

**MINUTES OF THE
WATERTOWN CITY COUNCIL**
Regular Meeting Tuesday, May 28, 2019

Mayor Steve Washburn
Deborah Everson
Lindsay Guetzkow
Adam Pawelk
Michael Walters

1. Call to Order and Roll Call

Pursuant to due call and notice thereof, the regular meeting of the Watertown City Council was called to order at 6:30 p.m. Tuesday, May 28, 2019 in the Council Chambers of City Hall by Mayor Steve Washburn.

Council Members present: Washburn, Michael Walters, Deborah Everson, Lindsay Guetzkow, and Adam Pawelk.

City Staff present: City Administrator Shane Fineran, City Engineer Andrew Budde, and Clerk/Treasurer Lynn Tschudi.

Those who signed in were: Mario Cortolezzis and Jim Kasheimer.

2. Adopt Agenda

GUETZKOW MOVED, EVERSON SECONDED A MOTION TO ADOPT THE AGENDA AS PRESENTED. MOTION CARRIED 5-0.

3. Consent Agenda Discussion and Approval

All items listed under the consent agenda are considered to be routine by the City Council and will be enacted by one motion on an affirmative vote by roll call of a majority of the members present. There will be no separate discussion of these items unless a Council member or citizen so requests, in which event, the item(s) will be removed and discussed prior to the adoption of the consent agenda.

PAWELK MOVED, WALTERS SECONDED A MOTION TO ADOPT THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED 5-0.

- A. Adopt a motion to approve City Council Worksession Meeting Minutes from May 14, 2019
- B. Adopt a motion to approve City Council Regular Meeting Minutes from May 14, 2019
- C. Consider Resolution #2019-73, Approving a Step Movement for Mike Dressel
- D. Consider Resolution #2019-74, Appointing Planning Commission Member

4. Open Forum

5. New/Old Business

A. Permit Fee Waiver Request

Fineran said the re-developer of 116 Angel Avenue SW is requesting the city waive all or most of the building permit fees and trunk connection fees for this project. The planned re-development includes the construction of four townhome units. Fineran stated if Nishul Patel with Amba Homes gets the fees waived, he would guarantee the rental would be limited to residents age 55 plus for at least four years. Patel would also offer a reduced rental rate. Fineran would like to see the reduced rental rates set for a period of five years rather than four and conform to the HUD affordability index. He detailed the fees that Amba Homes would like to see waived.

Walters asked if the city has ever agreed to these type of terms. Fineran said only SAC and WAC waivers have been considered. Walters asked how the city would know that Patel is conforming the agreement. Fineran said there would be reporting requirements.

Everson asked if any new plans have been submitted for the townhomes. Fineran said yes and they are similar to the original plans. Guetzkow asked the cost to the city to serve this property with its water/sewer needs. Fineran said there are no additional pipes that need to be constructed to connect to the property.

Nishul Patel addressed the council. Patel said he would like to provide a housing need to the city, however the permit fees are too high. Patel said the outer units are 100 square foot larger than the interior units. He believes he could charge more than \$1,636 for those units. Patel talked about the quality of Amba Homes' product.

Guetzkow asked if Patel has ever considered building a condominium product. Patel said he would like to trial the townhome rental product and see if it works in the community. Guetzkow asked what Patel was expecting to pay for permit fees. He said around \$2,000 per unit.

Everson asked if Patel would consider changing the plans to eliminate stairs. Patel said the size of the lot does not allow for one level units. Everson asked how Patel became interested in building a 55 plus product. Patel said he researched what type of housing the city needed.

Washburn explained he does not want to change the valuation in order to stay consistent. He is willing to waive the ERU connection fee since it will be a 55 plus property.

Walters expressed he would not like to set a precedent to other developers and he is worried about enforcement of the rental age requirement.

Pawelk said he does not feel this product is a good choice for senior housing. He also feels the rental fee is too high for a senior.

Patel said he is willing to keep the original plans, maintain the affordability factor, and strike the 55 plus requirement.

Fineran explained what the HUD standard is for affordability. The cost range for three bedroom units is anywhere from \$1,000 to \$1,636.

WASHBURN MOVED, EVERSON SECONDED A MOTION TO APPROVE THE AGREEMENT WITH FOLLOWING CHANGES: ELIMINATE THE CHANGE IN THE BUILDING VALUATION, APPLY A 3 ERU CREDIT OF \$30,204.75 WITH THE ENTIRE FEE PAYABLE TO THE CITY IF TERMS ARE NOT FOLLOWED, AND CHARGE A RENTAL RATE OF \$1,636 TO \$1,650 AND ADHERING TO THE HUD STANDARD INCREASES. MOTION CARRIED 3-2, WALTERS AND PAWELK VOTING NAY.

B. Sanitary Sewer Connection Waiver Request

The property owner at 800 Angel Ave SW was notified by Carver County that their septic system is non-compliant and it needs to be replaced or they need to connect to city sanitary sewer system.

Fineran said the connection could be made within 500 feet of the property.

Guetzkow asked if the adjacent properties are connected to city sewer. Fineran said that two of the neighboring properties are in the township and could only connect to city sewer if it annexed into the city. Everson asked if property owners can choose when they annex. Fineran said yes, and it usually occurs if they want to re-develop or if they have a septic failure.

Council discussed waiving fees for municipal utility connection. They agree to apply city code as written and will work with property owner to make connection.

C. Unrestricted Fund Balance Transfer

Fineran stated there are excess fund balances in the fire, general, water and sewer operating funds. Excess funds are amounts over the required balance stated in the city Financial Policy. The transferred funds will be used for future capital purchases.

EVERSON MOVED, GUETZKOW SECONDED A MOTION TO ADOPT RESOLUTION 2019-77, APPROVING TRANSFER OF UNRESTRICTED FUND BALANCES IN SEWER, WATER, GENERAL AND FIRE OPERATING FUNDS. MOTION CARRIED 5-0.

D. Special Parking Provisions

Fineran said the city is in receipt of a request from Mario Cortolezzis to park his food truck on the city street. Fineran said the truck may currently be parked in violation of city code. Cortolezzis has provided a revision to the current code to accommodate commercial vehicle parking.

Council asked if the request should be codified or addressed on a case by case basis. Fineran asked if council would want to address individual parking requests in the future or continue to follow the written code. Council discussed current possible violations relating to parking vehicles on the street.

Pawelk addressed the limited parking in downtown.

Mario Cortolezzis approached council. He said the food truck is parked on the street and plugged into his building to keep the cooler cold. Cortolezzis said the food truck is used over 26 times a month. He feels the vehicle is promoting the city by bringing people back to Watertown. Everson asked if there have been any complaints on the parking. Cortolezzis said no complaints.

Pawelk is concerned a precedent will be set if the parking is allowed.

Washburn is not interested in changing the code but he is in favor of creating a special exemption parking policy. Walters suggested issuing parking exemptions for various reasons deemed acceptable. Pawelk would like to see some sort of visual cue to notify law enforcement of approved vehicles.

WASHBURN MOVED, WALTERS SECONDED A MOTION TO DIRECT STAFF TO DEVELOP A POLICY TO DEAL WITH UNIQUE PARKING SITUATIONS. MOTION CARRIED 5-0.

6. Other Reports

Budde updated that the final approvals were received for the 30th Street Trail project. Budde said the

contractors will be starting the mill and overlay soon.

Fineran updated there will be an open house for the disc golf course at the Oak Grove Community Park on June 12.

Pawelk updated the park commission cleaned Rick Johnson Park.

Walters updated on the planning commission meeting regarding carriage lights in the Forest Hills development. Topic will come to council on June 11.

Fire advisory board will meet on Thursday to discuss the capital fund.

Washburn updated on the Memorial Day presentation at the High School.

A. Staff Update - Doug Kammerer, Utility Superintendent

Doug Kammerer approached the podium to update council on the utilities department. He said the consumer confidence report is available to residents. Information to access the report will be on the website and on the utility bills. Kammerer said lawns only need one inch of water per week. Residents do not need to water their lawn more than that. Street sweeping will continue through the summer. Kammerer asked that residents do not blow their grass clippings into the street. Storm water sewers will be televised along Highway 25. The waste water plant has seen an increase in flow due to the increased rain. The generator at White tail run was installed May 15. Kammerer said they received their new wastewater permit. There are additional testing requirements with the new permit. The facility will eventually change from a Class B to a Class A Major. Kammerer also asked that residents do not flush baby wipes, paper towel or pour grease down drains.

7. Claims

EVERSON MOVED, WALTERS SECONDED A MOTION TO APPROVE THE CLAIMS ROSTER FOR THE 2019 BUDGET. MOTION CARRIED 5-0.

8. Adjournment

Members of the City Council and City staff may convene directly following the adjournment of the meeting at the Luce Line Lodge in a purely social event. Members of the public are welcome to attend.

GUETZKOW MOVED, EVERSON SECONDED A MOTION TO ADJOURN THE MEETING AT 8:57 PM. MOTION CARRIED 5-0.