



CITY COUNCIL MEETING
City Hall—Council Chambers, 590 40th Ave NE
Monday, December 12, 2022
6:00 PM

MINUTES

Mayor
Amada Márquez Simula
Councilmembers
John Murzyn, Jr.
Connie Buesgens
Nick Novitsky
Kt Jacobs
City Manager
Kelli Bourgeois

The following are the minutes for the Meeting of the City Council held at 6:00 pm on Monday, December 12, 2022, in the City Council Chambers, City Hall, 590 40th Avenue NE, Columbia Heights, Minnesota.

WELCOME/CALL TO ORDER/ROLL CALL

Mayor Márquez Simula called the meeting to order at 6:00 pm.

Present: Mayor Márquez Simula; Councilmember Buesgens; Councilmember Jacobs; Councilmember Murzyn, Jr.; Councilmember Novitsky

Also Present: Kelli Bourgeois, City Manager; Aaron Chirpich, Community Development Director; Mitch Forney, Community Development Coordinator; Kevin Hansen, Public Works Director; Jim Hoeft, City Attorney; Sara Ion, City Clerk; Joe Kloiber, Finance Director; Ben Sandell, Communications Coordinator; Winnie Ng, Business Owner; Tim Ng, Business Owner; Rachel James, City Resident

MISSION STATEMENT

Our mission is to provide the highest quality public services. Services will be provided in a fair, respectful and professional manner that effectively addresses changing citizen and community needs in a fiscally-responsible and customer-friendly manner.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion by Councilmember Murzyn Jr., seconded by Councilmember Novitsky, to approve the Agenda as presented. All Ayes, Motion Carried 5-0.

PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

A. Recognition of Councilmember John Murzyn Jr. for 8 years of service

Mayor Márquez Simula recognized Councilmember Murzyn Jr. who worked as a Public Works employee and then served as a Councilmember. She thanked him for his service.

Councilmember Buesgens thanked Councilmember Murzyn Jr. and said she enjoyed working with him. She stated that his heart was in it for the residents of the city.

Councilmember Jacobs stated that it was a pleasure to work with Councilmember Murzyn Jr. the past two years, she has learned a lot, and she will miss him.

Councilmember Novitsky said it has been a pleasure to work with Councilmember Murzyn Jr. and that they both will find ways to be involved still.

Councilmember Murzyn Jr. thanked the Council and Staff; he said they have been great people to work with.

B. Recognition of Councilmember Nick Novitsky for 6 years of service

Mayor Márquez Simula stated that Councilmember Novitsky has been working to better the community. She said she will miss working with him and that it has been a pleasure.

Councilmember Buesgens stated that she will miss Councilmember Novitsky and that just like Councilmember Murzyn Jr., his heart is for the community. She wished him luck in his new endeavors.

Councilmember Jacobs said that she appreciates all of Councilmember Novitsky's hard work and everything he does through the Lions and other organizations in the community. She wished him the best.

Councilmember Murzyn Jr. stated that he enjoyed working with Councilmember Novitsky and that they had a lot of good discussions.

Councilmember Novitsky stated that it has been an honor and a pleasure to serve on the Council for six years. He thanked Staff and Manager Bourgeois for leading a tremendous team and the residents for their passion. He said he will be around and be involved in the community events still.

Mayor Márquez Simula stated that both Councilmembers are welcome to attend meetings when needed to announce events in the community or speak at open forum.

C. Asia Chow Mein Restaurant Day Proclamation

Mayor Márquez Simula proclaimed December 23, 2022, as "Asia Chow Mein Restaurant Day" and read the City's proclamation.

Winnie and Tim Ng, Business owners of Asia Chow Mein, accepted the proclamation. Ms. Ng said that they have been in the community for 50 years, and everyone has been really supportive. She said that they are happy and sad at the same time, as they had hoped that their son could continue the business, but they aren't going to be able to do that in current times. She thanked the community and said they are going to move onto the next chapter of their lives.

Councilmember Jacobs recognized the longevity of the business and said that it is a difficult task for a restaurant to be open for that long. She thanked them for their contributions.

Councilmember Buesgens thanked the Ngs and said they have been an important part of the community; she is sad to see them go but happy for their retirement.

Councilmembers Murzyn Jr. and Novitsky recognized their quality food and thanked them for their work.

D. Plant Milkweed Month Proclamation

Mayor Márquez Simula proclaimed January 2023 as “Plant Milkweed Month” and read the City’s proclamation.

E. Presentation on 2023 City Wall Calendar by Communications Coordinator Ben Sandell

Coordinator Sandell informed the Council that the theme for 2023 was “Art of Columbia Heights” and said that this is the third year of the wall calendar. He said that calendars are available at the City Hall front desk for \$10 and the revenue beyond the costs goes to the events funds. Interested persons can go to www.columbiaheightsmn.gov/photos to preorder a calendar. He said that those whose photos that were selected received two calendars for being selected.

CONSENT AGENDA

Mayor Márquez Simula requested that Items 8, 12, and 16 of the Consent Agenda, “Authorize School Resource Officer Contract with Columbia Heights Public Schools”, “Approve Change Order No. 1 for Zones 6 & 7 Street Rehabilitation, Project 2202; 47th Avenue Mill & Overlay, Project 2206; and Gould Avenue Street Rehabilitation, Project 2208”, and “Final Compensating Change Order and Payment for Central Avenue Sewer Manhole Improvements, City Project 2204”, be pulled for further discussion.

Motion by Councilmember Jacobs, seconded by Councilmember Novitsky, to approve the Consent Agenda as presented, with Items 8, 12, and 16 removed for further discussion. All Ayes, Motion Carried 5-0.

1. Approve November 7, 2022 City Council Work Session Meeting Minutes

MOTION: Move to approve the November 7, 2022 City Council Work Session meeting minutes.

2. Approve November 28, 2022 City Council Meeting Minutes

MOTION: Move to approve the November 28, 2022 City Council meeting minutes.

3. Approve October 4, 2022 Special Assessment Hearing Meeting Minutes

MOTION: Move to Approve the October 4, 2022 Special Assessment Hearing Meeting Minutes.

4. Accept November 2, 2022 Library Board Minutes

MOTION: Move to Accept the Library Board Minutes from November 2, 2022.

5. Accept the Charter Commission Meeting Minutes of July 21, 2022

MOTION: Move to Accept the Charter Commission Minutes of July 21, 2022.

6. Adopt Resolution 2022-114 Establishing Precinct and Polling Locations for 2023 Election Year

MOTION: Move to waive the reading of Resolution 2022-114 there being ample copies available to the public.

MOTION: Move to adopt Resolution 2022-114, establishing Precinct and Polling Locations for the 2022 Election Year

7. Adopt Resolution 2022-115 Establishing the City of Columbia Heights Fee Schedule for 2023

MOTION: Move to waive the reading of Resolution No. 2022-115, there being ample copies available to the public.

MOTION: Motion to adopt Resolution No. 2021-115, approving the 2023 City Wide Fee Schedule.

8. Pulled from the Consent Agenda for further discussion, "Authorize School Resource Officer Contract with Columbia Heights Public Schools".

9. Award E-Commerce Agreement for Top Valu Liquor To CityHive

MOTION: Move to authorize staff to enter into an agreement with CityHive for e-commerce services for Top Valu Liquor.

10. Adopt Resolution 2022-108 Establishing Senior Citizens or Retired and Disabled Persons Hardship Special Assessment Deferral

MOTION: Move to waive the reading of Resolution No. 2022-108 there being ample copies available to the public.

MOTION: Move to adopt Resolution No. 2022-108 being a resolution establishing a new maximum income of \$45,300 for Senior or Retired and Disabled Persons to be eligible for special assessment deferral.

11. Approve Resolution 2022-117 Supporting a 2022 Active Transportation Infrastructure Program Grant Application

MOTION: Move to waive the reading of Resolution 2022-117, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2022-117 being a resolution in support of the 2022 MnDOT Active Transportation Infrastructure Program Grant application for construction of a shared use path on 44th Avenue from Main Street to Central Avenue.

12. Pulled from the Consent Agenda for further discussion, "Approve Change Order No. 1 for Zones 6 & 7 Street Rehabilitation, Project 2202; 47th Avenue Mill & Overlay, Project 2206; and Gould Avenue Street Rehabilitation, Project 2208".

13. Approve Amendment #1 to the Existing Tower Lease Agreement with Verizon Wireless

MOTION: Move to approve Amendment #1 to the existing tower lease agreement with Verizon Wireless for the use of designated space at the Municipal Service Building, 637 38th Avenue (rear lot).

14. Compost Cart Services Contract with Haul Star LLC

MOTION: Move to approve a compost cart service contract with Haul Star LLC of Blaine, MN; and authorize the Mayor and City Manager to enter into a contract for the same.

15. Final Payment for 2021 Water Main Improvements, Project Number 2103

MOTION: Move to accept the work for 2021 Water Main Improvements, City Project Number 2103, and authorize final payment of \$19,534.23 to Northdale Construction Company, Inc. of Albertville, Minnesota.

16. Pulled from the Consent Agenda for further discussion, "Final Compensating Change Order and Payment for Central Avenue Sewer Manhole Improvements, City Project 2204".

17. Cancel December 27, 2022 City Council Meeting

MOTION: Move to cancel the December 27, 2022 Regular City Council Meeting.

18. Rental Occupancy Licenses for Approval

MOTION: Move to approve the items listed for rental housing license applications for December 12, 2022, in that they have met the requirements of the Property Maintenance Code.

19. License Agenda

MOTION: Move to approve the items as listed on the business license agenda for December 12, 2022 as presented.

20. Review of Bills

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of \$1,821,835.18.

ITEMS PULLED FROM THE CONSENT AGENDA

8. Authorize School Resource Officer Contract with Columbia Heights Public Schools

Mayor Márquez Simula stated that she requested that this item to be removed from the Consent Agenda since it is a big topic item to vote on and she didn't think the Council had discussed the item prior to being placed on the Consent Agenda. She asked City Manager Bourgeois to explain how items get placed on the Consent Agenda.

Manager Bourgeois stated that this is the annual contract renewal for the two school resource officers and that the contract language did not change from the previous year and therefore that is why it was placed on the Consent Agenda. She stated that the dollar amounts are what have changed because of an overall work comp increase. She stated that the contract expires December 31, 2022, and this was the last Council meeting prior to the end of the year.

Mayor Márquez Simula asked for a roll call vote and requested that the item be reviewed in a work session meeting in the future prior to being voted on at a Council meeting.

Motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to authorize the Mayor and Police Chief to enter into a Joint Powers agreement with Columbia Heights Public Schools for the provision of a Police School Resource Officer program as stipulated in the Joint Powers Agreement for the period of January 1 through December 31, 2023. A roll call vote was taken. 4 Ayes, 1 Nay (Márquez Simula opposed), Motion Carried 4-1.

12. Approve Change Order No. 1 for Zones 6 & 7 Street Rehabilitation, Project 2202; 47th Avenue Mill & Overlay, Project 2206; and Gould Avenue Street Rehabilitation, Project 2208

Mayor Márquez Simula requested that this item be pulled to provide more information to the public.

Director Hansen said that many times that projects have change orders as the project moves along and he explained the changes for each project.

Motion by Councilmember Jacobs, seconded by Councilmember Novitsky, to approve contract Change Order No. 1 for Zones 6 & 7 Street Rehabilitation, Project 2202; 47th Avenue Mill & Overlay, Project 2206; and Gould Avenue Street Rehabilitation, Project 2208; to Valley Paving in the amount of \$208,743.88 for a new contract amount of \$1,936,976.30. All Ayes, Motioned Carried 5-0.

16. Final Compensating Change Order and Payment for Central Avenue Sewer Manhole Improvements, City Project 2204

Mayor Márquez Simula inquired about the manhole cover improvements completion on 44th Avenue and asked about if there are any plans for the remainder of Central Avenue.

Director Hansen stated that the work was done from 37th Avenue to 44th Avenue. He said that there were capacity issues and that was why the work was required. There were also federal grants available that allowed for this work to be done. He said that MN DOT has plans to do additional work beyond this scope of work, but it may not be for many years, possibly 2028.

Motion by Councilmember Novitsky, seconded by Councilmember Murzyn Jr., to approve the Final Compensating Change Order and accept the work for Central Avenue Sewer Manhole Improvements, City Project 2204, and authorize final payment of \$169,780.09 to Meyer Contracting, Inc. of Maple Grove, MN. All Ayes, Motioned Carried 5-0.

PUBLIC HEARINGS

21. Resolution 2022-118, Adopting a Budget for the Year 2023, Setting the City Levy, Approving the HRA Levy, and Approving a Tax Rate Increase.

Director Kloiber reported that as required under the city charter, the city manager provided the Council with a proposed 2023 budget at a regular Council meeting in August 2022. That document, available on the City's website, explains the proposed 2023 budget

with 130 pages of summary and detail information, including comparisons to the current year and two prior years. This information was reviewed at three Council work sessions. In addition, related video presentations provided by Staff at those work sessions are available on the City's website.

He stated that through that review process, three changes have been made to that initial proposed budget as follows: 1) add the Public Improv Revolving Fund 415, which has a separate budget process under state statute, into the regular city-wide budget resolution for reporting purposes; 2) remove two fire trucks in Govt Equip Fund 431, these purchases were changed to a 2022 budget appropriation to be paid in 2024/2025; and 3) add Revisions to Refuse Fund 603, which reflects new hauling contracts signed after initial budget was proposed.

Director Kloiber stated that each of these changes has received separate related authorizing action by the Council, such as individual contract approval or project approval. None of these changes affected the amount of property taxes included in the city manager's initial proposed 2023 budget.

He stated that the amount of property taxes included in the city manager's initial proposed 2023 budget was used to create the individual notices of proposed 2023 property taxes mailed to each property owner by Anoka County in November 2022. This tax levy reflects an 8% increase in the amount received by the City. The annual portion of the tax levy subsidized by the Metro Area Fiscal Disparities program will decrease by 5% for 2023 under the state formula for that program. This results in an average increase of 12.7% to the remainder of the tax levy, which is paid by local property owners. He added that there is hope that there will be an increase in the subsidy provided by the Metro Area Fiscal Disparities program in 2024, as it typically decreases and then increases over time to reach an equilibrium.

He noted that the existing budget resolution does not cover utility rates, which also includes the new refuse rates; there will need to be a separate action by the Council to approve the new rates, which is estimated to increase 12% a quarter. He said part of the proposed budget will help to phase in the 12% increase for residents.

He emphasized that property values within the City increased at significantly different rates for 2023 depending on property class: Apartments 7%, Commercial 15%, and Residential 29%.

Director Kloiber stated that this shift in the proportion of total value within the City to residential property also shifts a greater portion of the local tax levy to residential property compared to other types of property. Consequently, many residential properties will see 2023 tax increases that are greater than the city-wide average of 12.7%.

He made note that under State Statute, at the December 13, 2022, meeting, the Council cannot adopt a tax levy greater than the amount certified to Anoka County in September for the individual notices sent to each property owner.

Mayor Márquez Simula opened the public hearing.

No one wished to speak.

Motion by Councilmember Buesgens, and seconded by Councilmember Novitsky to close the hearing and waive the reading of Resolution 2022-118, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember Buesgens, and seconded by Councilmember Novitsky, to adopt Resolution 2022-118, being a resolution adopting a budget for the year 2023, setting the city levy, approving the HRA levy, and approving a tax rate increase. All Ayes, Motion Carried 5-0.

ITEMS FOR CONSIDERATION

Ordinances and Resolutions

22. Consideration of a Rental License Exemption for 4336 6th St NE

Community Development Coordinator Mitchell Forney reported that on September 18, 2022, the owner of 4336 6th St NE, reached out to Staff requesting an exemption from the single-family rental moratorium. Section 2 of Ordinance 1678, which established the single-family rental moratorium, states that "The City may make exception for any application in individual cases in the event that extreme financial hardship as determined by the City in its sole discretion." As it is the homeowners right to appeal to the Council, Staff have brought forth the appeal along with supporting documents for discussion and review.

He said that in the past this property has held a family rental license. In October of this year, the owner applied to renew the family license. Through the application process, Fire Department Staff found that the house was no longer being rented to family members and instead had converted to a traditional rental property. The owner was informed of the rental moratorium and has requested an exemption from the moratorium so that they can obtain a rental license and continue to rent out the property. To summarize the letter, the owner no longer lives in Columbia Heights but has been assisting a friend by renting to them. While talking to the owner he made it clear that while he does not currently live at the premise, he would like to return to Columbia Heights at some point in the future.

Coordinator Forney noted that if approved, Resolution 2022-119 would grant a temporary rental license exemption to the homeowner with a few additional requirements. The homeowner is required to complete the license application process within three months from the passage of the resolution. This puts a limit on how long they can take to bring the house into rental compliance if needed. The temporary rental license will be valid for one year from the date that the license is approved. This provides the homeowner and tenant the ability to rent the home for a full one-year lease. After the term of the temporary

license the license will be revoked without the ability to renew. The homeowner will then have to apply for a traditional rental license. At this time the moratorium and all its changes will be in effect and the traditional license application will be subject to any limitations and requirements adopted to City code. The resolution clearly states that by giving the homeowner a temporary license, in no way is the City ensuring that a traditional license shall be given or available after the revocation of the temporary license.

Councilmember Jacobs asked about if the change from renting to a family member and changing to a traditional rental was against City Policy. Forney stated that this was the case. Councilmember Jacobs stated that due to that she would be against granting the application.

Councilmember Buesgens said that she bothered by the fact that the owner applied for a family license even though they knew they needed a traditional rental license. She said that “raised a red flag” for her.

Mayor Márquez Simula said that not everyone understands the rules and she would like to hear more about how the change took place.

Councilmember Novitsky said he agreed with Councilmember Jacobs and Buesgens and would be against granting the exception.

Coordinator Forney said the current owner came into ownership of the property from his parents, who were renting the property. He said that the owner was living at the property with the current tenant and then moved out and the tenant continued to live there.

Motion by Councilmember Buesgens, and seconded by Councilmember Murzyn Jr., to waive the reading of Resolution No. 2022-119, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember Novitsky, and seconded by Councilmember Murzyn Jr., to approve Resolution No. 2022-119, a resolution approving the single-family rental exemption request for the rental application at 4336 6th St NE, Columbia Heights, MN 55421. A roll call vote was taken. 1 Aye, 4 Nays (Buesgens, Jacobs, Murzyn Jr. and Novitsky opposed), Motion Failed 1-4.

CITY COUNCIL AND ADMINISTRATIVE REPORTS

Report of the City Council

Councilmember Murzyn Jr. wished everyone a Merry Christmas and Happy New Year. He thanked the residents and Staff for working with him during his time as a Councilmember.

Councilmember Novitsky wished everyone Happy Holidays and Merry Christmas. He thanked the Council and residents for being active within the community. He said that on Sunday there will be

“Breakfast with Santa” from 10:00 am – 1:00 pm, where the Fire Department will be serving pancakes; there will also be a community Christmas movie, “Die Hard”, that will be shown afterwards.

Councilmember Buesgens congratulated the City and the Public Works Staff for receiving a grant for about \$2 million for the project on 43rd Avenue to 47th Avenue to replace the lighting and sidewalks. She said she was approached by MNDOT regarding doing green infrastructure for Central Avenue, such as putting in a rain garden, and if residents are interested in assisting with the project to contact her. She attended the last two trainings of the Police Justice Academy; attended the Adam’s Family play at the high school; and stopped by the mini-art display at the library. She wished everyone a Happy Holidays, Merry Christmas, and Happy New Year.

Councilmember Jacobs said she finished the Citizens Justice Academy. She thanked Director Hansen and his Staff for the signs on Monroe Street that address wrong way traffic.

Mayor Márquez Simula said she attended a Regional Council of Mayors meeting in Minneapolis, where they talked about programs for the coming year, including affordable housing. She volunteered at the “Every Meal” program at the Valleyview school last week; attended the Polish American Cultural Institute of Minnesota Christmas dinner; attended the Staff’s Holiday potluck; attended the Columbia Heights Fridley rotary’s presentation about the KKK in Minnesota; attended the LatinX resource fair at the school; attended the Operation Pollination meeting with the rotary and HeightNext; she got her COVID and flu shot; added the Womanicki garden to the Rosaline Garden Butterfly Trail and they received their sign that will be posted in the spring; attended the Adam’s Family musical at the school; did a presentation on her trip to Poland at the library; attended the mini-art show at the library; attended the Columbia Heights Business Chamber meeting at the library; and finished the Citizens Justice Academy. She wished everyone Happy Holidays and thanked the Staff and Council and wished the best for the new year.

Report of the City Manager

Manager Bourgeois said that the Holiday Train will be coming through on December 13, 2022, at Lions Park at 8:00 pm and the City will be providing free hot cocoa while supplies last. She stated that Captain Matt Markham graduated on December 2, 2022, from the Northwestern School of Police Staff and Command, it’s an intensive leadership program, which helps prepare those in law enforcement for potential chief positions in the future. She added that Officer Tim Noll is going to be graduating with his master’s in criminal justice leadership at the end of December 2022 from Concordia University. She thanked Captain Markham and Officer Noll for their dedication to the department and continuing to improve themselves. She wished everyone Happy Holidays and said she was looking forward to 2023. She added that the Santa Tour on the firetruck is happening on December 15, 2022, and details including a map will be posted on the City website and Facebook.

COMMUNITY FORUM

Mayor Márquez Simula opened the community forum.

Rachel James, City resident, thanked Councilmembers Murzyn Jr. and Novitsky for their service and said she was grateful for them both. She hoped to see them at the City’s upcoming events still. She also spoke about the levy and thanked the Council and Staff for their work regarding the refuse; she said

she and other residents have agreed that they are willing to pay the increase in order to have their refuse picked up consistently. She recommended the City disclose the invoice as mentioned for refuse and also include any portion that the City is subsidizing so residents know the true cost associated with it.

ADJOURNMENT

Mayor Márquez Simula adjourned the meeting at 7:10 pm.

Respectfully Submitted,



Sara Ion, City Clerk/Council Secretary