

***REGULAR ANDOVER CITY COUNCIL MEETING – SEPTEMBER 15, 2020  
MINUTES***

The Regular Bi-Monthly Meeting of the Andover City Council was called to order by Mayor Julie Trude, September 15, 2020, 7:15 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Valerie Holthus, Sheri Bukkila, and Ted Butler

Councilmember absent: Jamie Barthel

Also present: City Administrator, Jim Dickinson  
City Planner, Peter Hellegers  
City Attorney, Scott Baumgartner  
Others

***PLEDGE OF ALLEGIANCE***

***RESIDENT FORUM***

No one appeared before the Council.

***AGENDA APPROVAL***

Mayor Trude noted the additional document for the Sheriff's Department Report.

***Motion*** by Holthus, Seconded by Bukkila, to approve the Agenda as amended. Motion carried unanimously.

***APPROVAL OF MINUTES***

*August 25, 2020 Workshop Meeting:*

***Motion*** by Holthus, Seconded by Butler, to approve the August 25, 2020 Workshop meeting minutes as presented. Motion carried unanimously.

*September 1, 2020 Regular Meeting:*

Councilmember Holthus requested a change to page 6, line 15 "Councilmember Holthus asked if a bridge could be built" should be changed to "Councilmember Barthel asked..."

**Motion** by Holthus, Seconded by Butler, to approve the September 1, 2020 Regular meeting minutes as amended. Motion carried unanimously.

**CONSENT ITEMS**

- Item 2 Approve Payment of Claims
- Item 3 Receive Assessment Roll/Order Public Hearing/20-14, 2020 Mill & Overlay-Jay Street NW (See Resolution R068-20)
- Item 4 Receive Assessment Roll/Order Public Hearing/20-15, 2020 Mill & Overlay-Martin Street NW (See Resolution R069-20)
- Item 5 Receive Assessment Roll/Order Public Hearing/20-16, 2020 Mill & Overlay-Woodland Estates 1<sup>st</sup> & 2<sup>nd</sup> Additions (See Resolution R070-20)
- Item 6 Declare Cost/Order Assessment Roll/20-2/2020 Street Reconstruction (See Resolution R071-20)
- Item 7 Approve Revised Guidelines for Field Usage by Youth Associations
- Item 8 Approve Cleaning Services Contract/First Impressions Buildings Services, LLC
- Item 9 Accept Member Award for Community Forestry Corps
- Item 10 Approve Purchase/NAC Plumbing/Plumbing Fixtures

**Motion** by Butler, Seconded by Bukkila, to approve the Consent Agenda as read. Motion carried unanimously.

**ANOKA COUNTY SHERIFF'S OFFICE MONTHLY REPORT**

Commander Paul Lenzmeier provided a monthly report for August stating the Department responded to 1,433 calls for service resulting in 8 felony arrests, 5 gross misdemeanor arrests, and 12 misdemeanor arrests. Commander Lenzmeier reported there were 7 DWI arrests with 4 of them being drug DWI arrests. He stated the Department conducted 162 traffic stops with 79 citations. He reported CSOs responded to 99 calls. Commander Lenzmeier highlighted several significant events including a Deputy pursuing a stolen car leaving a known drug house. He reported the driver of the stolen hit an oncoming car while fleeing the scene. Commander Lenzmeier stated a perimeter was set up and the male suspect was apprehended. Commander Lenzmeier reported a personal injury accident involving 5 vehicles where the suspect sped through an intersection and stated he was on meth and had been awake for several days. Commander Lenzmeier stated Deputies responded to a missing 7-year-old boy and found him in the pond behind his house. Deputies performed life saving measures, the child was taken to Mercy Hospital and transferred to Children's where he later died.

Commander Lenzmeier thanked the Council for letting the Sheriff's Department use the Community Center field house for a Swearing-In Service for 14 new Deputies and 2 promotions.

Mayor Trude stated she had a concern with an uptick in juvenile crime and asked if that has abated. Commander Lenzmeier said there was an increase until online school began after

Labor Day. He stated the Department provided extra patrols and asked parents to keep an eye on their kids, particularly 14-17-year-olds in the early morning hours.

Councilmember Bukkila stated this is the first week she has not been contacted by a member of the community regarding juvenile behavior.

Mayor Trude expressed her thanks to the Deputies who responded to the missing child and her sorrow to the family.

Councilmember Butler offered his congratulations to the newly sworn officers and those receiving promotions.

***DISCUSS AND CONSIDER APPROVAL OF THE 2018 COMPREHENSIVE PLAN UPDATE***

City Planner Hellegers explained the 2018 Comprehensive Plan update projects through 2040. Mr. Hellegers explained the plan had previously been submitted but deemed incomplete by the Met Council because it did not meet required density and needed a revised forecast for population, housing, and employment.

Mr. Hellegers reviewed the City Council and Planning and Zoning Commission meetings focusing on the Comprehensive Plan. He stated the Planning and Zoning Commission held a public hearing at their last meeting and provided a recommendation for approval.

Mr. Hellegers summarized the changes made to the Comprehensive Plan as presented in the staff report. Mr. Hellegers highlighted the changes to density and affordable housing requirements and displayed a map identifying the density designation.

Mr. Hellegers stated the Council is asked to approve the Comprehensive Plan and submit it to the Metropolitan Council.

Mayor Trude asked if the Planning and Zoning Commission supported the changes the Council made to the Comprehensive Plan. Mr. Hellegers stated they were.

***Motion*** by Bukkila, Seconded by Holthus, to approve Resolution No. R072-20 submitting the Andover Comprehensive Plan to the Metropolitan Council.

Councilmember Bukkila stated it was a difficult and complex process. She stated each Councilmember had their preferences and they adapted, moved forward, and ultimately came to the better outcome.

Mayor Trude stated each Councilmember held firm on one major goal to keep Andover predominantly a single-family owner-occupied community.

Councilmember Holthus thanked staff for their work on the plan and the options they presented to Council to solve the density requirements.

Motion carried unanimously.

***DISCUSS/APPROVE 2021 PRELIMINARY PROPERTY TAX LEVY***

City Administrator Dickinson stated the Council will discuss and approve the 2021 Preliminary Property Tax Levy which is the maximum the Council can set. He stated it can be lowered, but not increased through the last meeting of December.

Mr. Dickinson explained the budget process, which began in March. He stated the Council adopted budget guidelines in April and the Preliminary 2021 Budget contains a property tax levy providing for operations, debt service, capital projects, and local watershed management.

Mr. Dickinson stated the goal is to provide sustainable revenue sources and the main revenue source for the City is property taxes. Mr. Dickinson stated the City experienced an increase of 1.39% in the taxable market value. He explained the tax capacity value increased by 3.32% which is what property taxes are based on. Mr. Dickinson summarized items in the budget and identified significant changes. Mr. Dickinson stated the City has been significantly impacted by COVID-19 and the City has used the funds provided by the Federal Government to support local businesses.

Mr. Dickinson identified numbers in the budget that will not change as he presents various options for Council to consider. He stated the City's total expenditure number does not change on all of the proposals. He stated the numbers that are changing include the amount of revenue provided by the tax levy and the amount transferred from the Fund Balance.

Mr. Dickinson reviewed four options for Council to choose from. He stated Option 1 would utilize \$335,000 in Fund Balance and increase property taxes by 1.3% or \$11.60 on a \$250,000 home. He explained Option 2 would keep the tax rate the same and would increase taxes by \$.10 on a \$250,000 home by using \$500,000 in Fund Balance. Mr. Dickinson reported that Option 3 would utilize \$435,00 in Fund Balance, increasing property taxes by .5% or \$4.60 on a \$250,000 home. He stated Option 4 would use \$678,000 in Fund Balance, reducing property taxes by 1.39% or a reduction of \$12.40 on a \$250,000 home. He explained all these options use the Fund Balance, maintain the emergency balance, and meets the City's budget needs.

Mayor Trude explained the Fund Balance is like the City's savings account and the City keeps funds in the account to handle cash flow management. She said the City also has revenue from other areas such as building permits. She said whichever option the Council chooses meets the auditor's requirements. Mr. Dickinson said she is correct. He stated the budget is comprised of the general fund along with debt service, community center levy, and capital improvement levy which are all currently fixed numbers. He said the only number that could

change is the General Fund Operations levy budget number.

Councilmember Butler said all these scenarios include adding staff appropriate to City growth, full funding of public safety, providing road funding, maintaining budget reserves, and allow for additional budget adjustments. Councilmember Butler stated he preferred Option 4 but knows Andover is growing and has additional needs. He stated he is open to Option 2 which keeps the tax rate relatively flat yet increases the overall City budget.

**Motion** by Butler, Seconded by Bukkila to approve Resolution No. R074-20 adopting Option 2 the 2021 Preliminary Tax Levy.

Councilmember Holthus stated she prefers Option 3 because she is worried about the increase in health insurance and she would like to have enough on hand to give a cost of living adjustment to employees not in the bargaining unit.

Mayor Trude asked Mr. Dickinson to respond to Councilmember Holthus' concerns. Mr. Dickinson stated there are placeholders in the budget. He stated for every 1% the City deducts from non-bargaining units cost of living increase will save the City \$32,000. Mr. Dickinson stated every 5% increase in health care costs is around \$28,000 impact to the budget. He said the major changes on the options are the amount of Fund Balance the City is going to utilize.

Mayor Trude pointed out the Community Center Operations Levy, which is used to support teen and senior programming, may not have as many seniors and teens participating because of COVID-19 and she sees the number decreasing. Mr. Dickinson stated that is the number staff has identified, includes staffing and teen and senior programming.

Mayor Trude stated the City has a tax rate lower than surrounding communities and in Anoka County. The City has grown by \$40 million in valuation which increases the budget revenue by over \$300,000 even while residents pay the same amount in property taxes. She said controlled growth has been positive and pays for expenses such as roads.

Motion carried 3 ayes, 1 nay (Holthus).

Mayor Trude stated the levy will be certified to the County and as Councilmember Bukkila stated, the numbers can go down, but they cannot go up. She said the finalizing of the levy will occur in December.

### ***DISCUSS/ADOPT 2021 DEBT SERVICE LEVY CHANGES***

Mr. Dickinson stated the City does a schedule with Anoka County who verifies the City is levying sufficient funds to pay for its debt. Mr. Dickinson explained the City reduced the amount that property taxes were allocated to debt payments by around \$360,000. He stated it is an annual reconciliation with the County.

**Motion** by Bukkila, Seconded by Butler to approve Resolution No. R073-20 updating Certified Bonded Indebtedness for 2021. Motion carried unanimously.

***SET HEARING DATE(S) FOR 2021 BUDGET & LEVY DISCUSSION & PUBLIC COMMENT***

City Administrator Dickinson asked the Council to set the public hearing dates for the 2021 budget. He explained the Truth in Taxation law, M.S. 275. 065, requires cities to schedule a meeting at which the budget and levy will be discussed, and public input will be allowed prior to the final budget and levy determination.

Initial hearing date: Tuesday, December 1, 2020 at 7: 00 PM

Continuation hearing date: Tuesday, December 15, 2020 at 7: 00 PM

Official adoption date: Tuesday, December 15, 2020 at 7:00 PM

**Motion** by Butler, Seconded by Holthus, to schedule hearing dates as presented by staff. Motion carried unanimously.

***SCHEDULE OCTOBER WORKSHOP***

Mr. Dickinson requested Council to schedule a workshop on October 27<sup>th</sup> to discuss items identified in the staff report.

**Motion** by Holthus, Seconded by Bukkila, to schedule a Council Workshop on October 27, 2020 at 6:00 p.m. Motion carried unanimously.

***COVID 19 UPDATE***

City Administrator Dickinson updated the Council on the primary changes to the COVID-19 response since the last meeting. He stated the Governor has extended the Executive Order until October 12<sup>th</sup>. Mr. Dickinson stated the City is accepting applications for the small business grant program through Friday, September 18<sup>th</sup>, at 4:00 p.m. for Round 2 of the grant program. He anticipates the dollars being used up in Round 2.

Mayor Trude stated the Council and EDA support small businesses in Andover and set the goal of assisting them with the small business COVID-19 grants. Mayor Trude asked Mr. Dickinson if the grant program is successful in helping small businesses succeed. Mr. Dickinson replied there has been feedback that the City's grant program is extremely helpful. Mr. Dickinson stated the County also has a grant program which limits grants to \$10,000 whereas the City's limit is \$50,000. He stated a number of businesses have identified significant losses in the hundreds of thousands of dollars and the expanded limit by Andover allows for future success.

***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)** – Mr. Dickinson stated Andover has 88 new home permits so far this year. Mr. Dickinson said the City is entering the Parade of Homes and Andover has 7 homes represented. He stated the value of the homes range from \$360,000 to \$600,000. Mr. Dickinson announced the Parade of Homes includes 7 different builders in 5 developments. He updated the Council on the meetings he will be attending. He stated staff have been working on the budget, CIP, EDA negotiations, and closing out of road projects program. Mr. Dickinson updated the Council on the City facility construction projects. Mr. Dickinson said the Community Center is looking at an October 3<sup>rd</sup> grand opening. He said the COVID response takes up a lot of time. He commended the Public Safety staff for their response and stated they do not know what they are running into many times and may have COVID exposures on responses. Mr. Dickinson stated the City takes great care to keep staff and the community safe.

Mayor Trude stated she is hearing from people regarding the City's Code and how the City enforces the Nuisance Code. She stated she thinks it is because people are at home more. She asked Mr. Dickinson to cover the topic. Mr. Dickinson replied the City has reached last year's complaint total now, in September. He said the City responds based on complaints and has received more complaints than in previous years. Mr. Dickinson stated the majority of calls are about tall grass, vehicles, and junk. He explained the process, starting with a courtesy period and then escalates it based on lack of response from the resident. Mayor Trude said if people are having a hardship, they should contact the City. Mr. Dickinson stated the City will work with residents on incremental progress. He said the goal is compliance, not punishment.

### ***MAYOR/COUNCIL INPUT***

**(Margie's Kitchen)** Mayor Trude said Council attended Margie's Kitchen and Cocktails and the business is doing very well.

**(Sunflower Fields and Outdoors)** Mayor Trude said the sunflower fields have closed and stated the fields were healing and provided for a positive and restoring experience for Andover. Mayor Trude commented on the trails and open spaces that residents can enjoy.

**(North Metro Mayors Meeting)** Mayor Trude said she and Mr. Dickinson will be attending the North Metro Mayors meeting creating the legislative agenda to advocate for cities and improving the commuter route. She explained Highway 65 is getting a lot of attention and Highway 10 through Anoka.

### ***ADJOURNMENT***

**Motion** by Holthus, Seconded by Butler, to adjourn. Motion carried unanimously. The

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meeting adjourned at 8:23 p.m.

Respectfully submitted,

Shari Kunza, Recording Secretary  
*TimeSaver Off Site Secretarial, Inc.*

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