

**OSSEO CITY COUNCIL
REGULAR MEETING MINUTES
MARCH 23, 2009**

1. CALL TO ORDER

Mayor John Hall called the regular meeting of the Osseo City Council to order at 7:03 p.m. on Monday, March 23, 2009.

2. ROLL CALL

Members present: Council members Brian Kleven, Steve Menth, Steve Parks, Ken Schreiber, and Mayor John Hall.

Staff present: City Administrator Greg Withers, City Attorney Loren Magsam, City Planner Jeffrey Dahl, and Deputy Clerk LeAnn Larson.

Others present: Marcus Thomas & Sarah Rippke-Bolton & Menk, Bruce Chamberlain-HKGi, Mark Ziemer-Barr Engineering Company, Rebecca Kurtz-Ehlers & Associates, Bruce Wiley, John Cochran, Alicia Miller, Steve & Linda Trippel, Susan Hanson, Faith Bennyhoff, Martin Duffy, Al Lindquist, Bob Wiering, Brian Hansen, Harold E. Johnson, LeRoy LaVallee, Loren Kinghorn, Craig Wissinck, Vicki Nerva, Tim Walsh, Rich Lovberg, Dave Aanerud, and Ron Barger.

3. PLEDGE OF ALLEGIANCE

Hall led the Pledge of Allegiance.

4. APPROVAL OF AGENDA [Additions - Deletions]

Hall asked for additions or deletions to the Agenda.

A motion was made by Menth, seconded by Parks, to accept the Agenda as presented. The motion carried 5-0.

5. CONSENT AGENDA

- a. Approve City Council Minutes of February 9, February 23, March 9
- b. Receive Planning Commission Minutes of February 17
- c. Receive EDA Minutes of March 2
- d. Receive American Legion February Gambling Report
- e. Receive Firemen's Relief Association February Gambling Report
- f. Receive Lions Club February Gambling Report
- g. Receive Osseo-Maple Grove Hockey Association February Gambling Report
- h. Approve Accounts Payable (Listing 032309, dated 3/19/09 11:51 AM, for \$65,225.90)

A motion was made by Menth, seconded by Kleven, to approve the Consent Agenda as presented. The motion carried 5-0.

6. MATTERS FROM THE FLOOR – None.

7. SPECIAL BUSINESS – None.
8. PUBLIC HEARINGS – 7:00 p.m., Central Avenue Side Street Lighting Project and Assessments (Resolution)

City Administrator Greg outlined the public hearing procedures adopted by the Council. Staff would explain the purpose and need for the hearing, issues, and options to proceed. The public would be allowed to express concerns, ask questions, and provide comments. The Council would discuss the matter, question staff, make comments, and proceed with a motion for action.

Sarah Rippke, Project Engineer, stated the Side Street Lighting Project included the replacement of decorative street lights for the side streets flanking the Central Avenue corridor.

Similar to the streetscape for the Central Avenue Improvements, it is proposed that the side street lighting be assessed to the adjacent properties on a lineal foot basis, based on 50% of the improvement costs. The total estimated project cost for the side street lighting improvements is \$454,239. The properties benefiting from the proposed improvements are as follows: 1st, 2nd, 3rd, 4th and 5th Streets N between 1st Avenue NW and 1st Avenue NE, and on 1st Avenue NW and 1st Avenue NE between 1st Street N and 5th Street N.

The proposed assessment amount equally divided among this adjacent footage equates to a proposed assessment rate of \$31.54/lineal foot. An example of a typical 66 foot wide lot would pay a special assessment of about \$2,082. A corner lot, 66' by 165', would pay an assessment of about \$5,204.

Bruce Chamberlain, Landscape Architect with HKGi, presented the street lighting details and plan. The Side Street Lighting Plan includes the same street lights as the Central Avenue Streetscape Plan. All wiring is approximately 20 years old and in need of replacement. Existing conduit will be used for new wiring. A majority of the existing concrete bases appear large enough for re-use. However, it is estimated that approximately 25% of the existing bases will need replacement. On Central Avenue mid-block poles and pedestrian lights are 12 feet tall but the intersection lights, street lights, are 14 feet tall. On the side streets all poles will be 14 feet tall because they are located further apart. LED lights will be incorporated, as they are being proposed on Central Avenue. He said the LED lighting would be a higher quality, with more light being focused downward which provides better distribution of light.

Schreiber asked several lighting questions of Chamberlain and electrical engineer Mark Ziemer.

Chamberlain stated a lumen analysis had been done in consideration of the wattage, type, and placement of street lights. Ziemer stated LED lighting is at the forefront of the industry and the manufacturer, Sternberg Electric, is a reputable company.

Schreiber stated he wanted to see examples of this type of lighting. Menth agreed with Schreiber.

Withers noted there was one residential property located in this commercial area that would be impacted by this project, that being located at 25 2nd Street NW.

Mayor Hall opened the public hearing at 7:33 p.m.

Bob Wiering, 25 2nd Street NW, asked how much his assessment would be. Withers stated Wiering's property was 39 feet wide, resulting in an assessment of about \$1,230. Wiering commented he wasn't "too wild" about paying any assessment.

Menth suggested eliminating Wiering's property and the rental house at the corner of 2nd Street and 1st Avenue NW from side street lighting. City Planner Jeffrey Dahl said this is a commercial district and should not be excluded from the decorative street lights in the rest of the commercial district.

A motion was made by Parks, seconded by Menth, to close the public hearing at 7:39 p.m. The motion carried 5-0.

Hall stated the next step in the project process would be to order the preparation of plans for the Side Street Lighting Project. Then, the project would be let out to bidders to determine actual project costs.

A motion was made by Kleven, seconded by Parks, to adopt Resolution No. 2009-13 Ordering Improvements and Preparation of Plans for the Side Street Lighting Project. The motion carried 5-0.

9. OLD BUSINESS – None.

10. NEW BUSINESS

a. CONSIDER APPROVAL OF FINAL PLANS & SPECIFICATIONS:

i. Central Avenue Improvement Project

Withers noted that a special joint Council, EDA, and Planning Commission meeting was held last week to discuss financing for the Central Avenue and Side Street Lighting Projects. He presented additional financing information at this meeting.

Withers stated several reasons for the Central Avenue Project:

- Water system upgrade—water lines increased from 6" to 10" lines, with 6" water service connections
- Hazardous sidewalk conditions—need to avoid injuries to public
- Old, worn-out planters and overgrown trees
- Existing light poles do not meet current needs and fixtures are inefficient

Overall, street and utility work will include new water mains, sanitary sewer, storm sewer, and concrete streets/curb/gutter, at an estimated total of \$2,713,609. The streetscape will include sidewalks, plantings and trees with irrigation, gateway entries to Central Avenue at County Roads 30 and 81, and side street replacement lighting, at an estimated cost of \$2,502,223. Total of the overall project would be \$5,215,832.

Options for funding a portion of the street and utilities include: water fund of \$36,000/yr, sanitary sewer fund of \$450/yr, storm sewer fund of \$44,000/yr, TIF 1 & 2 balances in 2012 of \$480,000, Jefferson Hwy assessments of \$36,000/yr, tax abatement for TIF 1 & 2 in 2013 of \$72,000/yr, tax abatement of TIF 2-2 in 2014 of \$57,000/yr, and \$20,500/yr from the General Fund. Options for funding a portion of the streetscape include: tax

abatement of TIF 1 & 2 in 2013 of \$61,000/yr, tax abatement of TIF 2-2 in 2014 of \$48,000/yr, and \$9,500/yr from the General Fund.

Projected cost savings from the use of LED street lights is projected to be significant, amounting to a savings of about \$37,000/yr.

Withers stated \$20,108 would need to come from the EDA General Fund to cover assessments for EDA-owned property within the proposed project area.

Rippke reviewed the utility work being done for the Central Avenue Project. Proposed improvements are as follows:

Streets – The street widths are proposed to be a consistent 42 feet (face of curb to face of curb) of concrete pavement.

Watermain – The six-inch water lines will be replaced with ten-inch lines. All water services will be replaced from the main line to the curb stop at each property. The water services are proposed to be six-inch lines to provide the capacity and flow required for redevelopment.

Sanitary sewer - The sanitary sewer line crossing at 1st Street North will be replaced between the two existing manholes. The crossing at 2nd Street North was constructed within the last five years and will be protected during construction.

Storm sewer – Storm sewer improvements will be extended west along the first block of 4th Street NW and south on 1st Avenue NW to alleviate the flooding that occurs on 1st Avenue NW mid-block between 3rd and 4th Streets NW. This improvement will not solve the flooding problems on 1st Avenue NW but will greatly improve the drainage.

Rippke stated the project would be done in two phases, with the first phase being from June to July. The second phase would be in August and September.

Schreiber asked about down-time when businesses would not be accessible from their doors on Central Avenue. Rippke said it would only be ½ day when a business would be inaccessible due to the water connection process if it had no back door.

Bruce Chamberlain, landscape architect, presented an overview of the streetscape plan. The sidewalks along Central Avenue streetscape will use pavers for the ability to be removed and reinstalled at select locations to accommodate adjacent redevelopment. Lighting improvements will include replacing all the existing street lights with new single and double fixture decorative lights with LED technology. Custom double fixture poles with a precast lighted base will occur four per intersection, eliminating the need for any taller cobra type lighting and acting as an identity feature at every corner along Central Avenue. Electrical outlets will occur on each light pole and at each tree for holiday lighting opportunities. Raised seat wall planters are proposed for all the bump-outs in the civic area and elsewhere. Other ideas incorporated were more bicycle amenities, street trees not blocking signage, and the need to incorporate maintenance demands into the streetscape design. In addition, Central Avenue gateway features are designed on the north and south ends of Central Avenue, with ornamental railing and precast bollards and landscaping.

Schreiber asked about the structural soil proposed for this project and said his experience is that pavers can be slippery in icy conditions. Chamberlain explained the industry norm for this type of project was the use of structural soil, which doesn't settle and allows air gaps for roots of trees and plantings. This type of soil eliminates the traditional heaving of concrete around trees not planted in this medium. He also stated this type of soil has

been used in similar cold climates for the past five years. Chamberlain said he has not experiences any slippery conditions with this style of paver, which has been used in a number of locations in the metro area.

Chamberlain added that a mix of smaller ornamental and larger semi-shade trees will be used along Central Avenue. The tree pit areas will also include perennials and ornamental grasses. Raised planters and benches will be also be included.

Schreiber expressed concern about more lights on Central Avenue. Electrical engineer, Mark Ziemer, stated the spacing of light poles on Central will result in fewer poles but the spacing and type of light will not result in less light. Chamberlain noted the spacing of light poles on the side streets is farther apart than on Central, and existing bases will be used the majority of the time for the side streets.

Hall asked if there was any public comment.

Harold E. Johnson, Realife resident, said he does not understand the financing options presented tonight, doesn't think any of the Council members understand it either, does not want the streetscape component of the project, thought some businesses might go out-of-business due to the project, and everyone in Osseo benefits from the Central Avenue project and could help pay for the project.

Dave Aanerud, 416 3rd Avenue NE, expressed concern with backfilling and settling of soils in trenches to be dug for utilities and ice below the pavers that would freeze and heave the sidewalk pavers. Thomas noted compaction standards would have to be met for this project. Also, the sandy soils of the Osseo area below the structural soil would not create a bathtub affect. Water will not pool and cause expansion of the sidewalk.

Martin Duffy, 337 Central Avenue, wondered if it would be difficult to keep the paver sidewalks clean in the winter, expressed concern about LED lighting being adequate, asked why Osseo should be what he sees as a "pioneer" for this type of LED lighting, and suggested the Council be careful and conservative with this project.

Craig Wissinck, Realife resident, said he generally approved of the Central Avenue project but wondered if there could be overall savings in a reduced landscape plan. He asked if all the current items along Central, such as the existing planters, would need to be removed.

Brian Hansen, 312 Central Avenue, asked if the project could wait a year or two, or at least delay the assessments to property owners. He also asked about his total assessment and if the City would be paying the cost of the water hook-up to the businesses. Withers noted the City would pay for the work only to the curb-stop.

Linda Trippel, 218 Central Avenue, thanked the Council members who had spoken personally to most all the business owners along Central.

Hall asked if the Council was ready to proceed to the next step, which is approving the plans and specification and going out for bids on the project. He said he hoped the City could reap the benefit of bids coming back less than what is anticipated.

ii. Side Street Replacement Lighting Project

- b. CONSIDER ADVERTISING FOR BIDS FOR CENTRAL AVENUE AND SIDE STREET LIGHTING PROJECTS (Resolutions)

A motion was made by Kleven, seconded by Parks, to adopt Resolution No. 2009-14 Approving the Plans and Specifications and Ordering Advertisement for Bids for the Central Avenue Street Reconstruction Project. The motion carried 3-2 (Hall, Kleven & Parks-aye; Menth & Schreiber-nay).

Hall asked Menth and Schreiber why they voted no on this resolution. Schreiber said he didn't like the lighting plan or use of pavers for sidewalks. Menth agreed with Schreiber.

A motion was made by Parks, seconded by Kleven, to adopt Resolution No. 2009-15 Approving the Plans and Specifications and Ordering Advertisement for Bids for the Side Street Lighting Project. The motion carried 4-1 (Menth-nay).

- c. RECEIVE SUMMARY OF THE 2009 ASSESSMENT & OPEN BOOK MEETING

Deputy Clerk LeAnn Larson reminded everyone of the upcoming 2009 Open Book Meeting scheduled for Tuesday, April 21, from 5:00-6:30 p.m. at City Hall. This is the forum for residents and business owners to question the valuation established for their property by Hennepin County Assessor. Appointments for review of the property are suggested prior to the Open Book Meeting but are not required.

- d. SCHEDULE PUBLIC HEARING ON INTERIM ORDINANCE TO PROHIBIT CONDITIONAL USES IN THE CENTRAL BUSINESS DISTRICT

City Planner Jeffrey Dahl stated over the past three years, the City has developed two key planning documents---the 2007 Redevelopment Master Plan (RMP) and the 2008 Comprehensive Plan Update (CPU) that guides future growth in Osseo for the next few decades. Both the RMP and the CPU guide mixed-use, multi-story buildings that immediately abut Central Avenue with accesses and parking off of Central Avenue. The uses are intended to be pedestrian-oriented with retail, office, service, and civic on the first floor and residential on the upper-level floors.

The current code allows drive-in businesses, auto service stations, and mortuaries as conditionally permitted uses in the CBD. Because these types of uses appear to be inconsistent with the RMP and the CPU, staff recommends instituting a moratorium on these uses in the CBD for one year or until the new Zoning Code is adopted. A moratorium essentially acts as an interim ordinance, which, in this case, would temporarily prohibit these uses.

Staff recommends that the City Council directs staff to schedule a public hearing for the April 20th Planning Commission meeting in order to consider instituting a moratorium on the following conditionally permitted uses in the CBD: drive-in businesses, minor auto service stations for retail sale and service, and mortuaries.

A motion was made by Kleven, seconded by Schreiber, to schedule a public hearing for the April 20th Planning Commission meeting in order to consider instituting a moratorium on the following conditionally permitted uses in the CBD: drive-in businesses, minor auto service stations for retail sale and service, and mortuaries. The motion carried 5-0.

- e. DISCUSS SUMMER CAR SHOWS IN THE CENTRAL BUSINESS DISTRICT

Mayor Hall removed himself from the Council table at 9:25 p.m.

As a resident, Hall proposed holding car shows the 2nd and 4th Saturdays during the summer months to help bring people to Osseo. He suggests we have vintage vehicles from 1974 and older display their cars behind City Hall, in the senior center parking lot, and possibly the bank parking lot. Hall noted Anoka has successful car shows on the opposite weekends. He stated he would welcome assistance in planning this event and looks forward to bringing more information to the Council in the future.

A motion was made by Parks, seconded by Schreiber, to grant Hall preliminary approval of the concept of conducting car shows in Osseo during the summer months. The motion carried 4-0 (Hall abstained).

Hall returned to the Council table at 9:30 p.m.

11. ADMINISTRATOR-CLERK-TREASURER'S REPORT

Withers noted upcoming meetings.

A Highway 610 open house will be held on Tuesday, March 24, from 3-7 p.m. at the Maple Grove Government Center.

An LGA Capitol Rally will be held on Thursday, March 26, from 12 noon-1 p.m. to rally on the Capitol steps to support LGA.

The Northwest Suburban Remodeling Fair will be held on Saturday, April 4, from 9 a.m. – 3 p.m. at the Crystal Community Center.

A Metro Cities Association of Metropolitan Municipalities annual meeting will be held on April 16, from 5:30-7:30 p.m. in St. Paul.

An Osseo City Council work session is scheduled for Monday, March 30, 7 p.m. in the Council Chamber.

12. COUNCIL AND ATTORNEY REPORTS

City Attorney Magsam had no report.

Menth has no report.

Parks thanked the people who spoke tonight on the Central Avenue Project. He said he would welcome seeing examples of the kind of lights and pavers proposed for this project in everyday use in the metro area. He spoke of the importance of this project and keeping Osseo alive.

Kleven said he appreciated the public comments tonight. He asked that everyone look at the big picture for the future of Osseo and all businesses. Kleven said a revitalized downtown area should increase commercial taxes which then alleviates the tax burden on residential. He stated he works full-time so has not walked the downtown area to answer questions on the Central Avenue Project. Kleven has been available at each of the Open Houses for the project held over the past months, and he welcomes any calls from residents or business people.

Schreiber said he could not vote yes for a project when aspects like the pavers and street lights are things he doesn't like and is concerned about.

Hall said the timing of the Central Avenue Project is good, as the City has access to funds to help offset the overall cost. He noted public input has been sought throughout the past months, and the Council should look to the future and do things "right." Hall spoke of the importance of increasing the water mains and service connections to the businesses as an important measure for redevelopment in the downtown area. He congratulated area basketball teams, all athletes, and all good students.

13. ADJOURNMENT

A motion was made by Parks, seconded by Schreiber, to adjourn the City Council meeting at 9:47 p.m. The motion carried 5-0.

Respectfully submitted,

LeAnn Larson
Deputy Clerk