

**City of Moorhead
City Council Meeting
Meeting Minutes
February 14, 2011 at 5:30 PM
City Hall Council Chambers**

Pursuant to due call and notice thereof, a regular meeting of the City Council Meeting was held in the City Hall Council Chambers, on February 14, 2011, at 5:30 PM.

Roll call of the members was made as follows:

1st Ward Council Member:	Luther Stueland	Present
1st Ward Council Member:	Nancy Otto	Present
2nd Ward Council Member:	Diane Wray Williams	Present
2nd Ward Council Member:	Mark Altenburg	Present
3rd Ward Council Member:	Dan Hunt	Present
3rd Ward Council Member:	Brenda Elmer	Present
4th Ward Council Member:	Mark Hintermeyer	Absent
4th Ward Council Member:	Greg Lemke	Present
Mayor:	Mark Voxland	Present

City Council Meeting

1. Call to Order and Roll Call

Minutes: Mayor Voxland called the meeting to order.

2. [Approve Minutes](#)

- A. [January 10, 2011 \(City Council Meeting\)](#)
- B. [January 21-22, 2011 \(Mayor and City Council Retreat\)](#)
- C. [January 24, 2011 \(City Council Meeting\)](#)

Motion to Approve made by Nancy Otto and seconded by Diane Wray Williams
Approve Minutes of January 10, 2011 (City Council Meeting), January 21-22, 2011 (Mayor and City Council Retreat), and January 24, 2011 (City Council Meeting)

Motion Passed

For: 7; Absent: 1 - Mark Hintermeyer

3. [Citizens Addressing the Council](#)

Minutes: Ken Lucier, Moorhead resident, requested information regarding special assessment interest rate charges and the State Statute that allows cities to integrate this charge.

City staff stated that interest rate charges are used to cover administrative costs and any unpaid specials. Rates are determined on a yearly basis, are compliant with State Statutes, and are adjusted to be market sensitive. Assessment notices include a list of charges, interest rates, and prepayment options.

4. [Agenda Amendments](#)

5. [Consent Agenda](#)

All items listed with an asterisk (*) are enacted by one motion.

Minutes: The following item/s was/were removed from the Consent Agenda:

- #11 – Resolution to Approve 2011 Tax Increment Interfund Loan
- #12 – Resolution to Clarify Moorhead's Property Tax Exemption Policy
- #13 – Resolution to Approve Easement Agreement with BNSF for the 20th St. & 40th Ave. South Pedestrian Underpass Project. Eng. No. 11-2-1

Motion to Approve made by Luther Stueland and seconded by Diane Wray Williams

Approve Consent Agenda

Motion Passed

For: 7; Absent: 1 - Mark Hintermeyer

6. [Mayor and Council Appointments](#)

Motion to Approve made by Nancy Otto and seconded by Luther Stueland

Approve Mayor and Council Appointments

Motion Passed: Resolution #'s noted below

For: 7; Absent: 1 - Mark Hintermeyer

A. [Resolution to Approve Appointment to Charter Commission \(Ward 1\)](#)
Resolution 2011-0214-1

B. [Resolution to Approve Appointments to Board of Equalization \(Mayor\)](#)
Resolution 2011-0214-2

C. [Resolution to Approve Appointment to Public Housing Board \(Mayor\)](#)
Resolution 2011-0214-3

7. [Mayor and Council Reports](#)

Minutes: Council Member Hunt provided a brief report on the Heartland Trail Project. Hunt stated that he would be recommending a joint meeting of the City Council, Clay County Commission, Moorhead School Board, and others to discuss collaboration efforts.

Council Member Wray Williams provided a brief report on the Coalition for Homeless Persons.

Council Member Elmer provided a brief report on "Hockey Day Minnesota" hosted in Moorhead on February 12, 2011.

Council Member Lemke provided a brief report on potential Community Development Block Grant (CDBG) funding cuts and its impact on Moorhead.

8. [Permanent Flood Protection Discussion/Update](#)

Minutes: Michael Redlinger, City Manager, provided a presentation entitled, "2011 Flood Preparations Update."

Chad Martin, Operations Director, provided a brief report on automated sandbag machine modifications that will increase efficiency and sandbag production capacity.

City staff clarified the following in response to Mayor and Council questions:

- The automated machines will have the ability to create 8,000 to 9,000 sandbags per hour.
- The City will be contracting for paid labor to assist with sandbag production due to its use of conveyor systems, custom-fabricated equipment, and industrial staplers.
- The City will evaluate whether volunteers could assist with automated sandbag production after the first 1,000,000 sandbags are produced using paid labor.
- Volunteers will be needed for sandbag palletizing, storage, and sandbag placement.
- The City is seeking principal neighborhood liaisons to organize early sandbag placement and to provide a demonstration training session for other Zones.
- Acquired flood properties will be handled by the City. Property owners who border a buyout property will be communicated with directly and provided with resources to tie into the line of protection.
- Temporary flood protection measures and flood mitigation improvements will be built to the same elevation level in both Moorhead and Fargo.

A. [Resolution to Approve State of Emergency Declaration](#)

Motion to Approve made by Nancy Otto and seconded by Diane Wray Williams

Resolution to Approve State of Emergency Declaration

Motion Passed: **Resolution 2011-0214-4**

For: 7; Absent: 1 - Mark Hintermeyer

Community Services Department

9. [Reconsideration of Resolution to Approve Amendment to the Tax Incentive Agreement between the City of Moorhead and A-1 Automotive Transmission Service](#)

Minutes: Mayor Voxland spoke briefly about his rationale for veto of the resolution to approve amendment to the tax incentive agreement approved at the January 24, 2011 City Council Meeting. Reasons included: minimal Council discussion, potential for other signed incentive agreements to be renegotiated in front of the Council, and the precedent established by the new economic package the amended resolution provides.

Brian Neugebauer, City Attorney, stated that under the Moorhead City Charter the Mayor may veto any resolution passed by the City Council. The matter then comes before the Council for reconsideration. An affirmative vote of six Council Members is required to uphold the original resolution.

Bruce Bekkerus, A-1 Automotive, addressed the Mayor and Council regarding the following concerns: agenda title; manner in which he was notified of the veto; accuracy of the financial information the City provided regarding the City's acquisition, relocation, and re-establishment costs for A-1 Automotive; and inaccuracies in the Mayor's rationale to veto. Bekkerus urged the Council to uphold the veto passed on January 24, 2011 without amendment.

The Mayor and Council Members stated the following:

- Concern was noted regarding the precedent set if the agreement is retroactively changed months after it was signed.
- It was noted that some Council Members are not generally supportive of tax incentive agreements.
- There appears that there was some misunderstanding and confusion over the agreement.
- Concern was noted regarding the manner in which the assessment was conducted.
- It is preferred that all Council Members be present to vote on the matter.

Motion to Approve made by Brenda Elmer and seconded by Greg Lemke
Reconsideration of Resolution to Approve Amendment to the Tax Incentive Agreement between the City of Moorhead and A-1 Automotive Transmission Service

Motion to Table made by Nancy Otto and seconded by Diane Wray Williams

Motion to Table Passed

For: 7; Absent: 1 - Mark Hintermeyer

10. [Consider Actions Related to Archland Addition](#)

- A. [Resolution to Approve Preliminary and Final Plat](#)
- B. [Resolution to Approve Developer's Agreement](#)
- C. [Approve First Reading of Ordinance 2011-2 - An Ordinance to Rezone Archland Addition, less the east 90 feet, from MU-1 - Downtown Mixed Use and RLD-3 - Residential Low Density-3 to CC - Community Commercial](#)
- D. [Resolution to Approve Comprehensive Plan Amendment for Archland Addition, less the east 90 feet, from Downtown and Moderate Density Mixed Residential to Community Commercial](#)

Minutes: Kristie Leshovsky, City Planner, provided a brief report related to the plat and rezoning request. It was noted that the applicant has adjusted the site plan based on neighborhood and City staff concerns.

Leshovsky stated that in 1998 the Moorhead City Council approved a rezoning request for the narrow parking lot strip on this parcel to "Mixed Business." This is the same strip of property the applicant is currently seeking to rezone. It appears that the approved 1998 rezoning was not brought forward when the new City-wide rezoning map was approved in mid-2000.

City staff clarified the following in response to Mayor and Council questions:

- The 1998 rezoning was not accurately transferred to the City-wide rezoning map which specifies all property zoning designations as currently adopted by the City Council.
- The applicant has stated a willingness to incorporate changes to the site plan based on Council concerns.
- There is a 30-foot landscaped area between the business property and adjoining residential properties.
- City staff will speak to the architect about moving the proposed menu boards and speaker boxes further to the west.
- Demolition permits do not require City Council or Planning Commission approval. The only time a request would need to be brought forward is if the intended use for the lot is different from designations outlined in Moorhead City Code.
- The set-back along 8th Street was intended to create an outdoor dining area and parking space for those waiting for their order.
- The drive-through area would be considered an allowable activity with the new commercial re-zoning designation.
- Deterioration of the property acquired by McDonalds occurred prior to purchase.

The following individuals addressed the Mayor and Council regarding their opposition to the plat and rezoning request:

- Donna McMaster, Moorhead resident
- John Sherman, Moorhead resident
- Carolyn Wintersteen, Moorhead resident
- David Wintersteen, Moorhead resident
- Kathryn Larson-Carlson, Moorhead resident
- Tom Brandal, Moorhead resident
- Lyle Landstrom, Moorhead resident

The Mayor and Council Members stated the following:

- It was noted that the City should be very careful to keep within current regulations for parking facilities in a residential district.
- The City should be very careful before making any amendments to the comprehensive plan which was designed to protect the residential character of the neighborhood.

- It is preferred that traffic access be limited along 3rd Avenue South as a way to increase safety.
- A creative solution between the developer and neighbors is encouraged.
- A request was made that City staff be able to respond to allegations that the City is not following the comprehensive plan, mid-town district guiding policy, and current zoning regulations.
- Development of the property would bring improvement to the City.
- Residents could consider enacting a covenant between neighbors for sale of their homes to prevent risk of vacant and decaying property.
- It is preferred that all Council Members be present to vote on the matter.

Motion to Approve made by Luther Stueland and seconded by Brenda Elmer

Resolution to Approve Actions Related to Archland Addition

Motion to Table made by Nancy Otto and seconded by Dan Hunt

Motion to Table Passed

For: 6; Against: 1 - Mark Altenburg; Absent: 1 - Mark Hintermeyer

11. [Resolution to Approve 2011 Tax Increment Interfund Loan](#)

Minutes: The Mayor and Council Members stated the following:

- It was noted that some Council Members are not generally supportive of tax incentive agreements.
- The Economic Development Authority uses tax incentives as a mechanism for redevelopment.

Motion to Approve made by Mark Altenburg and seconded by Brenda Elmer

Resolution to Approve 2011 Tax Increment Interfund Loan

Motion Passed: **Resolution 2011-0214-5**

For: 6; Against: 1 - Luther Stueland; Absent: 1 - Mark Hintermeyer

12. [Resolution to Clarify Moorhead's Property Tax Exemption Policy](#)

Minutes: City staff clarified the following in response to Mayor and Council questions:

- The proposed tax exemption policy allows for a warehouse to qualify for tax exemption if it is directly connected to a business.
- The location of the warehouse could be anywhere within the City.
- There is an existing requirement that to receive the tax incentive it must be a new business to the area and not transfer jobs from other Minnesota or bordering communities.
- The City could incorporate language to require additional job creation at the primary sector business.

The Mayor and Council Members stated the following:

- Concern was noted regarding the apparent broadening scope of the

program and elimination of the requirement for job creation.

- Tax exemptions help Moorhead compete with other neighboring communities and retain businesses.
- Application for warehouse tax incentive shows business growth and further investment in the community.
- Several primary sector businesses in Moorhead may utilize this tax incentive after on-site storage is no longer adequate.
- Concern was noted regarding the possibility that a business may receive two separate incentives based on this new policy.
- The tax exemption incentive would be in place for five years; however, the City will receive full value from property taxes following this time period.

Motion to Approve made by Brenda Elmer and seconded by Diane Wray Williams
Resolution to Clarify Moorhead's Property Tax Exemption Policy

Motion to Amend made by Diane Wray Williams and seconded by Mark Altenburg
Amend Resolution to state, "The exemption would be based on the new building value, and can utilize the new jobs created or pending from expansion of the primary sector business."

Amendment Passed

For: 4 – Luther Stuland, Diane Wray Williams, Mark Altenburg, Greg Lemke; Against: 3 – Nancy Otto, Dan Hunt, Brenda Elmer; Absent: 1 - Mark Hintermeyer

Amended Motion Passed: **Resolution 2011-0214-6**

For: 5; Against: 2 - Luther Stueland, Greg Lemke; Absent: 1 - Mark Hintermeyer

Engineering - Wastewater Treatment

13. [Resolution to Approve Easement Agreement with BNSF for the 20th St. & 40th Ave. South Pedestrian Underpass Project. Eng. No. 11-2-1](#)

Minutes: It was requested that the Mayor and Council Members have additional time to review background information on the allocation and use of Municipal State Aid (MSA) funds in Moorhead.

City staff recommended that the City Council make a decision on this resolution no later than the February 28, 2011 City Council meeting in order to submit project plans to the Minnesota Department of Transportation (MnDOT) for their review.

Motion to Approve made by Mark Altenburg and seconded by Nancy Otto

Resolution to Approve Easement Agreement with BNSF for the 20th St. & 40th Ave. South Pedestrian Underpass Project. Eng. No. 11-2-1

Motion to Table made by Luther Stueland and seconded by Diane Wray Williams

Motion to Table Passed

For: 6; Against: 1 - Dan Hunt; Absent: 1 - Mark Hintermeyer

14. [*Resolution to Award Bid for Phase 1 Building Demolitions for the SE Main Ave/20th St/21st St Railroad Grade Separation Project. Eng. No. 02-2-2D](#)

Resolution 2011-0214-A

Fire Department

15. [*Resolution to Accept Grant Award for 2010 State Homeland Security Grant Program](#)
Resolution 2011-0214-B

Police Department

16. [*Resolution to Authorize Transfer of DUI Seizure Funds to Police Department Small Tools and Minor Equipment.](#)
Resolution 2011-0214-C
17. [*Resolution to Authorize Homeland Security Interoperable Communications Grant \(2009\)](#)
Resolution 2011-0214-D
18. [*Resolution to Approve Budget Adjustment to Replace Department Service Weapons](#)
Resolution 2011-0214-E

Administration

19. [City Manager Reports - Updates](#)

Minutes: Michael Redlinger, City Manager, reported the following:

- City staff has requested that the Mayor and Council Members consider volunteering at the City of Moorhead booth for the 2011 Home & Garden Show, February 25-27. The booth is co-sponsored with Moorhead Public Service.
- Brian Neugebauer, City Attorney, has been elected President of the Minnesota Municipal Attorney's Association.

20. [Executive Session - Labor Negotiations](#)

Motion to Approve made by Nancy Otto and seconded by Mark Altenburg

Enter Executive Session for the purpose of labor negotiations

Motion Passed

For: 7; Absent: 1 - Mark Hintermeyer

Council entered into Executive Session at 9:04 p.m.

Council returned to the City Council meeting at 9:38 p.m.

Motion to Approve made by Mark Altenburg and seconded by Nancy Otto

Resolution to Approve Budget Adjustment for 2009 and 2010 Management and Professional Compensation

Motion Passed: **Resolution 2011-0214-7**

For: 7; Absent: 1 - Mark Hintermeyer

21. [New Business](#)

Minutes: It was noted that large, heavy ice chunks were left standing in driveways after the latest snow removal making it difficult for some citizens to remove.

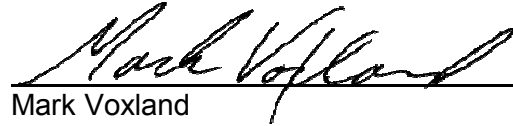
22. Citizens Addressing the Council (continued, if necessary)

Minutes: No citizens addressed the Mayor and Council.

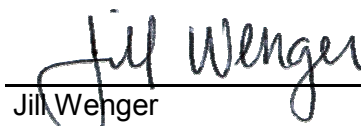
Meeting adjourned 9:40 p.m.

APPROVED BY:

ATTEST:



Mark Voxland
Mayor



Jill Wenger
City Clerk

The proceedings of this meeting are digitally recorded and are available for public review.

Respectfully submitted by:
Jill Wenger, City Clerk