

Minutes of the regular meeting of the City Council of Dilworth, Clay County, Minnesota, held September 13, 2021, at 6:00 o'clock p.m., at City Hall.

PRESENT: Mayor Olson, Councilmembers Nash, Aasness, Jesme, and Peterson

OTHERS: City Administrator Peyton Mastera, Finance Officer Jerry Griggs, Maintenance Supervisor Jeff Berg, Police Chief Ty Sharpe, City Engineer Dan Hanson, Deputy Clerk Becky Tigue, Craig Peterson, Elissa Novotny, Tony Paul, Randell Boe, Lance Ziebarth, and Administrative Assistant Jessica Malvin.

1. CALL TO ORDER

Mayor Olson called the meeting to order at 6:07 p.m. and everyone took part in the Pledge of Allegiance.

2. ROLL CALL

3. AGENDA APPROVAL

MOTION: by Jesme, seconded by Nash, to approve the September 13, 2021. Motion carried by all members present voting aye.

4. CONSENT AGENDA APPROVAL

MOTION: by Aasness, seconded by Peterson, to approve all items on the consent agenda including two addition items. Motion carried by all members present voting aye.

CONSENT AGENDA ITEMS

MOTION: by Aasness, seconded by Peterson, to approve minutes from the August 23, 2021 City Council meeting.

MOTION: by Aasness, seconded by Peterson, to authorize the hire of Nicholas Gordon as a firefighter.

MOTION: by Aasness, seconded by Peterson, to approve training request of City Administrator Peyton Mastera to attend the Minnesota City County Manager's Conference in Duluth, MN from September 15-17, 2021.

MOTION: by Aasness, seconded by Peterson, to appoint Crystal Jamerson to the Dilworth Planning Commission to fill an unexpired term, to run through December 31, 2022.

MOTION: by Aasness, seconded by Peterson, to appoint Nathan (Nate) Dicks to the Dilworth Park Board to fill an unexpired term, to run through December 31, 2022.

- MOTION: by Aasness, seconded by Peterson, to receive and file minutes from September 1, 2021 Planning Commission meeting.
- MOTION: by Aasness, seconded by Peterson, to approve Mechanical/Heating License Application of All American Plumbing and Heating, to expire September 12, 2022.
- MOTION: by Aasness, seconded by Peterson, to receive and file August incident analysis report.
- MOTION: by Aasness, seconded by Peterson, to approve temporary liquor license for Mill's Lounge for an event at the Community Center on October 2, 2021.
- MOTION: by Aasness, seconded by Peterson, to approve Mechanical/Heating License application of S.A. Mechanical, to expire September 12, 2022.
- MOTION: by Aasness, seconded by Peterson, to approve training request of Chief Ty Sharpe to attend the MN Chief's Association conference in St. Cloud, MN from October 31, 2021 – November 2, 2021.
- MOTION: by Aasness, seconded by Peterson, to approve Mechanical/Heating License application of Trisko Heating and Plumbing, to expire September 12, 2022.
- MOTION: by Aasness, seconded by Peterson, to receive and file August utility report.
- MOTION: by Aasness, seconded by Peterson, to approve Mechanical/Heating License application of Esser Plumbing & Heating Inc, to expire September 12, 2022.

END OF CONSENT AGENDA

5. CITIZEN'S CONCERNS

None received.

6. RESOLUTION 21-50, ORDERING A PRELIMINARY ENGINEERING REPORT FOR THE 34TH STREET IMPROVEMENT PROJECT

The 34th Street Improvement Project will be a City of Moorhead project that the City of Dilworth will reimburse all expenses associated with the northbound section from HWY 10 up to 3rd Avenue NW, per the 34th Street agreement. The City of Moorhead has initiated talks with Moore Engineering to oversee this project.

- MOTION: by Peterson, seconded by Aasness, to pass Resolution 21-50, Ordering a Preliminary Engineering Report for the 34th Street Improvement Project. Motion carried by all members present voting aye.

7. CONSIDERATION, PAY REQUEST #2 FOR THE NORTHSIDE SANITARY SEWER IMPROVEMENT PROJECT

Pay request #2 for the Northside Sanitary Sewer Improvement Project is in the amount of \$599,850.02. This has been reviewed and is being recommended for payment by the City Engineer.

MOTION: by Jesme, seconded by Aasness, to motion to approve pay request #2 for the Northside Sanitary Sewer Improvement Project. Motion carried by all members present voting aye.

8. CONSIDERATION, CHANGE ORDER #2 FOR THE NORTHSIDE SANITARY SEWER IMPROVEMENT PROJECT

The amount of this change order is \$21,458. This change order has been reviewed and approved by the City Engineer. The requested order adjusts for actual quantities installed in the field.

MOTION: by Nash, seconded by Jesme, to approve change order #2 for the Northside Sanitary Sewer Improvement Project. Motion carried by all members present voting aye.

9. CONSIDERATION, MULTI-FAMILY RESIDENTIAL PLANNED UNIT DEVELOPMENT LOCATED AT 1451 3RD AVENUE NORTHWEST; LOT 4, BLOCK 1, EASTEN ADDITION, IN SECTION 03, TOWNSHIP 139 NORTH, RANGE 48 WEST, CLAY COUNTY, MINNESOTA (PARCEL ID: 52.110.0040) – PROPERTY OWNER(S): CRAIG A PETERSON – APPLICANT(S): DILTON, LLC.

On September 7th the Planning Commission held a public hearing to review a multi-family residential planned unit development located at 1451 3rd Avenue Northwest. The complex will be comprised of 39 units, four stories high with main floor parking, and an overall height of 45 feet. A 10 foot height variance will need to be considered as the maximum allowable height in an R4 Residential district is 35 feet. There was no opposition to the application and the Planning Commission forwarded a recommendation on to the City Council to approve the application.

MOTION: by Aasness, seconded by Peterson, to approve the Planned Unit Development application for Dilton, LLC for a multi-family unit complex at 1451 3rd Avenue NW – Lot 4, Block 1, Easten Addition with a 10 foot height variance. This PUD project satisfies the findings stipulated in 4.100 of the Dilworth Zoning Ordinance. Any alteration in the structure or site development will require approval by the Planning Commission and/or City Council. Motion carried by all members present voting aye.

10. PUBLIC HEARING: RESOLUTION 21-52, AWARDING A FIVE YEAR BUSINESS TAX ABATEMENT FOR THE PLANNED UNIT DEVELOPMENT ON THE EAST SIDE OF 15TH STREET NORTHEAST AT THE 1ST AVENUE NORTHEAST INTERSECTION – BLOCK 1, LOT 2, EAST VIEW 8TH ADDITION (PARCEL ID 52.114.0020) – PROPERTY OWNER: HORIZON PROPERTIES LAND DEVELOPMENT – APPLICANT: ZIEBARTH CONSTRUCTION LLC D/B/A Z CON

Public Hearing opened at 6:31 p.m.

Lance Ziebarth of Ziebarth Construction, LLC is applying for Dilworth's five-year business tax abatement. This building construction will mimic that of the existing strip mall on the west side of 15th Street NE. It is meeting all requirements of the business tax abatement program.

No one spoke in opposition of the tax abatement.

Public Hearing closed at 6:37 p.m.

MOTION: by Peterson, seconded by Aasness, to pass Resolution 21-52, Awarding a Five Year Business Tax Abatement for the Planned Unit Development on the East Side of 15th Street Northeast at the 1st Avenue Northeast Intersection – Block 1, Lot 2, East View 8th Addition (Parcel ID 52.114.0020) – Property Owner: Horizon Properties Land Development – Applicant: Ziebarth Construction LLC d/b/a Z CON. Council member Jesme abstained from voting. Motion carried by all members present voting aye.

11. CONSIDERATION, RECOMMENDATION FROM THE DILWORTH PARK BOARD TO COMPLETE THE BIRCH TREE PARK IMPROVEMENT PROJECT WITH EXPIRED TAX INCREMENT FINANCING FUNDS

The City applied and did not receive an outdoor recreation grant request to upgrade Birch Tree Park. The improvements are to consist of the placement of a new basketball court, upgrade the existing court, construction of a walking path around the park, and extending south the 5th Street NW sidewalk.

The Park Board is recommending funding this project in 2022 with expired tax increment financing funds from the recently decertified multi-family project; the funds must be used for a "low to moderate income" project.

MOTION: by Peterson, seconded by Nash, to move forward with the Birch Tree Park improvement project with expired TIF funds. Motion carried by all members present voting aye.

12. RESOLUTION 21-53, ADOPTING THE 2022 PRELIMINARY TAX LEVY

MOTION: by Nash, seconded by Jesme, to pass Resolution 21-53, Adopting the 2022 Preliminary Tax Levy with removing \$36,500 from the General Improvement Fund and set a date of December 13, 2021 for consideration of the final tax levy. Motion carried by all members present voting aye.

13. RESOLUTION 21-51, ACCEPTING THE RECOMMENDATION OF THE DILWORTH PLANNING COMMISSION AND AWARDED A SIX MONTH EXTENSION TO THE DEVELOPMENT AGREEMENT FOR THE RAIL10 APARTMENT PROJECT

On September 14, 2020 Dilworth City Council approved the Planned Unit Development (PUD) via the development agreement for the Rail10 Apartments. The ordinance requires all PUD’s begin construction within one year of their approval. To this point, construction has not commenced on this project due to market price escalations.

The Planning Commission is recommending Council extend the PUD agreement another six months. If the extension is not received, a new application would need to be filed.

MOTION: by Nash, seconded by Aasness, to approve Resolution 21-51, Accepting the Recommendation of the Dilworth Planning Commission and Awarding a Six Month Extension to the Development Agreement for the Rail10 Apartment Project forward a recommendation to the Dilworth City Council to grant a six-month extension to the Rail10 Apartments development agreement. Motion carried by all members present voting aye.

14. CONSIDERATION, MODIFYING THE TAX ABATEMENT STRUCTURE FOR THE PROPOSED RAIL10 APARTMENT PROJECT

With the unexpected market prices on materials and labor, the developers of the Rail10 Apartments would like to formally request if Council would consider extending its two-year tax abatement program out an additional three years.

The two-year residential abatement program abates at 100% and 100%. This is inclusive of both City, County, and school district taxes. The five year business tax abatement program recently approved provides for annual abatements of 100%, 100%, 75%, 50%, and 25%. This is a city-only program.

MOTION: by Aasness, seconded by Jesme, to modify the Tax Abatement structure for the proposed Rail10 Apartments to two years with the full City, County, and School District tax abatement, and three years following to abate 75%, 50%, and 25% for City tax only. Motion carried by all members present voting aye.

15. COUNCIL MEMBER’S CONCERNS AND COMMITTEE UPDATES

Jesme Fire Department will have their meeting with the House Capital Investment Committee on Wednesday, September 22.

Mastera Habitat will be raising the wall Tuesday, September 14 for the 11 Prior Street build. Everyone is invited to attend.

MATBUS and Metro COG will be at the next meeting to talk about the future Route 6 in Dilworth.

The joint Planning and Park Board meeting will be on Tuesday, September 28. Everyone is welcome to attend.

Olson Thank you to all staff for all the extra time and meetings that have been attending and keeping Council informed and updated.

Shane with The Coalition of Greater Minnesota Cities will be attending the next Council meeting to discuss the different opportunities they offer.

16. PAYMENT OF THE BILLS

MOTION: by Aasness, seconded by Jesme, to pay the claims and bills dated September 13, 2021. Motion carried by all members present voting aye.


17. CLOSED SESSION, PURSUANT TO MINNESOTA STATUTES § 13D.05, SUBD. 3(C) TO DISCUSS THE POTENTIAL ACQUISITION OF REAL PROPERTY IN THE CITY OF DILWORTH (PARCEL ID 52.900.0500) – 104 4TH STREET SOUTHWEST


Started at 7:51 p.m.

Ended at 7:56 p.m.

18. ADJOURNMENT

The meeting was adjourned at 7:56 p.m.

Mayor: 
Chad Olson

ATTEST: 
L. Peyton Mastera, City Administrator

Approved by the Dilworth City Council on September 27, 2021