

PROPOSED MINUTES OF THE CROOKSTON CITY COUNCIL, POLK COUNTY, MINNESOTA. THE FIRST REGULAR MEETING OF FEBRUARY 13, 2007, COUNCIL CHAMBERS, CITY HALL.

Mayor Dave Genereux called the meeting to order at 7:00 p.m. and requested all present to stand for a moment of silence.

Council Members present in answer to roll call were: Craig Bunes, Keith Mykleseth, Wayne Melbye, Harry Manole, Tom Vedbraaten, Guy Martin and Frank Lindgren.

Council Member absent: Marlys Mjoen.

Staff present were: Mike MacDonald, Scott Kleven, Tim Motherway, Tom Lindo, Aaron Parrish and Betty Arvidson.

CROOKSTON FORUM

There was no one present to address the Council.

APPROVAL OF AGENDA

On motion by Council Member Manole, seconded by Council Member Mykleseth and duly carried that the Agenda be approved as presented.

CONSENT AGENDA

Council Member Mykleseth asked that Item No. 6.12 be moved to Item No. 8.06 under the Regular Agenda.

On motion by Council Member Lindgren, seconded by Council Member Bunes and duly carried by roll call vote to approve the Consent Agenda which includes the following items:

- 6.01 City Council Minutes of January 23, 2007.
- 6.02 Resolution to approve City of Crookston bills and disbursements in the amount of \$573,046.95. Check Nos. 30852 through 30984. (Res. No. 24557)
- 6.03 Resolution to appoint Dennis Koch to the Development Policy and Review Committee. Three-year term to expire December 31, 2009. (Res. No. 24558)
- 6.04 Resolution to appoint Bob Cameron to the Development Policy and Review Committee. Three-year term to expire December 31, 2009. (Res. No. 24559)
- 6.05 Resolution to re-appoint Richard Maves to the Development Policy and Review Committee. Three-year term to expire December 31, 2009. (Res. No. 24560)
- 6.06 Resolution to appoint Sherry Gilstad to the Crookston Library Board. Term to expire December 31, 2008. (Res. No. 24561)
- 6.07 Resolution to appoint Frank Lindgren to the Crookston Library Board. Three-year term to expire December 31, 2009. (Res. No. 24562)
- 6.08 Resolution to appoint Nel Deboer to the Crookston Development Authority Board. Six-year term to expire December 31, 2012. (Res. No. 24563)
- 6.09 Resolution to appoint Trent Brekken to the Planning Commission. Term to expire December 31, 2007. (Res. No. 24564)
- 6.10 Resolution to appoint Harry Manole to the Convention and Visitor Bureau. Term to expire July 31, 2007. (Res. No. 24565)
- 6.11 Resolution to approve receiving request and calling for a public hearing on vacating 20 feet of an easement in North Acres 2nd Subdivision. Public Hearing set for March 13, 2007. (Res. No. 24566)
- 6.12 This item was moved to Item 8.06 under the Regular Agenda.
- 6.13 Garbage hauling license to Bacon's Sanitation for 2007.

PUBLIC HEARINGS

Mayor Genereux stated there is a public hearing tonight. He stated if anyone wished to be heard to please come to the podium and state their name and address.

7.01 Mayor Genereux opened the public hearing on the 2007 Street Improvements.

Mayor Genereux opened the public hearing on the 2007 Street Improvements. He stated if anyone wanted to be heard to please come to the podium and state their name and address.

Clerk/Treasurer Arvidson stated there were several projects on the list for 2007 and that we would be going through them one at a time. The first group of projects were the reconstructions. The first one is North Ash Street from Fifth Street to Sixth Street. There was no comment on this project. The second project is Marshall Street from 3rd Avenue South to 7th Avenue South.

Jeff Schultz, 206 3rd Avenue South, stated he lives 2 houses down from Marshall Street and he is being assessed a lot of money for construction of a street that he never drives on. He asked how much per foot it is costing him as he has a 75 foot lot. Arvidson stated first of all this is a proposed assessment and the staff used last years prices to come up with the estimate based on our current assessment policy. According to the worksheet the estimated cost is \$133 per foot. Arvidson also stated that Mr. Schultz is being assessed a side street assessment which assesses halfway down the block off of Marshall. Mr. Shultz asked if the people on Marshall are being assessed twice what he is being assessed? He stated he is being assessed \$6,200 for not even living on Marshall. Rich Clauson, Widseth Smith Nolting, explained that the City policy is if the street directly in front of your house is being worked on that is a front street assessment. When the street on the side of your lot is being worked on, the costs go half way down the block and assess those property owners.

Warren Panzer, 1609 Marshall Street, asked if the Highway Department is being assessed as they are at the end of the road. City Administrator, Aaron Parrish, stated the Highway Department has not been assessed. Parrish stated the important thing to note is, and asking questions and getting responses is good, but this is not the assessment hearing. We want to have a good understanding of how the project is going to be financed but the assessment hearing will actually take place later. The primary purpose of this hearing is to discuss the features of the project and whether the project will be advertised for bids and at that time we will have a better idea of what the potential assessments are going to be. Many of the people here are concerned about the level of assessment they have received. The preliminary estimated assessment notice does not have the benefit of having gone through the bid processes. The Council is also very concerned about the estimated prices. They are planning to deviate from the normal way we do these projects. We are going to review the bids and the parcel by parcel impact once we have actual bid numbers which should be at the April Street Committee meeting. Parrish just wanted people to know that the primary purpose of getting the bids for the project is to see whether or not it is feasible to do the project. Mr. Panzer stated he does not even know what the project is, nobody has been told. Does it include sidewalks? Parrish stated for Marshall Street it involves reconstruction of the entire street and it does involve sidewalks on one side of the street. There will be an additional segment added, that portion of which goes to Carmen Terrace, which currently is not improved. Mr. Panzer stated if the Highway Department is not getting assessed that means the trailer court is not getting assessed either. He asked if we had done a traffic study on what affect paving that one block of gravel will do. He stated about two-thirds of the traffic on Marshall Street is from the trailer court. There are forty trailers and one house in the trailer court and only 17 homes along Marshall Street of which 13 have driveways that enter into the street. So there are over 40 compared to 14 and they are not even going to be assessed? 60% of the traffic comes from the trailer court and they are not even going to have to pay for it. Does that make sense? If you are going to pave the block that comes from the trailer court and run all of that traffic right through the heart of the neighborhood, what you should do to make it fair is to open up 8th Avenue which comes out of the back end of the trailer court that goes right to South Main Street, but of course you will never do that because it runs right by the Alderman's house. But that would be fair because when they put the trailer court in, in the early 60's part of the deal to appease the people in the neighborhood, when they let the trailer court go in there, was they did not gravel that one block and they paved the block coming on 7th Avenue so that all the traffic would go out that way. There is an intersection there that doesn't even have a sign. About the sidewalks, talk about being fair. The new addition gets all of those perks. Here you are building a new neighborhood from scratch but they don't have sidewalks. When you redid Sunflower Street 3-4 years ago, where the old Carmen school was, there was a sidewalk that went the whole length of the block that got torn out. Why didn't they have to have sidewalks? Take Golf Terrace, they didn't have to have sidewalks. Has anybody done a study on how many people use the sidewalks? If you did do a study you would see it is not worth it. Here the assessments are sky high already and you are going to charge us for sidewalks that nobody uses? It just doesn't make common sense. They are planning to narrow the streets, correct? Clauson stated that yes this street will be narrowed to 32 feet. Panzer asked why are they doing that. Clauson stated the policy has been to narrow the side streets to 32 feet to help lower the cost of reconstruction. Panzer stated now you are giving us a longer driveway, and more boulevards. The City has all heavy equipment and you are going to make us have to shovel a longer driveway, bigger boulevard and you have more grass to cut and more garbage to pick up, that doesn't seem right either. Then when you narrow the street you are making a narrower intersection which could lead to more accidents. Genereux stated the reason we narrow the streets is to reduce the cost of the street. He asked Mr. Panzer if he wanted to keep the costs down. Panzer answered yes.

Miles Volker, 201 7th Avenue, was wondering if there was going to be storm sewer included in the project. Water doesn't drain out of his yard at all. He has to dig a trench so water drains out of the yard. Clauson stated they will be extending storm sewer half way down the block. Volker stated he has to pump water out of his yard. When they raise the road up won't that block the water more? Clauson stated that the road will be cut down to try to address the drainage in that area.

Deb Wilson, 817 2nd Ave., East Grand Forks, owns 2 50-foot lots on 7th Ave South. The lots are unimproved and according to the letter they received the City is planning to assess them around \$12,000 for those two pieces of property which seems like a lot of money for a piece of property you can't sell for \$5,000. Is there a plan for unimproved lots? She stated that she understands paying her share of taxes and improvements but she does have a problem with the amount. It is two and half times what the property is worth. It is a big enough property to build on but have not sold it. Parrish stated with undeveloped lots if they are buildable they would have a similar assessment applied to them.

Julianne Beaulieu, 1523 Marshall Street, stated she has an assessment for \$12,413.33. She stated "You guys are out of your mind if you think I am going to pay this". She moved to Crookston 6 months ago. Her mortgage company and realtors, Crary can attest to it too, that she asked about special assessments and was told there were no special assessments pending. She saw a sewer line going in, and they said don't worry about it because the city would have to have money to pave that, don't worry about it because it's already in a project that they had already done. Now, 6 months later she gets a \$12,000 bill in the mail. She didn't move to Crookston to pay for taxes like that. She stated she works in Thief River Falls and drives 40 miles a day. She has heard that the Minnesota Department of Transportation is broke and people are looking around for money to support salaries. She stated that she is not going to pay for anybody's salary. If she has to drive 40 miles to work other people should. She shouldn't be out there supplementing someone else's salary. What are you going to do with people that are on fixed incomes? There are a lot of elderly that live in the neighborhood. "Don't tell me that Social Security is going to give them extra money to pay their assessment". These people have lived here for 50-60 years, like the house she bought look at how many years they had owned it. They were established here. If this assessment goes through she is selling her house and bailing out of here because she is not going to support something like this. Just like the one person said, the traffic is all coming from the trailer park. They get an occasional Happy Joe's delivery vehicle or Schwann's truck but there is nobody that ever walks down the street. She stated that she and her son took a ride around and there are no sidewalks on Campbell Road, no sidewalks on Sunflower so why does Marshall get the privy to have sidewalks that nobody walks on. It is absolutely ludicrous to put a \$500,000 project in on Marshall Street. "Whoever comes around there; is President Bush coming around so you have to pave the road in gold"? Genereux thanked Ms. Beaulieu for her comments.

Darrell Forseth, 209 5th Avenue South, asked when will they know how much the assessments are going to be, what the project is going to be and when it is going to be done? Since he lives on 5th Avenue, he is getting a side street assessment and he was wondering when they are going to be doing 4th Street and 5th Street as he would be getting assessed for that. Another question he had was regarding the installation of curbs. He grew up in that neighborhood; his dad bought their house in the 50's. They never had curbs in the whole neighborhood and now we have to have curbing. That doesn't make sense. He agrees with having a street in there but curbing doesn't make sense and sidewalks sure don't make any sense. They don't have a school nearby that people have to walk to. Mr. Forseth stated he is disabled and this will cause a harsh burden on him. He is trying to get his roof done this year and is wondering where the money is going to come from for that, let alone the \$6,000 he is getting assessed for. This is a terrible burden, especially with a fixed income. Will there be another meeting to discuss this again to see if the citizens approve it or not? Do they have a voice in whether it gets put through our not and how it gets put through? Parrish stated the Council will review the bids at the April Street meeting, which will be in early April. At that time they will have a reasonable estimation of what the project costs are going to be if they elect to proceed. Depending on what the project costs look like and based on your feedback here tonight the Council will consider what project features will ultimately get built, whether that means sidewalks or addressing the issue of the length going into Carmen Terrace. One opportunity will be at the Street Committee meeting, the other opportunity will be at the meeting where the Council will award the bid, which would most likely be the first Council meeting in April. Mr. Forseth asked if the citizens would have any say on whether or not we approve, say sidewalks or curbing. Do we have any say on it at all, or is that just finalized and we accept it. Parrish stated this is your opportunity to provide feedback to the Council as they consider that decision. So, if you are supporting one facet of the project it is important to indicate that and if you are not supporting one facet it is important to indicate that as they consider what kind of project, if any, goes forward. Mr. Forseth supports having the street put back in as far as pavement, but doesn't feel the whistles and bells have to be put in. It is a poor neighborhood and you are asking quite a bit. He stated that his house was just reassessed at \$35,000 and he bought it for \$22,500 and he is being asked to pay an additional \$6,000 along with his normal taxes? This is just unreasonable and he won't be able to absorb it. He stated that he would appreciate being notified in writing. Parrish stated we will be sending a letter when the Street Meeting in April is going to be.

Parrish stated that something that came up in the previous individual's comments, and he asked Arvidson to comment regarding the deferment policy. Arvidson stated we do have a policy for the deferment of special assessment for senior citizens and the disabled because of hardship. When the project gets to the assessment process there is an application that can be filled out and if you meet the guidelines your assessment can be deferred.

Council Member Mykleseth, referred to a comment made by Mr. Forseth, wondering if he had any say in the matter and we stated you could talk about it here. But you can talk to any one of the Council Members, your Council Member, and the At-Large Council Members. Feel free to give us a call as your input is considered strongly.

Council Member Manole, stated Marshall Street is in his ward, and he appreciated the citizens coming as this is the way to do it. Come to the meetings and let us know what you are thinking. We don't know what you are thinking unless you tell us.

Bill Kresl, 116 5th Ave South, stated he owns quite a few properties in town and he is used to getting the assessment notices. This one is about double the cost of what he is used to seeing. He thinks that is what a lot of concerns are. He asked if the Council would take into consideration, after the costs come back, to look at what can possibly be done. He stated the Council is looking at a couple of other proposals on cost sharing of some other special assessments in the new part of town. In looking out at the new part of town they have been discounting lots for years and eating special assessments. If the bids come in high, and this is the thing of the future, the

Council is going to have to start looking at ways to assess these projects differently. Going back a half a block has worked in the past but may not work in the future. He hopes that the Council takes this into consideration when it is all said and done that when they are looking at reducing special assessments in town on similar projects and now they are starting to get into higher cost projects they may have to look into different ways of financing. So when they are considering them when this comes up just make sure it is looked at. It's not an easy answer. It is something that they will have to take into consideration when they are voting on these other ones. If they start cutting in half some of those, and when these come up he is sure that everyone will be coming back to that next meeting and asking "what are you going to be doing for us"?

Arvidson stated the next reconstruction project is Locken Boulevard from Goveland Avenue to Memorial Drive.

Laverne Ross, 613 Locken Boulevard, stated she realizes this is an estimated assessment and she knows they have to have something done on their street as they had a very bad water break last year, but she objects to the amount of her assessment which comes to a little over \$17,000. There are only 6 people on their street. It was a little bit of a shock to get a letter with a \$17,000 plus estimated cost. She hopes that something can be done for less than that.

Scott Baatz, 609 Locken Boulevard, stated he shares Laverne's concerns about the street project. He stated that \$109,000 estimate is excessive. He told the Street Committee last week that he was opposed to it and he is still opposed to it.

Shane Heldstab, 601 Locken Boulevard, stated he was curious about what was going to be done to the road. He received his assessment and he understands that it is high and we talked about it last week, about the price of oil being up, concrete being up. Will there be sidewalks on both sides, curb? He stated Pat Kelly had talked about a new sewer, and water.

Clauson stated it is proposed to rebuild the road to a 30 foot wide street with curb, gutter and sidewalks on both sides. The sewer and water that is going to be replaced will not be assessed to the property owners as that is paid for out of the water fund and sewer fund.

Arvidson stated the next project is a bituminous mill and overlay of North Broadway from Seventh Street to Fourth Avenue North.

Dave Fish, pastor of the Seventh Day Adventist Church on 720 4th Ave NE, stated they have a concern on the assessment in the past concerning the block of property they own in the amount of \$22,000. Many of the improvements were not a benefit to them like the sidewalk on the east side of their property. Arvidson stated the project in question was North Broadway and Mr. Fish is referring to a project on Norton Circle, just so the Council is aware of the location of the project in question. Mr. Fish went on to state the Norton Circle project is a part of their property that is undeveloped and they are not using it. Their access is on the south so the improvement is not a benefit to them. They are being assessed \$3,000 and they are a small congregation. The last \$22,000 hit them pretty hard and they are doing their best to pay it. They have actually paid it by taking out a loan and are paying the loan back. Another \$3,000 seems unreasonable to them. Mr. Fish asked the Council to consider ways to adapt the policy so those that are benefited are the ones that pay the assessments.

Mayor Genereux asked if anyone had comments on the North Broadway project.

Paul Proulx, 109 E 8th Street, stated he is being assessed for Broadway in the amount of \$1,972. In the matter of a couple of years, since 8th Street was overlaid, he was assessed over \$900 on that one. When that project came about he went around and talked to his neighbors to see how much they were being assessed. He added them all up and he came up with a figure. He then went down to the asphalt company that was doing the project and asked them how much the city was paying them. He stated it was \$2000 less than what they were assessed for. He then went to the city and asked why there was an extra \$2000 being assessed and he was told to cover engineering. He hadn't seen any engineers up on the project plus he is paying for an engineer in the city, Pat Kelly, who is an engineer. Proulx was told we have a contract with Widseth Smith Nolting and they do all of our engineering. Proulx indicated that the city already gets money to cover their engineer what are you doing with the extra \$2000, spending it on something else. Proulx stated he has been in business long enough that he knows how cities and other governments work. The assessment on North Broadway was assessed to them around five years ago and they turned that assessment down. Proulx stated it is a State aid road and why are we using city funds and our tax money to pay for that road when we are paying for it in gas tax. Proulx stated if you can not get the money out of the State something is wrong with this Council. Considering how the City is proposing all of these other expenditures in town like the new arena, he stated he is getting off the subject but wants to talk about these items. You declared that Carmen Addition is a \$300/year for flood fee. Genereux stated that no, we have not. Proulx questioned where the information had come from then. Proulx stated that it was taken from the Wood's Addition and moved over to Jerome's Addition. Proulx apologized for the confusion between Carmen and Jerome's Addition. Proulx feels the money you want to build the arena; if you would get FEMA to do the project you could get money from them. That area hasn't flooded since the 1950's. The whole thing about the arena, sure it is nice to have it but we have a school district that is going wild. No more education, it is all sports. Everyday after school buses go out of town for games. Just listen to KROX there is about five or six different games the kids are playing out of town. Mayor Genereux asked Mr. Proulx if he could keep his comments to the street project.

Mr. Proulx doesn't feel they should be assessed for North Broadway. When the city did 8th Street he was assessed around \$3,000 on that street for water mains, sewer mains and storm sewer. They put the storm sewer in and he never got the rest of it. Proulx asked what was going to be done on Broadway, if there were utilities included. Clauson stated no (utilities) that it was just a mill and overlay. Proulx stated that on his street he did not get the utilities done and it cost him \$11,000 to replace them himself. Then the city came in and put an overlay on top of it. He stated if he has to sell his house nobody can get a loan on it because it is a private utility. He stated unless the City pays him \$11,000 for his assessments no more assessments for him.

Arvidson stated the next project was a bituminous wear course on University Avenue from Sunset Avenue to Fisher Avenue – no comments; North Main Street from Eight Street to Fourth Avenue North – no comments; Third Avenue NE from Barrette Street to Charles Street; Charles Street from Eickhof Boulevard to Third Avenue NE; Gretchen Lane from Eickhof Boulevard to Third Avenue NE and Wilson Avenue from Gretchen Lane to Charles Street.

Anders Berggren, 1102 Gretchen Lane, is at the corner of Gretchen Lane and 3rd Avenue NE, so he is being assessed for both projects. Berggren stated he is not so concerned about the cost, the question is whether the streets were supposed to be paid for when they bought the lot or not. Berggren stated he does not have anything in writing so he can not really say anything to that. Berggren's biggest question is why Charles Street, Gretchen Lane and Wilson Avenue were grouped in one project and then 3rd Avenue NE is another project. The total cost of the 3rd Avenue NE project was about \$1,600 compared to \$600 for the Gretchen Lane. Why would the side street be more than the street he actually faces? The other question is on 3rd Ave NE, there is still one unsold lot and a few other unsold lots through the Addition. What are there incentives going to be when somebody does purchase those lots. Are they going to have to pay those assessments or is that going to be waived for them in the future? Arvidson stated there has not been discussion to date regarding the assessing of the unsold lots but will need to be discussed. As far as the question regarding the different costs for each project on Berggren's parcel, Arvidson referred to the previous discussion regarding front street and side street assessments. On one project Berggren is being assessed for a front street assessment, which is the front footage times the estimated assessment rate per foot, where on a side street assessment the benefited properties are those that are half way down the block. This ends up being a lesser amount than a front street assessment. Berggren stated his house faces Gretchen and his assessment on 3rd Ave NE is larger. Arvidson explained that even though his house faces Gretchen Lane, the way the block is platted the front side of the lot is on 3rd Ave NE. All the properties along 3rd Ave NE are receiving a front street assessment for 3rd Ave NE. The side street assessment is along Gretchen Lane. Berggren stated there is an issue along 3rd Avenue NE between Barrette Street and Gretchen Lane. The past two summers the road has been resurfaced due to a frost issue and he is wondering if there is a plan to fix the frost issue or will that part of the road need to be re-done every year. Clauson stated there have been soil borings done along that stretch of 3rd Avenue NE and they checked out O.K. They are not sure why the asphalt is breaking up there but it has been replaced and they feel it is taken care of now.

Mayor Genereux stated that if anyone has specific questions on how the assessments were calculated feel free to come to city hall and stop in Betty's (Arvidson) office and she will walk through it with you.

Elaine Jordan, 1103 Charles Street, expressed her concern, as she was assessed \$1,628 for 3rd Ave N and \$576 for Charles Street and wondering if the trailer court, which is outside the city limits is getting assessed. They are the ones who use that street as much as anybody. Parrish stated that Forrest Knolls, or the new name of North Acres Estates, is within the City limits and does have an estimated assessment also. Arvidson stated Jordan is at the other end of the block from Mr. Berggren and has the same situation with the front street and side street assessment. Jordan understood that but stated this is a hardship because she is on a fixed income and is working extra to make ends meet to pay for things that happen like the car breaking down or the washing machine quitting. She stated she still needs things for the house like rain gutters. Jordan asked when she is assessed will it be spread out over so many years on her taxes and will she be charged interest? Arvidson stated once the project is done there will be an assessment hearing where there will be a recommended term and an interest rate. The interest rate has been 5.5% the past few years. The rate hasn't been set for this year yet but Arvidson doesn't see need for much of a change if any. The term is determined by a guideline but can be flexible.

Brent Melsa, 1021 3rd Ave NE, stated he was at the Street Committee meeting last week so a lot of this was hashed out. He did ask why he was being assessed for Wilson Avenue. Arvidson stated that side street assessments go half-way down the block. This alleviates corner lots from carrying the full burden of side street projects. This is part of the city of Crookston's Assessment Policy that was adopted by the City Council. Melsa stated that Wilson is the street directly behind them so why should they be assessed for that. Arvidson apologized for confusing Wilson and Charles Street. Mr. Melsa is not being charged for Wilson Street that is just being done under project 905 which includes Charles, Wilson and Gretchen Lane. Arvidson stated that he would only be assessed for 3rd Ave NE and Charles Street.

Calvin Anderson, 1015 3rd Ave. NE, stated along with Brent (Melsa) he was at the Street Committee meeting last week. Listening to a lot of people talk about their assessments he understands that theirs are not nearly as high but he wanted to address the comments that were made about the "special" treatment in their area. The reason they went to the Street Committee meeting was that it was their

understanding when they bought their lots that it was a finished street with curb and gutter. Last week it was voted upon (by the Street Committee) to absorb one half of the cost and his feeling on it is whatever we can do, great, but if that were an adequate solution to the problem why wasn't that done in the Evergreen Estates area a year ago when it was voted on to take care of their assessments.

Myron Kaiser, who owns property on North Broadway, stated his assessment isn't that large but isn't that a State aid road and why isn't that funded by a state gas tax? Why would we be assessed for it? Parrish stated in order to maintain some level of fairness and equity in the community and not have a significant differential between those streets that are designated State aid and those that are not designated State aid we charge a rate for those on State aid streets even though we do receive 100 % reimbursement from the State for those projects. We redirect the State money into paying the city share of the projects on the non state aid streets so we can make the assessment process a little more equitable. That way we do not have 20% of the community as the haves (State aid) because we can only have 20% of our mileage on the state aid system and 80% of the community as have not's (non state aid). Kaiser asked, so he's not being charged for his property but he should be paying for someone else's property? Council Member Mykleseth thought that overlays were different than street reconstruction. Parrish asked if Mr. Kaiser was looking at an overlay, the answer was yes. Parrish stated on overlays everyone pays 100%, but we still utilize our state aid account. It is part of our overall funding mix that helps support our street reconstruction program. Kaiser asked, doesn't the state pay for the overlay. Clauson stated the city receives funds for the overlay from the state aid account. Kaiser stated that he has to pay for someone else's property while the state is paying for his, right? Clauson said yes, if you want to look at it that way. Mykleseth stated another way to look at it is that we only get so many state aid miles in the community and we have to balance that out and so why would it be fair that some are state aid and some aren't? That is part of the reason for the process to balance it out. Kaiser stated if it is paid for by the state gas tax it is like double dipping. Council Member Bunes stated not really. Take his addition for example and take someone that lives on Stuart. Woodland is a state aid road. Should the people on Woodland have everything free and the street right behind it have to pay everything? We are just trying to average this thing out. State aid streets normally have more traffic and are built to a higher standard. We are trying to average this out so we don't have a problem like we have here tonight. The Council elected to take some of that state aid money and apply it to non-state aid streets to try to balance it out. Kaiser stated he gets where the Council is coming from. Bunes stated they are all here tonight because they have a concern about the costs and the Council has a concern too. They are not the only community dealing with this as prices for materials go up and the cost of living isn't going to go down. We as a Council have to be smart in what we do and in the same token we need to also be fair.

Paul Proulx asked why the city hasn't set up an account for streets and sidewalks and fund it through our taxes. It may take an additional \$20 per year in taxes or whatever it takes. We all drive on their streets and they all drive on our streets. Have you ever thought of it? Why wouldn't it work? Bunes asked if Proulx agreed that the city assesses the state aid. Proulx stated he agreed that you take the state aid and apply it to the road that it was for, don't put it someplace else even though it would help someone else. Proulx stated we have to stop that and set up this account. Mayor Genereux stated we would take a look at this idea.

Arvidson stated the next project is the Norton Circle cul-de-sac. Caroline Weber, 601 4th Ave NE #3, stated she is the president of the Landmark Townhome Corporation. Her question is, and it may have been answered but, they are being assessed for Norton Circle and she is wondering why. Parrish stated this particular property does have limited frontage on Norton Circle however it does have frontage. They do have the potential to access and drop a curb cut into Norton Circle. As in any property that has multiple streets abutting it they have the potential to access their property via Norton Circle. Weber stated she lives on 4th Ave NE and can access Norton Circle? She is not sure she understands that. Parrish stated they could drop a driveway or curb cut into Norton Circle. Weber asked why they would want to. Parrish stated he didn't say they would want to but that they would have the ability too. Weber asked if that is why they are being assessed and Parrish answered yes because they have frontage and the ability to access it.

Council Member Vedbraaten stated he has driven out there and looked at it a couple of times. They do have around 23 feet and there isn't room to build any more on their property so the only thing they could do is drop a curb cut for a driveway in to make a road through there. Why would they want to do that? They would have a race track through the apartment buildings? He looked at other projects done where it is not a buildable lot and the Council has reduced or dropped an assessment. Vedbraaten recommended doing the same thing with this parcel. This isn't a piece of property that is really buildable for anything and there is no reason they would want to put a road in it. It would be more of a hassle for them to have a road in than the plus side. Mayor Genereux suggested that the Street Committee could take a look at this issue.

Arvidson wanted to clarify that this would have no impact on the project but would be decided at the assessment hearing.

Jerry Robinson, 601 4th Ave. NE unit # 6, agrees with Tom (Council Member Vedbraaten). If the Council would go up and look at the property and look at the part where they are assessing them there is virtually no reason for an assessment. He asked if the church was being assessed and the answer was yes. Robinson stated they only have 23 feet and what is the width of a driveway? It doesn't make any sense. He feels if the Street Committee would go up and look at it they would see it doesn't make any sense to build back there or put in a driveway. It has been the same way since 1974 and to assess them for a piece of property that they will never use even

though he understands the argument of everybody paying their fare share. That property has been there forever and they have paid for the improvements around their block. Mr. Robinson stated there is a tree line back there with some public grounds for the association. There is a driveway that comes up to it and turns and there is probably 40-50 feet back to the area we are talking about. There are no homes back there and they access their property from Walsh Street and two driveways that go south. Putting another driveway would be senseless and not cost effective for anybody. Mr. Robinson stated there were 8 or 9 association members here tonight and he was pretty sure that they would agree with him that it is unnecessary and unfair

Mr. Fish, Seventh Day Adventist Church, stated that since they are receiving no benefit, at least that is their opinion and conviction, for Norton Circle, that this would also be considered during this assessment. Mayor Genereux stated the Street Committee would be taking another look at it. Council Member Vedbraaten stated his only argument with that is there is access there even though they don't use it now but there is potential to. If they ever needed to, they could sell a lot and build on it or they could build a parsonage on it. They could use that lot where the association really can't use theirs. They can't build another townhouse on it and they wouldn't want to put a road in. The Church has the potential to do something with it if they wanted to. Mr. Fish stated the problem he has with it is the way it was designed, the cul-de-sac. It put a lot of frontage on their property and they, as far as they know, didn't have any say in the design. Vedbraaten stated he did not know where you would take the frontage off. There is a circle in there so he felt there was no other way to do it than the way it was done. Mr. Fish asked if the road had stopped before they got to the cul-de-sac, are there houses on the east side of Norton Circle. Vedbraaten stated there are houses on both sides of the cul-de-sac and there is room for one more set of twin homes in there. Mr. Fish felt they were being assessed as if there were houses aligning on their portion too and they will never do that. Vedbraaten stated "never say never" as you never know what is going to happen. The potential is there if you wanted to develop the land. We can't just not assess them as they own the property. He said it was just like the person stating they do not own a car and they don't drive so they should not be assessed for the street in front of their house. Mr. Fish stated he understood that. Vedbraaten stated it is nice for people to own all of this property so they have control of it but when it comes to streets you still have to pay for it. People don't seem to look at this when they buy all of this property. He stated they have streets on three sides of their property. Mr. Fish commented they didn't want the street on the top side (Norton Circle)

Mayor Genereux asked if anyone else wanted to be heard. In hearing none Mayor Genereux thanked the citizens for coming and giving their input. The Council is very interested in these issues and will address them the best they can. They are very sensitive to the costs of the projects and they will do their best to evaluate them again and the citizens will be invited back for further input if needed.

Mayor Genereux closed the public hearing.

REGULAR AGENDA

- 8.01 On motion by Council Member Mykleseth, seconded by Council Member Bunes and duly carried:
Resolution to approve adopting revised Special Assessment Policy. (Res. No. 24567)
- 8.02 On motion by Council Member Lindgren, seconded by Council Member Vedbraaten and duly carried:
Resolution to approve ordering improvement and preparation of plans and specifications for 2007 Street Improvements. (Res. No. 24568)
- 8.03 NOT PASSED:
Resolution to approve assessing one-half of the project costs for the bituminous wear course for Third Avenue NE, Gretchen Lane, Charles Street and Wilson Avenue. (Res. No. 24569)
Council Members voting in the affirmative: Mykleseth and Manole.
Council Members voting in the negative: Bunes, Melbye, Vedbraaten, Martin and Lindgren.
- 8.04 On motion by Council Member Vedbraaten, seconded by Council Member Melbye and duly carried:
Resolution to approve 2007 Housing Incentive Program for new housing construction. (Res. No. 24570)
- 8.05 On motion by Council Member Vedbraaten, seconded by Council Member Mykleseth and duly carried:
Approve a Variance to allow a reduction of front yard setback, from 25 feet to 21 feet, to allow the construction of a garage addition to the existing building at 210 4th Ave. S. (Res. No. 24571)
- 8.06 On motion by Council Member Vedbraaten, seconded by Council Member Mykleseth and duly carried:
Approve a license to allow a MMA (Mixed Martial Arts) Fight for March 2, 2007, at the National Guard Armory.

REPORTS AND STAFF RECOMMENDATIONS

Mike MacDonald, Community Development Director, stated FEMA has issued the LOMR (Letter of Map Revision) for the Wood's Addition, which takes areas out of the flood plain that are protected by our flood control project. Effective date of the LOMR will be February 26, 2007, and the Council will need to adopt the map.

Aaron Parrish, City Administrator, stated Senator Coleman will be at Riverview Healthcare on Friday, February 16, at 2:30 p.m. and invited all that were interested to hear Senator Coleman to please attend.

Craig Bunes, Council Member 1st Ward, stated he was gone when the Red Power fire happened, but he wanted to commend the Fire Department on a job well done in controlling that fire.

Keith Mykleseth, Council Member 3rd Ward - No report.

Wayne Melbye, Council Member 4th Ward, stated it was good news that the City had received the LOMR, but until everything is adopted his addition is not “dancing in the streets yet”. They are planning some informational meetings and will be publicizing those at a later date.

Harry Manole, Council Member 5th Ward, thanked the citizens for their good participation in the public hearing tonight and stated it was good to ask questions and hopefully we could answer them.

Tom Vedbraaten, Council Member 6th Ward, also wanted to thank citizens for coming to the public hearing tonight.

Guy Martin, Council Member-at-Large - No report.

Frank Lindgren, Council Member-at-Large - No report.

Mayor Genereux thanked the Public Works Department for handling the water main break on Broadway and 6th Street last week. He too appreciated the comments from the citizens on the public hearing.

ADJOURNMENT

Mayor Genereux declared the meeting adjourned at 8:51 p.m.

David W. Genereux, Mayor

Betty Arvidson, City Clerk-Treasurer