst issues and noted that staff would like to show a mill and overlay in those areas in the CIP, if there is enough pavement thickness to support that action.

Mayor Trude stated she is happy to see more urban roads included.

Mr. Berkowitz identified areas highlighted in orange and yellow on the map provided in the staff report that are currently in poor condition or at risk of being in poor condition because of the sealcoating.

Mayor Trude stated she has a hard time keeping the subsidy at 75 percent for rural areas, as many taxpayers are then paying to repair roads that they may never use. She noted other assessment percentages used by similar communities.

Mr. Berkowitz stated increasing the assessment rate would help but would still not provide the necessary funding.

Mayor Trude noted there are a lot of properties that were built in the 1990's and 2000's that will come into the repair cycle.

Mr. Berkowitz confirmed there was a lot of infrastructure built in that time period that will need repair. He stated staff would like to note that the City could be in bad shape if the areas in yellow all need repair in the next three to five years.

Mr. Baumunk stated any area in yellow has sealcoat that could be peeled off. He provided additional details on the maintenance process which begins with pothole filling. He noted that 67 tons of asphalt has been put into Timber Rivers Estates thus far and an additional four tons is needed to complete the area. He stated that Woodland Estates will be next. He stated it has taken three weeks to just complete Timber Rivers, which pulls that road crew from working on other areas of the city, noting that Woodland Estates will take another two weeks. He stated the City has fallen far behind on patching. He confirmed this is a metro wide issue, all road crews are behind on patching.

Mayor Trude stated perhaps staff bring back an alternate formula for assessing rural properties at 30 percent.

Councilmember Holthus noted rural property owners pay for their septic and have additional maintenance responsibilities. She stated some of the rural homes are not worth as much as other homes in the community and did not think that those homeowners would want to see an increased expense for assessments.

Mr. Berkowitz stated staff will continue to work on the CIP, identify projects for the CIP, and bring back additional options for assessment.

Councilmember Barthel asked if the budget will need to be changed moving forward in order to accommodate these additional repairs, or whether there are sufficient funds allotted for this in the budget.

Mr. Dickinson confirmed additional funds will need to be identified. He noted the Council is beginning the process of building the budget and the maintenance and repair elements of the CIP

will be a part of that process.

Mr. Berkowitz stated road funding has been a focus for the past five years and the issues are just coming forward more at this time.

Mayor Trude noted the schedule was working great but now that this unforeseen delamination has come up, that will increase the budget needs.

Mr. Baumunk stated he can increase the asphalt material numbers in the operating budget, but he simply would not have the crew to apply that additional material. He noted you cannot street sweep the areas with the sealcoat problem because it takes off that top layer of sealcoating.

B. DISCUSS POTENTIAL NEW TRAIL PROJECTS

Mr. Berkowitz presented the staff report and explained that the Park and Recreation Commission identified the trail segments that are the most desired. He reviewed the list provided from the Park and Recreation Commission.

Mayor Trude referenced a trail segment included on the list near Andover Station along Station Parkway, noting there is already a trail available on the other side of the roadway that could be used. She stated it seems that would be a large investment for an area that already has a trail on one side of the road and therefore believed that the funds could be better spent in another area.

Mr. Berkowitz continued to review the recommended segments, providing additional details on the specific segments.

Mayor Trude noted she receives requests for trails along 161st Avenue and believed there would be more interest in that area compared to along Station Parkway.

Mr. Berkowitz stated the challenge for the 161st Avenue area is the location of the wetlands and the question of where that trail would connect to.

Mayor Trude stated perhaps that be listed as a bookmark outside of the five-year plan, to ensure that segment stays on the extended radar.

Mr. Berkowitz stated in the next year there are no funds for trail segments. He stated staff will review budgeting when putting these segments into the CIP.

Mr. Dickinson stated staff did bring the comments from the Council regarding segment two along Station Parkway to the Park and Recreation Commission and staff noted there would need to be justification for why that segment is desired outside of the few calls that are received and noted there were no additional comments of support from the Park and Recreation Commission supporting that segment.

Councilmember Holthus thanked staff for their work on this process.

Councilmember Bukkila noted in terms of budgeting, roads should take priority over trails.

RECESS & RECONVENE

Mayor Trude briefly recessed the meeting at 7:36 p.m.

Mayor Trude reconvened the meeting at 7:45 p.m.

2020 BUDGET DEVELOPMENT DISCUSSION

Mr. Dickinson presented the staff report and reviewed the different elements that impact the budget including the growth rate and taxable market value. He provided additional information on market value of residential properties and potential upcoming development of rural residential properties. He reviewed information related to the budget guidelines, debt levy, vehicle purchasing, strategic planning items, management philosophy, staffing, health insurance benefits, contractual services, memberships, and charitable gambling.

Councilmember Bukkila suggested that Stepping Stone and Hope for Youth be bumped up to match the contribution provided to Lee Carlson. The Council agreed.

Mr. Dickinson continued to review budget elements including the capital improvement fund, road and bridge fund, pedestrian trail maintenance, parks, capital equipment projects, facility maintenance, and bonding. He stated the City is still seeing an increase in taxable market value. He provided additional details on fund balance and budget projections for 2019 as well as information related to fiscal disparities. He provided additional information on the general fund budget and projected revenues.

Mayor Trude stated the growth in the tax base should help to offset the improvements needed in the community because of the growth.

Councilmember Bukkila stated she would prioritize the roads.

Mr. Dickinson provided additional details on the debt service levy. He provided additional information on how equipment certificates are used to finance equipment. He stated currently the levy will increase but noted that this is just a preliminary figure and staff will continue to be adjust the levy throughout the budget process.

Mayor Trude suggested using some of the fund balance to help curb the tax levy spike providing a more even levy.

Mr. Dickinson provided details on fund transfers and noted the item will be updated for the next review. He also provided additional information on park dedication receipts related to some

recent developments.

Councilmember Knight asked how the market value growth rate of Andover compares to other cities.

Mr. Dickinson stated the valuation growth rate for Andover is low, noting that the community will likely never see another double-digit growth rate, which is actually beneficial for the City. He explained manageable growth allows a better-quality product and infrastructure.

Councilmember Barthel stated he would support maintaining a reasonable fund balance. He stated if the fund balance was going to be lowered, he could support going to 48 percent but would like to see it remain at 50 percent as you never know what the future will hold.

Councilmembers Knight and Bukkila agreed.

Mayor Trude stated she would like to see how things look in August, as there are still unknown items. She noted the budget presented thus far is larger than will be adopted in August.

Councilmember Barthel stated he prefers slow growth as it will help the City prepare for the road improvements that will be needed over the next number of years. He noted he would be fine delaying trails in order to catch up on road improvements.

Mayor Trude agreed the money that would typically be spent on a large trail would be better spent on the mill and overlay projects discussed earlier tonight.

Councilmember Holthus stated she shares the opinion that trails should be a lower priority than the roads.

2019 BUDGET PROGRESS REPORTS

Mr. Dickinson provided a brief overview on the budget progress reports.

2019 CITY INVESTMENTS REVIEW

Mr. Dickinson provided a brief overview of the City investments.

OTHER BUSINESS

Mayor Trude stated she has heard about a press conference that Councilmember Bukkila is holding on Saturday in the Council Chambers and wanted to ensure that Councilmember Bukkila makes it clear that she is expressing her opinion and is not representing the City Council.

Councilmember Bukkila stated she is meeting with the public as that is something she wants to do and wanted to leave it at that. She stated it is clear that she and Mayor Trude disagree on the

Community Center project.

Mayor Trude stated the Council majority disagrees with her on the topic and Councilmember Bukkila should make it clear that she is representing the minority position.

Councilmember Bukkila stated she would not be doing this if she felt that Mayor Trude and staff addressed the questions from the public clearly.

ADJOURNMENT

Motion by Bukkila, Seconded by Holthus, to adjourn. Motion carried unanimously. The meeting adjourned at 9:01 p.m.

Respectfully submitted,

Amanda Staple, Recording Secretary