



**City of Newport
City Council Minutes
October 6, 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 (5:57 p.m.); 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;

Staff Absent - Steve Wiley, Fire Chief;

4. ADOPT AGENDA

Motion by Ingemann, seconded by Geraghty, to adopt the Agenda as presented. With 4 Ayes, 0 Nays, 1 Absent, the motion carried.

5. ADOPT CONSENT AGENDA

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

- A. Minutes of the September 15, 2016 Regular City Council Meeting
- B. List of Bills in the Amount of \$95,359.01
- C. Gambling Permits for Capital City Strutters and St. Thomas Aquinas Catholic Church
- D. **Resolution No. 2016-40** - Amending Resolution No. 2016-35
- E. **Resolution No. 2016-41** - Appointing Election Judges
- F. **Resolution No. 2016-42** - Health Care Coverage

With 4 Ayes, 0 Nays, 1 Absent, the motion carried.

6. VISITORS PRESENTATIONS/PETITIONS/CORRESPONDENCE

A. Habitat for Humanity Presentation

David White with Habitat for Humanity presented on this item as outlined in the October 6, 2016 City Council packet. Habitat for Humanity is requesting a letter of support from the City of Newport to move forward with one project. Habitat for Humanity is seeking funding from the Washington County Community Development Agency for the project.

Motion by Lund, seconded by Ingemann, to delegate staff to prepare a letter of support to Habitat for Humanity. With 4 Ayes, 0 Nays, 1 Absent, the motion carried.

B. Bob Vogel, Heritage Preservation Commission Consultant

Bob Vogel presented on the history of the Newport Library. The City of Newport created the Library in November 1889 by signing Ordinance #2. The first Library was in the old Red Rock School House and was moved to the current location in 1897. The Library was staffed by the Newport Women's Club until 1981 when Washington County took over the

operation. The County ran the Library until 2012 when the City took over again. This City Council meeting is the first that has occurred in the Newport Library.

7. MAYOR'S REPORT -

Mayor Geraghty - Nothing to report.

8. COUNCIL REPORTS

Councilman Ingemann - I attended the Fire Department's Appreciation Dinner on September 21st. I was also at the groundbreaking for the new junior high yesterday. Karla and I also took a tour of different recycling facilities with the RDF group. Randy Sanitation created the blue bags for organic composting and Demcon is hand-separating everything. We're looking at different ways to increase productivity as well as the odor mitigation. Finally, there's a grand opening for the State of MN's Fire Training Facility in Lake Elmo on Sunday.

Councilman Rahm - I also attended the Fire Department's Appreciation Dinner, it was very nice to honor everyone and congrats to Tom with retiring after 42 years of service. I also attended a Red Rock Corridor Commission meeting and there will be an open house on October 26th that will go over the latest plans. If we could put a link to the Corridor, I'd appreciate that. I also attended a South Washington County Telecommunications Commission Meeting, they are finalizing the joint powers agreement amendment. Fran has offered to give an update on that if we'd like to schedule that.

Councilman Sumner - I also attended the Fire Department's Appreciation Dinner and want to thank the people that serve. It's one of the strongest indications of the strength of a small town to have people willing to put their lives on risk to save others. The Chief has said this is one of the best groups he's worked with. We're fortunate to add a few new members in the last year. I attended a South Washington County Telecommunications Quarterly Review where they talked about the Century Link sites. There are some spots that they plan to bring fiber but it's not to the entire city. I also attended the groundbreaking ceremony for the new school. It's nice to know that that level of education will continue to be a part of these cities. I believe Newport students will be attending the new school.

Councilman Lund - I also attended the Fire Department's Appreciation Dinner and reiterate what everyone else said and would like to give my thanks to Councilman Ingemann, 42 years is a really long time. I also attended the groundbreaking for the new school. Yesterday, I met with Melissa Taphorn and we talked about TIF. I think this is the biggest meeting and decision that the Council has had in my short time and many years before that and many years going forward. I want us to use our best consideration with this.

Councilman Sumner - I have one other thing to add. When the award was added to Tom Ingemann, we were able to see him caught speechless, it was outstanding (round of applause).

9. ADMINISTRATOR'S REPORT

A. Resolution No. 2016-43 - Supporting a Proposed Redevelopment Tax Increment Financing District by the Washington County Community Development Agency

County Commissioner Karla Bigham - I'm here today to listen to your comments and feedback on this item and just wanted to introduce everyone here tonight. We have Barb Dacy, Melissa Taphorn, Chris Eng, Stacie Kvilvang, and Kathryn Paulson. Chris is our new Economic Development Director. Thank you for allowing us to come here, we're looking forward to a project that will help build some density and some other opportunities.

Melissa Taphorn, Deputy Executive Director, Washington County CDA, and Chris Eng, Economic Development Director, Washington County CDA, presented on this item as outlined in the October 6, 2016 City Council packet. Mr. Eng has met with developers for this area. He's talked with a potential hotel, office complex, and office/warehouse. The developers have informed the CDA that they want a shovel-ready site and want the CDA to acquire them to make them shovel-ready.

Councilman Sumner - You're telling me now that there are people anxious to get into that site?

Mr. Eng - Yes, we've had meetings with developers as late as this week.

Councilman Sumner - We have two sites on the east side that are being done without TIF money and I believe those are shovel-ready. What group of people have you found that aren't interested in those sites?

Mr. Eng - Redevelopment is always more expensive than building on a Greenfield. It's really up to us to be able to draw those developers here to bring them to the point of being able to build. The cost of acquiring the land and preparing the sites is more expensive. I'm not familiar with those other sites so I don't know if they are shovel-ready or if there's not as many development costs. The folks we're talking to really like this opportunity. We want to do this the right way and make sure it's the right development for the City. The developers are saying that they need our help to make that happen. We're taking that risk to make those sites ready.

Councilman Sumner - Why can't they look across the road?

Councilman Ingemann - They're not available to the general public.

Councilman Sumner - They could talk to those developers and get a building built to their specs. I'm concerned we're being sold promises.

Mayor Geraghty - They may be interested in the transit-oriented aspect.

Councilman Ingemann - They are office/warehouses. This is transit-oriented. You have to pay something to get it going.

Mr. Eng - To me, transit-oriented is a job center. We want to be able to create those daytime jobs. It's going to take some time and we'll work very hard to make that happen.

Councilman Sumner - What's your experience in economic development?

Mr. Eng - I've been in economic development for 26 years, most recently with the City of Duluth, I was the director of business and economic development. Prior to that I was with Chisago County for 11 years. From my perspective, what motivates me is making the connections. It's up to us to tell the story. Washington County has done a good job telling its story and I think we have a great story to attract new millenials. To attract them, we need a place for them to work and live.

Ms. Taphorn spoke on a couple questions that Councilman Lund had from their meeting the previous day. The first question was on odor mitigation and whether or not the TIF money could be used for that. There is a possibility that it could be used for that but TIF can't be used for properties outside of Washington County. Additionally, this is a regional issue and Ms. Taphorn does not believe TIF should be used for this issue. There is an environmental charge that could be used for it. The second question was the impact on City services. If 500 housing units are built, there's 1,000 new residents. The CDA is not seeing a large impact on police, public works or fire due to the fact that there are no new roads and the new fire codes require everything to be sprinkled. The last question was about the control that the City has once the TIF district is established. Per the City's ordinance, most developments will need to come to the City for a conditional use permit. If the Resolution is approved, it will go to the CDA Board on October 18th for approval and the Washington County Board on November 1st for a public hearing and approval.

Mayor Geraghty - Why do we have the strange pieces on the west side of Maxwell?

Ms. Taphorn - All parcels need to be continuous. The triangular piece is right-of-way that the County owns and that is one parcel. The one that goes sideways is part of the rail spur.

Mayor Geraghty - What happens to the increment in years 2018 and 2019 since it's not starting since 2020?

Ms. Taphorn - They'll be breaking ground this year, opening next year, they'll be paying in 2019 and that'll be collected in 2020.

Stacie Kvilvang, Ehlers - Since the date of sale happened after June 30th, it's not going to become taxable until pay 2018, everyone will get those base taxes. Their first taxes after construction will go on pay 2019, the County is electing to get their first increment in 2020. If there's anything in 2019, that'll be redistributed to everyone.

Councilman Rahm - Currently all we have is the apartment complex right? We don't have any businesses lined up?

Ms. Taphorn - Correct.

Councilman Rahm - We've heard that a long time. We're taking a risk because all we have is a housing development.

Councilman Sumner - Will this be the only place we can have TIF? This is what the County is proposing?

Ms. Taphorn - This is just right now. The joint powers agreement is for the Red Rock Crossing area which includes the district that's being proposed, where Aggregate Industries is, and the properties that face 21st.

Mayor Geraghty - There are some areas where the City wouldn't want TIF like the Dahlene property.

Councilman Rahm - I've seen some site plans for the apartment building but do we know what it's going to look like? I want it to look really nice because it's the gateway to Newport. I haven't seen any design.

Councilman Ingemann - There were plans.

Asst. to the City Administrator Eisenbeisz - Those were submitted with the CUP application and they've submitted the plans with the building permit.

Commissioner Bigham - There were comments during the CUP process about additional handicapped units and I believe the developer is increasing those.

Councilman Sumner - This is not low income housing.

Councilman Ingemann - This is current market rate.

Councilman Sumner - I've been telling people it's working family rates. People constantly think it's low income but it's not.

Ms. Taphorn - Correct, it's private developer market rate.

Councilman Sumner - TIF Financed.

Ms. Taphorn - No, the TIF is coming to the CDA for our expenses and to redevelop south of the rail spur.

Commissioner Bigham - How I have repeated this is that you have a lot of different lots in this area and the CDA's job is to organize those lots so they are more marketable to a developer. That's the CDA's extent. It'd be really expensive and long if these lots were being sold one by one to a developer. The CDA's role is to organize these lots so they are shovel-ready for developers. I would like to note that the Red Rock Corridor is continuing to work with Hastings to create an express bus service to Minneapolis. That would increase the attraction for this area. Hopefully, we'll know about that in early spring.

Mayor Geraghty - I'm going to move this Resolution.

Councilman Ingemann - I'll second.

Councilman Lund - I have a lot to say, I have a whole lot to say. Happy to hear their presentation and have them come down. I think we should start with what is TIF. It's taking all of the new tax revenue and taking it away from the City,

school and County and putting it back into paying off the bonds. This is a major project. The County says it's free to bring in 1,000 new residents. That's 30% of our current residents. Bruce, can you take care of another 30% for free? I think you need to start with the premise that it costs the same as a current resident and look at how you would have economies of scale but it's not free. That's nonsense. There is a point of TIF, it's much more expensive to redevelop than to develop a Greenfield. If we do this, we can't afford TIF anywhere else, on 7th or on Hastings. This will be it because we'll be stretching the City budget for a long long time. The only way we get out of that is if the TIF ends or if we get money elsewhere. We've never sat down to look at where the best place is for TIF. In my view, it's not up here, it's on 7th or Hastings and on places where it's cheaper to develop than here. If we do this project, that takes away our flexibility to do TIF anywhere else in the foreseeable future. The purpose of TIF in my view is to benefit the current residents. The Washington County HRA is looking at a much bigger picture. They have the same plan than when we were on the bus and I had the same concerns then. I'm also concerned that it's their Economic Development Authority handling this. If it was our Economic Development Authority, we would be able to filter through this projects and say we aren't going to let another 100 units of residents come in and ask our current residents to subsidize them for 26 years. If we decide this is the place to do TIF, we need to be in control of it because they haven't shown a willingness to change the plan. That doesn't even get into the smell issue, you're not putting a hotel there as long we have smells coming across the River. We have hope that we'll do something with the garbage facility. We've made zero progress on the smells coming across the River and those hurt us throughout town. If we got control of those smells we'd see a lot more regular development without government intervention. I couldn't be more against anything. This is the biggest thing coming before us. It's saying that we can afford to bring in 30% more residents and ask the current residents to pay for it. And tell me what the current residents are getting from this? We're not getting any new amenities and we'll take away the 100 jobs that are there now at Wilson Lines and other places. We're picking the most expensive spot in town to clean up. There's so much more we could do on Hastings and 7th Avenue for less. I don't think we should do it. I don't think anyone has ever asked if we should do this. Yes we can but does it make sense and is it the best place to do TIF in town. I know you've been working on it but at some point we have to ask the question and I don't see how we can look at the whole town and decide this is where we want to do our TIF.

Also, when we approved the 42-unit apartment building, I got a text from Karla on June 16th that said "No TIF on the apartment building." Now they're asking us to go back and take the money from the \$5 million development on workforce housing and put it back in their pocket. We don't have to do that. If that building goes in and we don't have a TIF then that money would be excluded from the TIF. I also don't know why we're including the open space to the north. Those would get developed on their own if they just become open to the market. That just shows by taking those lots and the apartment building, it shows how expensive it is to develop the rest of that area. They're taking the easy places to fund the hard places.

Finally, Bill and I spoke with Wilson Lines last night. Even though the County has made strong offers to him, he wants nothing to do with it. He wants us to turn it down. Without them, you have nothing. We'll approve this tonight and it'll be locked up until he changes his mind or there's an ownership change. How will we look then? When we've locked up our financial flexibility for the foreseeable future on a project that isn't moving anywhere until Wilson Lines is ready. I don't see how we can move this forward today. I've already talked with Bob Shaw about this and he'll be writing something for Saturday. We're going to get the publicity. If we say no, I think it'll be a blip in history, if we say yes, Council will be struggling with budgets from now until it's over. I know you've put a lot of effort in this and I know what you're trying to do for the County but I don't think Newport can afford it. I think there's a lot more places where we could do more for less and we should focus our efforts there.

Councilman Rahm - I do agree with Dan on the one point and we haven't done a what-if analysis for different areas. I will say this in support of the project. It's like the transit station, if a long time ago, we said we didn't want that, it would have closed the door on a lot of other things. I would love to see a business there.

Councilman Lund - We can do our own TIF later. If Wilson is willing to sell and we make that arrangement and someone wants to come in, that's the perfect time to look at the numbers.

Councilman Rahm - Your argument is sound. I'm saying that this stuff doesn't happen without a TIF so it depends on how much risk you want to take.

Councilman Lund - You're getting rid of the opportunity to do it on 7th or Hastings.

Councilman Rahm - No one else has come up with anything else.

Councilman Ingemann - If we don't do something now, it won't happen.

Mayor Geraghty - At what point do you say the TIF won't work? Can you disband it? If after 7 years you still don't have Wilson Lines or nothing is happening.

Ms. Kvilvang, Ehlers - It's the basic of tax increment. What the whole argument is here is that Wilson Lines isn't the linchpin for that area. You have all the other residential areas around there. The County is trying to make a sizeable parcel for development. Wilson Lines is around 3 acres I believe, which is limited. You can do a lot more on 6 or 8 acres. They're trying to get that area developed for something to come in. If you have not undertaken TIF activities in 5 years, you can't do anything else and have to decertify that district. You still have that flexibility.

Councilman Lund - But you would have the money from the new buildings that are going on the lots that are already grass.

Ms. Kvilvang - The County is anticipating to use those dollars to reimburse themselves. They are using their own money today to acquire properties now. It's a bigger risk for them. They're willing to take their time, money and staff to invest in Newport. I've been with the City for the last 5 or 6 years when you've been talking about this plan. It's not their plan, it's your plan. They're trying to help you implement it.

Councilman Rahm - The 1,000 residents wouldn't happen overnight, it'd be staged.

Councilman Lund - It could be, we don't have any control.

Councilman Rahm - When we did our tour, we asked if they saw any problems with an apartment building next to a transit station and they didn't.

Councilman Sumner - But there wasn't any other business either.

Mayor Geraghty - We've been working on this a long time. We were eyeing this as a TIF to spur the redevelopment and now to come in on the 9th inning and put the kibosh on it. We could have brought up an analysis before but we didn't. We've been involved in the partnership a long time.

Commissioner Bigham - Just to reiterate that these are willing sellers. Second, I apologize because you get lost in translation, my text meant that there was not TIF vote on the CUP that night.

Councilman Lund - My direct question was "We're doing it without TIF on this building?" and you said "Yes, that TIF bill didn't make it through the session, no tax bill, no TIF." That's the interaction I had and the information I shared with Councilman Sumner. I thought we were going to get this building built without TIF and I thought that was great. The time to sort this out was before that building went through. Our attorney said not to approve that plan because it didn't match what we have for the zoning but I thought we'd be getting a \$5 million apartment building and doing it without TIF. Now that's not true. Sorry I didn't listen. If we delay, we can at least capture the revenue off that building. This is the most expensive place in town to redevelop. I don't think it'll spur development. I think we would do better with the Dahlene property or on Hastings Avenue. We do something up here, it's not going to make someone excited about the Dahlene site but the Dahlene site might make someone excited for Advanced Disposal's site.

Councilman Ingemann - Who is going to do the economic development for that, you? You have the County as the economic development.

Councilman Lund - Yea and they haven't listened to us in two years, they have the same plan from two years where they're putting 400 housing units.

Ms. Taphorn - The market study is 500 jobs and 500 housing units. The TIF projections are based on 440 apartment units.

Councilman Lund - If we were in charge of this, the administrative fees would be used for the economic development director. If we're in charge, we're in charge.

Councilman Ingemann - You have control through the CUP.

Councilman Lund - We can't say no to a conditional use permit.

Attorney Knaak - It's allowed if you meet the criteria of the zoning ordinance.

Councilman Lund - So we can't say no but if it's our economic development authority, we can. Their whole mission up until a minute ago was housing. That study said what the County wanted it to say.

Barbara Dacy, Executive Director, CDA - I wanted to clarify a couple points. What we presented to you was a market study, not a land use plan. Ultimately, it's up to the City to approve the development applications. Second, our mission is not solely housing. We're trying to build momentum. The transit station was first and then workforce housing. Several developers told us that we needed to get something in there first. Third, back in February, you told us that you would prefer housing to be on the west side of the area. You also supported our effort to become the economic development authority and hire Mr. Eng. We heard you and have asked him to go out to see if we can start promoting development in this area. We're trying to respond to our needs. We have to abide by your comprehensive plan and our job is to bring you the developers to go from there.

Councilman Sumner - Speak to the point of whether or not the City could afford TIFs further down if this were to be granted.

Ms. Dacy - I haven't done a fiscal analysis. That area is part of the project area. The focus has been on putting development in the Red Rock Crossing area. Stacie can address the fiscal impacts. The City Council has to decide where it wants to prioritize development.

Ms. Kvilvang - It's an individual choice of each city. To make a blanket statement that you can't afford that, I don't think you can say that. You have to do an analysis first. You'll look at how much of your tax capacity is captured in TIF and at each development. It really goes back to the but-for test. Would you get those developments but for the TIF. I can tell you that there are cities your size that have more than one TIF district. You have to complete that analysis.

Councilman Lund - What's the largest proportion of tax capacity in TIF and how did that work for them?

Ms. Kvilvang - I've seen over 20% and it's worked great for them. You have to look at the actual at the end of the day.

Councilman Lund - This is over 20%. The fact that we haven't looked at that shows that we shouldn't approve this today. Has there ever been an analysis of where the most efficient place is to put TIF? Where is the cheapest place where we can get the most bang for the buck, to spur amenities and get the most for the current residents. It's not the most expensive place to get developed. How can we sign off on spending \$25 million without knowing if it's the best place to do it.

Ms. Kvilvang - No city goes and looks to figure out the cheapest place to develop. This is a planning effort over 5 years that the City and community made. They made the Red Rock Corridor a priority. This is a financing tool to help you develop that plan. You can do plans for other areas but this has been a priority for the past 5-6 years.

Councilman Rahm - Yea, this has been past multiple Councils and comprehensive plans. If private industry was going to come in and build, why haven't they?

Councilman Lund - We have better sites that are ready and private developers haven't come to those yet. Why do we need to make more empty sites. This is going to bankrupt the town over the next 26 years.

Councilman Rahm - I don't think so. We're in a good financial position, our Mayor and Council have seen to that.

Councilman Lund - We have one of the highest tax rates in the County and one of the lowest home values.

Councilman Rahm - It'll help the utility fund right?

Councilman Lund - What if we could do the same thing to the Dahlene property for \$5 million instead of \$25 million?

Councilman Rahm - No one has looked at different scenarios.

Councilman Sumner - Can we table this?

Attorney Knaak - A move to table has priority over calling the question.

Councilman Sumner - I would table it for 90 days. Let's do a study for viable, alternative sites. Would the County drop us if we looked at another site?

Ms. Dacy - A tabling for 2 weeks may be helpful in trying to sort out the fiscal analysis. We could come back to you at that time with some more information. I think it gets back to the Council's priority and vision for this area.

Councilman Lund - My understanding is that the 2 week deadline is important because once a building permit is pulled, that base value goes up and can't be captured.

Ms. Taphorn - Councilman Lund is correct on that. The clock to establish a TIF district is predicated on the demolition of the Knox building. If MWF moves forward and pulls the permit, they can still be included in the TIF district, the increase would just be that much less. The vacant land north of Red Rock Crossing, if not included prior to January 20, 2017, it doesn't qualify for TIF because of the demolition of the Knox building.

Councilman Lund - How close are we on the substandard building requirement?

Ms. Taphorn - 57%.

Councilman Rahm - Another concern I have is that I've had people tell me when I've met with developers is that Newport is a hard place to work. Whether or not that's true, it's their opinion. If we sit there and screw around and delay these type of things, I think we send a message about do we want development or not.

Councilman Lund - I spoke with Steve Linn this weekend and his comment was that developers like to build up not down so it's not a prime retail spot. The vacant lots haven't been marketed to the public yet, if they are, they'd be developed without this money. We're taking the money from this apartment unit to build the rest of the area. They're taking the risk. There's \$2.5 million that keeps their organization running in this deal. There is a lot of motivation from them because they need that money to keep doing what they're doing.

Ms. Dacy - I would like to clarify what the rules are for the administrative costs. The admin costs are not automatic. We have to document in order to be eligible to take that and even when we document, the office of State Auditor comes in to determine if our documentation was correct or not. If it's not, that money has to be paid back to the jurisdictions. We're a mission driven agency to help the community thrive. We are here to help the City of Newport thrive and succeed. It's up to the City Council if this is the path you want to take.

Councilman Lund - I don't want to convey that you don't have a good mission, you do. I don't want to convey that you don't earn your money, you do. There is motivation there though because they don't use that money for a different project but it's paying for part of their salaries. This is the project we've been moving forward on. There probably should have been this investigation 5 years ago. To be fair, transit has changed. It wasn't long ago that we had trains coming through and now we have mediocre bus service that will hopefully get better. The plan hasn't changed though with that. The plan

has to go forward to keep the organization behind the plan going. You're great partners but that doesn't change the details of the plan. It doesn't mean what you did was less important, it just means that we have to be very careful and I think we could do a lot better than this area. The rest of it is already going to happen. This is just to get the part south of the spur redeveloped.

Councilman Sumner - Can we cut this project to just the north.

Councilman Lund - We don't need money to get that built. It's Greenfield with highway access.

Ms. Taphorn - The CDA has made an offer to the Regional Railroad Authority to purchase that outlot and there's some items that they need to do before it goes through. It's being sold at market value.

Councilman Rahm - These appraisals have been going up because of the transit station.

Councilman Sumner - Land prices in general have gone up so we can't say it's only because of the transit station. Let's take the table and come back with some financial analysis.

Councilman Lund - They want us to come back in 2 weeks.

Councilman Sumner - I said 90 days.

Councilman Rahm - I'm afraid that would kill some items.

Ms. Kvilvang - If you're going to table it for 2 weeks, you'll need to specify what information you want from us so we can put it together for you. Staff would need to put together alternative sites for you.

Councilman Rahm - I don't think 2 weeks is reasonable.

Councilman Sumner - I think we need at least 90 days and don't think it'll kill the project.

Ms. Taphorn - The 90 days would bring you to the middle of January. That would eliminate the northern properties in being included in the TIF district which would greatly reduce the amount of money received.

Ms. Kvilvang - The CDA wouldn't repay themselves if that northern portion wasn't included.

Councilman Rahm - So it probably wouldn't go forward.

Councilman Lund - I think this would be a fiscally responsible project if we were self-funding the area south of the spur. They're telling us it can't be done. I think saying no doesn't mean no forever. We have 2 lots of Greenfield now and that was a great benefit but now we're taking that benefit and saying we're only going to use it for here. I think saying yes kills our opportunity to do anything else.

Councilman Ingemann - You say no, you're killing everything.

Councilman Lund - We're killing the area south of the spur, excluding Wilson because they're not selling.

Ms. Dacy - I realize you said 90 days but what we could do in 2 weeks is look at all of the other development that's occurred and is occurring and look at the tax impact of that.

Motion by Sumner, seconded by Lund, to table Resolution No. 2016-43 for 90 days. With 2 Ayes, Geraghty, Ingemann and Rahm voting Nay, the motion failed.

Mayor Geraghty - Dan, I appreciate your passion on this but I wish the discussion happened earlier.

Motion by Geraghty, seconded by Ingemann, to approve Resolution No. 2016-43 as presented. With 3 Ayes, Sumner and Lund voting Nay, the motion passed.

10. ATTORNEY'S REPORT - Nothing to report.

11. WASHINGTON COUNTY SHERIFF'S OFFICE REPORT –

Sgt. Osterman - Deputy Freemyer had applied for a transfer to Water, Parks, and Trails and he was recently selected for that position. He'll receive a transfer date between now and the end of the year. This division handles all of the parks and trails, patrols the waters, helps with recovery, etc. He'll have a lot of opportunities.

Councilman Ingemann - He's also certified has a fire investigator.

Mayor Geraghty - Is this a promotion?

Sgt. Osterman - It's a lateral move.

Councilman Ingemann - A request was mentioned earlier. The Police Department would compile a list of different things that are going on in the city. Is it possible to have you provide a quarterly report?

Councilman Rahm - We had a monthly report before. You've been here a year, what activity is happening in Newport, how it's classified, so we can start looking at that again.

Sgt. Osterman - I've already been working on that. I get monthly reports that show self-initiated activities versus the number of calls. I've been trying to look at an analysis of productivity. It's very subjective depending on what you're looking at. I can give you solid data from January 1st but prior to that would be a best guess.

Councilman Rahm - My thing is going forward.

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

13. ENGINEER'S REPORT

A. Engineer's Report

Engineer Herdegen presented on this item as outlined in the October 6, 2016 City Council packet.

Motion by Ingemann, seconded by Rahm, to approve Resolution No. 2016-44 as presented. With 5 Ayes, 0 Nays, the motion carried.

City staff met with Cottage Grove, the School District, and County regarding the road improvements for the new middle school on October 5, 2016. The proposed round-a-bout will not be put in at this time and there is not a cost-share to the City at this time. If that intersection proves to be hazardous or congested, it will be reviewed at that point and a possible agreement will be drafted for costs and maintenance.

Councilman Rahm - Century Avenue north of that is gravel and I'm concerned that it needs more gravel.

Supt. Hanson - I have in this year's budget to add gravel to Century and brought those concerns to this meeting as well. We'll do some monitoring as well.

14. SUPERINTENDENT OF PUBLIC WORKS REPORT –

A. Quotes for Removing the Dock at 267 3rd Avenue

Supt. Hanson presented on this item as outlined in the October 6, 2016 City Council packet. The City Council directed staff to contact Western Refinery to see if they would be interested in having the dock remain there until the spring when it would be moved to a permanent location.

15. NEW / OLD BUSINESS

A. Compost Site Fees

The City Council discussed this item as outlined in the October 6, 2016 City Council packet. It was the consensus of the City Council that the compost site fee will remain as is.

16. ADJOURNMENT

Motion by Geraghty, seconded by Rahm, to adjourn the regular City Council meeting at 8:03 p.m. With 5 Ayes, 0 Nays, the motion carried.

Signed: _____

Tim Geraghty, Mayor

Respectfully Submitted,

Renee Eisenbeisz

Assistant to the City Administrator