



**City of Newport
City Council Minutes
August 18, 2016**

1. CALL TO ORDER

Mayor Geraghty called the meeting to order at 5:30 P.M.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Council Present – Tim Geraghty; Tom Ingemann; Bill Sumner; Tracy Rahm; Dan Lund

Council Absent –

Staff Present – Deb Hill, City Administrator; Bruce Hanson, Supt. of Public Works; Renee Eisenbeisz, Assistant to the City Administrator; Fritz Knaak, City Attorney; Larry Osterman, Sergeant; Jon Herdegen, City Engineer; Sherri Buss, City Planner

Staff Absent - Steve Wiley, Fire Chief;

4. ADOPT AGENDA

Mayor Geraghty - We'd like to add the Mill Pond to the Engineer's Report.

Motion by Rahm, seconded by Ingemann, to adopt the Agenda as amended. With 5 Ayes, 0 Nays, the motion carried.

5. ADOPT CONSENT AGENDA

Councilman Sumner - I'd like to pull the resolution for the Pioneer Day donations so we can read them out loud. That was so successful and people did help us out.

Motion by Sumner, seconded by Rahm, to approve the Consent Agenda as amended, which includes the following items:

- A. Minutes of the August 4, 2016 Regular City Council Meeting
- B. Minutes of the August 4, 2016 City Council Workshop Meeting
- C. List of Bills in the Amount of \$212,552.17
- E. **Resolution No. 2016-35** - Approving a Gambling Application for the St. Paul Park Newport Lions Club to Conduct Off-Site Gambling

With 5 Ayes, 0 Nays, the motion carried.

D. Resolution No. 2016-34 - Accepting Donations for Pioneer Day for the Period of July 1 - August 15, 2016

Councilman Ingemann - Cloverleaf Bar and Grill, Newport-St. Paul Cold Storage, Tinucci's, Ten-E Packaging, 3M, SuperAmerica and St. Paul Park Refinery, and Subway.

Councilman Sumner - Thank you. We really appreciate it.

Motion by Geraghty, seconded by Ingemann, to approve Resolution No. 2016-34 as presented. With 5 Ayes, 0 Nays, the motion carried.

6. VISITORS PRESENTATIONS/PETITIONS/CORRESPONDENCE

Marley Danner, Danner Inc. - Danner Inc. is interested in a piece of property in Newport, the Dahlene property. We would like to get some direction on whether or not you would be interested in allowing us in there because we don't meet the criteria right now. The building would be a 15,000-18,000 square foot building and shop. We'd also need fuel onsite. We're in the construction business. Everything is stored at night. It isn't zoned right and there are some questions we had on whether or not you're interested in rezoning it. The building would be between \$850,000 and \$1.2 million. The site would be good and cleaned up. Our other site in South St. Paul has been purchased and we're looking for another site. This will work for the next four to five years.

Mayor Geraghty - It doesn't fit the zoning now? I don't know if there's any intention to rezone that area.

Councilman Sumner - How many acres do you need?

Mr. Danner - Right now, we're operating on 33 acres. The whole operation isn't coming here, just the office and shop. We do a lot of hauling for the steel mill. If there's no chance, then I'm not going to invest the money in the planning request.

Councilman Lund - That's a very valuable site and is zoned that way for a reason. There's another site on the south end of town where they have a repo business and they're only using a portion of it.

Mr. Danner - That might be too small, we'd need at least four to five acres.

Councilman Sumner - They might have that, stop by and talk with staff.

Councilman Lund - In my view that would be more appropriate.

Mr. Danner - That's why I'm here to see if you have any more ideas.

7. MAYOR'S REPORT -

Mayor Geraghty - I attended Pioneer Day and it was a great day and event. I want to thank Renee for all the work she did on it and the businesses that donated and provided time and labor to set up.

8. COUNCIL REPORTS

Councilman Lund - I also attended Pioneer Day. We had perfect weather and great music. Thanks to everyone that came and all of the volunteers that made it happen.

Councilman Sumner - I also attended Pioneer Day and once again we were lucky to have the corn and people were very friendly. We had a lot of exhibits showing what people are doing in Newport. I just think it was a best example of a small town.

Councilman Ingemann - Nothing to report.

Councilman Rahm - I also attended Pioneer Day and express my thanks to the staff, volunteers, and businesses that help make it a great event.

9. ENGINEER'S REPORT

A. Stormwater Items and Street Improvement Proposals

Engineer Herdegen presented on this item as outlined in the August 18, 2016 City Council packet.

B. Mill Pond Discussion

Engineer Herdegen - You were sent an email from Pauline right before the meeting. I don't know this site as well. Staff have met with a developer for four lots on 10th Street. We've been very adamant with that developer that there will be stormwater management facilities on site and have directed them to orient them to minimize runoff to 10th Street. He's

working with an engineer and we've met with them to make sure that the runoff does not exceed the current runoff. We're trying to push that water south onto the 2nd Avenue right-of-way. Once we get a plan from the developer, we'll make sure we're not making the problem worse.

Pauline Schottmuller, 97 10th Street - I sent an email to Ms. Hill before the Council meeting. I had a phone call from a gentleman who still owns property in the area and Deb let me know that the mill pond was on the agenda for tonight. I think the Council needs some history here and with the past rains, I've reached the end of my rope with water coming down 10th Street and washing out my property. First, I want to give you some history so you can make some good decisions. The Alsides property is what everyone calls the woods. It was subdivided when I was on Council and is bordered by 2nd Avenue, 3rd Avenue, 9th Street, and 10th Street. It's a big area, four homes can sit in there. At the time that Mr. Alsides bought the property, the Council made a mistake and Mayor Geraghty pointed it out too late. When we granted it, we didn't require a developer's agreement in terms of water drainage. The former City Engineer described that property has a bathtub. When it rains, it holds a lot of water. It looks like we'll have four homes in there and what is now a bathtub won't be anymore. That water has to go somewhere. I'm fine if it stays on 10th Street. I'm not fine if it washes out my property to go into the River. At the time, John Stewart recommended that there be a drain underneath 2nd Avenue and 9th Street to bring the water to River. The City doesn't own the Mill Pond and cannot throw water down there without permission. I've been saying all along that the City needs to own the property or get an easement. One owner in particular will be difficult to work with and might not sell you the property. You need to come up with a good plan B because you won't throw water onto my property. I need to have Bruce and your engineer down at my property to let me know what you're going to do to stop the water from washing out my property. I built a ditch and dug a hole to hold some of the water. It goes into an eight inch drain pipe. The rain the other night pushed that pipe out of the way and washed out my property. It's not my problem, it's the City's. When I got the phone call from the gentleman I decided I needed to have a conversation with you about handling the drainage problems. Another thing I wanted to mention was that at least three homes in the neighborhood don't have basements. It's bedrock and expensive to build a basement. So what used to be flat are now hills so those yards aren't holding any water. So when a developer comes with plans, I hope you keep those yards flat. The state building code doesn't have a maximum height that the first flood can be above street level. I don't want to see six hills. I have to run but I hope you can come down and start looking for a solution to the water problem on 10th Street and buy the mill pond to handle the drainage. I have to run but want to say one other thing. Thank you Dan for mentioning the value of that property. You've been quoted in the paper as saying denser housing. I know my own neighborhood is going to have two houses where there used to be one. You have to have the same attitude when it comes to commercial property. What we have on the old Knauff property doesn't do squat. What that gentleman is proposing wouldn't do squat. We don't have acres to just let them sit and not generate taxes. Whatever we have brought in better bring in a tax base. Thank you for your time. Deb can email me and we can meet with the City Engineer

Mayor Geraghty - The City has been interested over the years and still interested.

Admin. Hill - Yes, I spoke with Joel Holsted who we've worked with before. The owner is still motivated. He's still frustrated because he wanted to do a land swap before but he needed to show that he could fit a house in there and that never happened. I called him this week. He has been talking to other people about it too.

Mayor Geraghty - What can they do with it?

Admin. Hill - It's unbuildable, you cannot put a house on it. I heard for docking purposes. I know the HPC is interested in it. It's about 1 1/2 acres.

Councilman Ingemann - Isn't water going down there already?

Admin. Hill - MnDot's storm drain goes there.

Councilman Ingemann - I suppose a lot of water gets down there when it rains so much too.

Admin. Hill - We'd be working with Joel Holsted if we were going to make an offer.

Councilman Lund - Do we want to throw out a number?

Councilman Ingemann - Let's see what they have first.

Admin. Hill - They want us to offer first.

Mayor Geraghty - What's the appraised value?

Admin. Hill - The County has it assessed for \$7,100, they won't take anything near that I'm sure.

Councilman Ingemann - Start it at \$7,200 then.

Councilman Rahm - It's not buildable.

Mayor Geraghty - You can negotiate something and bring it to the Council. I don't think offering the assessed value will work.

Attorney Knaak - I strongly discourage you from talking about prices.

Councilman Sumner - Can we tap into that culvert?

Admin. Hill - That's off of 4th.

Mayor Geraghty - The Engineer does have plans to go underneath the road. How old is 10th Street?

Supt. Hanson - That's an original road.

Mayor Geraghty - I think we should look at redoing the whole street.

Councilman Sumner - Do we put that water into the River?

Supt. Hanson - We don't have it ditched or piped, it just goes there.

Mayor Geraghty - Especially with the houses coming in, that would be my suggestion.

Supt. Hanson - 10th Street is substandard, it would be perfect for our program.

Councilman Rahm - I agree, it'll probably get worse so we need to address it.

Councilman Lund - Could the attorney address whether or not we could take it by eminent domain?

Attorney Knaak - If it fills a public purpose, in this case it would, you saw that with the Johnson property and the pipe. You could take it for drainage. There would be an assessment, you'll want to know that price before you start the condemnation process.

Councilman Lund - We would get an independent appraisal?

Attorney Knaak - Yes. There might be some argument on the public purpose part on whether or not the entire mill pond needs to be taken. They've made the condemnation law a little more property owner friendly. You would pay for the appraisal.

Councilman Lund - But we don't have to be held hostage.

Attorney Knaak - If you really need it you can take it but then the issue becomes compensation.

Councilman Lund - I just want to get it on the record that we can take it that way.

Mayor Geraghty - Is that everything?

Engineer Herdegen - The only other thing is I did provide proposals for the street projects and can stand for any questions.

10. ADMINISTRATOR'S REPORT

A. Public Hearing - To consider amendments to Section 1300, General Zoning

The public hearing opened at 6:04 p.m.

Sherri Buss, City Planner, presented on this item as outlined in the August 18, 2016 City Council packet.

The public hearing closed at 6:06 p.m.

Councilman Sumner - I would just like to know if we were to try to do this, how would they attach the plumbing?

Ms. Buss - That's what the building inspector is worried about. How you do that in the winter time and meet building codes is beyond them. The legislation hasn't been thought through in many ways. This can only be used by the caregivers and one person can live in it for up to one year. Most cities have opted out.

Councilman Sumner - Couldn't they put up a temporary trailer in there.

Councilman Ingemann - They aren't allowed in Newport.

Ms. Buss - There are a few communities that allow that with an interim use permit. It's something you could look at as part of your comp plan. Given that much of your city is single-family zoning, it would require some changes in your ordinance to allow a second unit.

Councilman Sumner - I would envision that it would just be for sleeping.

Ms. Buss - Another option is to allow an accessory unit to the home. You can think about that during your comp plan process.

Motion by Ingemann, seconded by Rahm, to approve Ordinance No. 2016-6 as presented. With 5 Ayes, 0 Nays, the motion carried.

B. Resolution No. 2016-36 - Approving an Amendment to a CUP for Property Located along 7th Avenue

Sherri Buss, City Planner, presented on this item as outlined in the August 18, 2016 City Council packet. Conditions #1, 14, 15, 16, and 21 were amended to reflect the updated plans and require maintenance for the fence and a new developer's agreement. Staff removed conditions regarding the warehouse and landscaping because they have been completed. Conditions #8-10 were added based on the Engineer's recommendation.

Councilman Ingemann - Is there a deadline for these items?

Ms. Buss - You can put one in. Usually you enforce something like this by making them do it before they start operation but that didn't happen in this case. We were told that it was being completed. We got it cleaned up, that's the one plus of this.

Councilman Lund - Where are they with paving?

Admin. Hill - They have to get the stormwater done first. They need this amendment first.

Councilman Lund - We should shut them down if they don't get it paved by the end of the year. This is getting ridiculous.

Admin. Hill - The cleanup ended in November so they couldn't do work in the winter.

Ms. Buss -It'd be fair to say that they need to get it done by the end of the construction season.

Councilman Lund - If we're not willing to enforce it what's the point.

Councilman Sumner - We just had someone come in that might be interested at a portion of the site, let's have them look at it first before putting in stormwater.

Admin. Hill - The stormwater is in the back of the site.

Councilman Lund - That might not be a great site either for them.

Ms. Buss - Yes, his use is heavy duty trucking so his impacts on the neighborhood would be huge.

Mayor Geraghty - How many phases are there?

Ms. Buss -They're committed to a first phase right now. They're trying to market parts of it because they may not ever develop the whole site. The Engineer and Bruce both feel strongly that you want to get the stormwater in now.

Supt. Hanson - October 30th is the end of MnDot paving.

Councilman Lund - Are we willing to tell them that they'll need to stop if the paving isn't done by then? If we're not then let's pick a later date.

Mayor Geraghty - There would be a process though.

Councilman Lund - They should be afraid of us if we're willing to pull their CUP. I don't want to pick a date if we're not serious about it.

Councilman Ingemann - How about the end of November?

Admin. Hill - That won't be an issue.

Mayor Geraghty - I would like every phase to be done within a year.

Ms. Buss - They've only showed us phase one. They would need to come back to us again if they have another phase. So you want the paving, stormwater, and lots combined by November 30th?

Councilman Ingemann - They need to have phase two completed by the end of next year.

Ms. Buss - They don't have a phase two, they're looking to sell.

Councilman Ingemann - Then they need to have the lots combined by the end of the year.

Councilman Lund - Should we rezone?

Ms. Buss - It's hard for us to predict what zone would fit there. The City spent several years trying to market this property. It's a very hard property to market. We could consider adding uses to that zone if they come to us with something.

Mayor Geraghty - I'll make a motion that we approve this saying that the stormwater, paving and lot combinations must be done by November 30th.

Councilman Sumner - And the title transfer.

Motion by Geraghty, seconded by Ingemann, to approve Resolution No. 2016-36 as amended. With 5 Ayes, 0 Nays, the motion carried.

C. Ordinance No. 2016-7 - Amending Section 1330, General District Regulations, and Section 1340, Residential Districts

Sherri Buss, City Planner, presented on this item as outlined in the August 18, 2016 City Council packet.

Councilman Rahm - That doesn't apply to sheds?

Ms. Buss - It applies to any accessory structure. If it's under 120 square feet, we don't worry about it.

Asst. to the City Administrator Eisenbeisz - We say that accessory structures over 150 square feet shall be compatible. They still need to get a zoning permit to confirm that they meet setbacks and lot coverage.

Mayor Geraghty - What about the tents?

Asst. to the City Administrator Eisenbeisz - Those count as accessory structures.

Mayor Geraghty - Do we have a time limit on them?

Ms. Buss - No.

Motion by Geraghty, seconded by Ingemann, to approve Ordinance No. 2016-7 as presented. With 5 Ayes, 0 Nays, the motion carried.

D. Resolution No. 2016-37 - Identifying the Need for Funding to Complete the 2040 Comprehensive Plan Update and Authorizing an Application for Planning Assistance Grant Funds

Sherri Buss, City Planner, presented on this item as outlined in the August 18, 2016 City Council packet. This is a guaranteed grant.

Motion by Ingemann, seconded by Lund, to approve Resolution No. 2016-37 as presented. With 5 Ayes, 0 Nays, the motion carried.

11. ATTORNEY'S REPORT - Nothing to report.

12. WASHINGTON COUNTY SHERIFF'S OFFICE REPORT –

Sgt. Osterman - On August 30th from 5-7 p.m. at Newport Lutheran Church, we'll be having Safe Summer Night. It's an organization that will provide food and drinks. The Sheriff's Office, Fire Dept, Public Works and Cottage Grove EMS will all be there. It's a great night to come out and meet everyone. Also, there is a cops with cones at Selma's in downtown Afton on August 25th from 5-8 p.m. The third thing is that there will be an award ceremony on September 8th at the historic courthouse in Stillwater and Deputy Eichman will be receiving an award for some work he did on a case.

Mayor Geraghty - Thanks for your help on Pioneer Day too.

Sergeant Osterman - That was a great event.

13. FIRE CHIEF'S REPORT - Nothing to report.

14. SUPERINTENDENT OF PUBLIC WORKS REPORT –

Councilman Sumner - Let's talk about water and wash outs. We did have problems.

Supt. Hanson - There aren't any additional problems. We had some washout on Wild Ridge but that'll happen until we get it established.

Councilman Lund - Do we have an update on the Cedar Lane project?

Admin. Hill - Xcel Energy can't get in there until September 7th.

Councilman Sumner - What are the parameters for removing trees with Oak Wilt?

Supt. Hanson - Not until the fall. The U of M extension is a really good resource. I haven't noticed any new stuff recently.

Councilman Sumner - Is that mandatory removal?

Supt. Hanson - Yes.

15. NEW / OLD BUSINESS

A. September 1, 2016 Regular Meeting

Admin. Hill - We have nothing on the agenda for the September 1 meeting.

Motion by Sumner, seconded by Ingemann, to cancel the September 1, 2016 Regular Meeting. With 5 Ayes, 0 Nays, the motion carried.

Mayor Geraghty - I would like to have the October 6th meeting at the Library and Community Center. I know there will be some difficulties there with broadcasting but I want to showcase the Library.

Admin. Hill - We do have a presentation from the County on the RRT plant.

Mayor Geraghty - That's fine.

Motion by Geraghty, seconded by Rahm, to have the October 6, 2016 Regular Meeting at the Library and Community Center. With 5 Ayes, 0 Nays, the motion carried.

16. ADJOURNMENT

Motion by Geraghty, seconded by Sumner, to adjourn the regular City Council meeting at 6:43 p.m. With 5 Ayes, 0 Nays, the motion carried.

Signed: _____
Tim Geraghty, Mayor

Respectfully Submitted,

Renee Eisenbeisz
Assistant to the City Administrator