

**OFFICIAL PROCEEDINGS
CITY OF COLUMBIA HEIGHTS
CITY COUNCIL MEETING
JUNE 24, 2019**

The following are the minutes for the regular meeting of the City Council held at 7:15 pm on Monday, June 24, 2019, in the City Council Chambers, City Hall, 590 40th Avenue N.E., Columbia Heights, Minnesota.

1. CALL TO ORDER/ROLL CALL

Mayor Schmitt called the meeting to order at 7:15 pm.

Present: Mayor Schmitt, Councilmember Buesgens, Councilmember Murzyn, Jr., Councilmember Novitsky, Councilmember Williams

Also Present: Ahmed Abdelhakem, Spring Lake Park resident; Sheikhman Ali, Columbia Heights resident; Kelli Bourgeois, City Manager; Jim Hoeft, City Attorney; KT Jacobs, 2020 Census Committee; Joseph Kloiber, Finance Director; David Mol, CPA, Redpath and Company; Dan O'Brien, Acting Fire Chief; Ibrahim Rddad, Columbia Heights resident and interpreter; Ben Sandell, Communications Coordinator; Nicole Tingley, City Clerk; Malcolm Watson; Pastor Bonnie Wilcox, First Lutheran Church; Jackie Zillmer, Assistant Finance Director

2. INVOCATION

Invocation provided by Pastor Bonnie Wilcox, First Lutheran Church

3. PLEDGE OF ALLEGIANCE

4. MISSION STATEMENT, Read by Mayor Schmitt

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

5. APPROVAL OF AGENDA

Mayor Schmitt announced the removal of item 8C on the agenda and combined presentations of items 6A and 6B.

Motion by Councilmember Williams, seconded by Councilmember Murzyn, Jr., to approve the agenda as amended. All Ayes, Motion Carried 5-0.

6. PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

A. Presentation of GFOA Certificate of Achievement for Excellence in Financial Reporting

Mr. Mol announced that the City had received the "GFOA (Government Finance Officers Association) Award for Excellence in Financial Reporting" for demonstrating its commitment to preparing financial statements that were comprehensive, transparent and consistent with accounting standards. Director Kloiber noted this was the 28th consecutive year the City had met the high Federal standard, recognized those who were an integral part in achieving the award and presented the plaque to Assistant Director Zillmer.

B. 2018 Summary Financial Information Presented by Independent Auditor David Mol, Redpath and Company

Mr. Mol reported that the 2018 City Financial Statements were completed.

- Opinion on Financial Statements: Purpose was to plan and perform the audit to obtain reasonable assurance about whether the financial statements were free of material misstatement and presented in accordance with accounting standards, using audit standards GAAS (AICPA) and GAGAS (GAO). The result was an unmodified or "clean" opinion issued on the 2018 financial statements.
- Report on internal controls: Purpose was to gain an understanding of internal controls in place and their effectiveness in order to design audit procedures, data mining (potential fraud and anomalies) and then discuss with management and report to the City Council identified deficiencies in internal control. The result was that no items were noted.
- Report on Minnesota legal compliance: Purpose was to determine whether the City complied with certain Minnesota statutes and laws pertaining to financial transactions and followed the audit guide published by the Office of the State Auditor (conflicts of interest, contracting bid laws, miscellaneous provisions, depositories of public funds and investments, public indebtedness, claims and disbursements and tax increment). The result, using select transaction samples to test for compliance with statutory provisions, showed no items of noncompliance.
- Communication to those charged with governance: The final report cited 1) an accounting policy used/changed by the City, implementing GASB No. 75 relating to OPEB, 2) accounting estimates in the financial statements, \$1,252,000 net OPEB liability and \$8,059,000 net pension liability, 3) no disagreements with management, 4) no difficulties encountered in performing the audit and 5) there will be more upcoming accounting standards. Specific fund balances were then highlighted for the City Council's review.

Councilmember Williams thanked Mr. Mol and Redpath for exceptional work over the past several years, and Mr. Mol said the clean audits are a reflection of the City Council, City Manager and Finance team. Mayor Schmitt and other Councilmembers thanked him for his consistent work.

Mayor Schmitt inquired about potential funding for a new City Hall, citing potential sales of City-owned properties and that approximately \$300,000 balance had remained from the library building fund. Director Kloiber responded that the money had been transferred into the general government building fund, used for most major building projects, and City-owned properties would likely not generate a significant amount of money. He said, however, several scenarios could be reviewed.

7. CONSENT AGENDA

(These items are considered to be routine by the City Council and will be enacted as part of the Consent Agenda by one motion. Items removed from consent agenda approval will be taken up as the next order of business.)

A. Approve Minutes of the City Council

MOTION: Move to approve the minutes of the City Council Meeting of June 10, 2019.

B. Approve Agreement Regarding Anoka-Hennepin Narcotics and Violent Crimes Task Force

MOTION: Move to authorize the Mayor, City Manager and Police Chief to enter into a Joint and Cooperative Agreement for the Formation and Administration of the Anoka-Hennepin Narcotics and Violent Crimes Task Force.

C. Consideration of Approval of Attached List of Rental Housing Applications

MOTION: Move to approve the items listed for rental housing license applications for June 24, 2019, in that they have met the requirements of the Property Maintenance Code.

D. Authorization to Purchase Police Vehicles

MOTION: Move to authorize the purchase of two 2020 Ford Police Interceptor Utility Vehicles from Tenvoorde Ford and one unmarked Chevy Traverse from Ranger GM, under the State of Minnesota bid, with funding to come from 431.42100.5150 in the amount of \$101,240.12, and that the Mayor and City Manager are authorized to enter into contracts for the same.

E. Approve Business License Applications

MOTION: Move to approve the items as listed on the Business License agenda for June 24, 2019, as presented.

F. Review of Bills

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8, the City Council has reviewed the enclosed list of claims paid by check and by electronic funds transfer in the amount of \$883,841.97.

Motion by Councilmember Buesgens, seconded by Councilmember Williams, to approve the Consent Agenda. All Ayes, Motion Carried 5-0.

8. PUBLIC HEARINGS

A. Consideration of revocation of the licenses to operate rental units within the City of Columbia Heights is requested against the rental property at 4518-4520 Fillmore Street NE for failure to meet the requirements of the Residential Maintenance Code.

Mayor Schmitt opened the public hearing.

Through interpreter Ibrahim Rddad, Ahmed Abdelhakem, Columbia Heights property owner, said he has owned the property since 1995 and has satisfactorily completed its annual inspection through Section 8, the City and Fire Department. The property has been rented to refugee families, many of whom have children, and he said he has helped them (sometimes paying \$700 every three months for water) and that he maintains the property and has spent \$72,00 over ten years fixing things in the basement and house.

He said, on November 11, 2018, three items on the property were noted by the Fire Department that needed to be corrected within a month, those being a tree stump, no seeds in an area on the grounds, and garage repair. Mr. Abdelhakem said he paid \$850 to repair items (with the exception of seeds, for which he has since purchased) and an inspection was scheduled 1:30-2:30 pm on one of his religious holidays, but his wife told him that the inspector, instead, showed up unannounced that morning. He feels the inspector, now-retired Assistant Fire Chief John Larkin, intentionally tried to find things wrong on recurring inspections and "hated" him. When Mr. Abdelhakem went to the City to pay the \$1,200 rental license, he said he was told that he was ten days late and the license would be revoked.

Mr. Abdelhakem, who described himself as a college-educated administration director, said he has respected the law, is a good citizen and has never had any arrests in his life. His wife, who is wheelchair bound, was a respected educator.

He said he respects the law and will abide by the City's decision but asks for mercy in their consideration.

Chief O'Brien provided the Council with a timeline: June 26, 2018, annual exterior walkthrough when four repairs had not been completed; rental license revocation; rental license fees were paid and license reinstated; October 3, 2018, reinstatement inspection where additional items were noted. Because of inclement weather, an extension was granted until spring 2019 for all repairs to be completed, but the City found incomplete external items during the June 5, 2019, inspection. A June 17, 2019, pre-Council inspection was done and still some exterior items had not been completed, those being the paint, bare areas of the yard and tree stump.

Motion by Councilmember Buesgens, seconded by Councilmember Novitsky, to close the public hearing and to waive the reading of Resolution 2019-49, being ample copies available to the public. All Ayes, Motion Carried 5-0.

Councilmember Williams inquired as to whether Mr. Abdelhakem understood the repercussions of revocation and what corrections had needed to be done. Chief O'Brien said he believed so, that Mr. Abdelhakem had been through many license renewals and had over a year to make the repairs for licensing. Councilmember Williams also asked what the process would be for reapplication; and Mr. Hoeft reported that a five-year period would be required should the City Council approve this second rental license revocation, a notice would be posted on the property and tenants would have 45 days to vacate the building. He also said the City has worked with tenants in the past and reasonable accommodations could be made for certain situations.

Councilmember Murzyn, Jr., asked whether all inside corrections had been made before the October 3, 2018, inspection, adding that he had accompanied the inspector and at that time noted smoke alarms had been incorrectly installed. He also noted, contrary to Mr. Abdelhakem's claim, that the inspector had been polite to all in attendance. Chief O'Brien said only eight of the 16 items cited had been corrected at that time.

Motion by Councilmember Buesgens, seconded by Councilmember Novitsky, to adopt Resolution 2019-49, being a Resolution of the City Council of the City of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A, 408(A) of the rental licenses listed. All Ayes, Motion Carried 5-0.

Mayor Schmitt said any further questions could be addressed to Chief O'Brien or Fire Department.

B. Consideration of revocation of the licenses to operate rental units within the City of Columbia Heights is requested against the rental property at 1620 Innsbruck Parkway for failure to meet the requirements of the Residential Maintenance Code.

Chief O'Brien provided background information and reported that the owner failed to submit the rental license application before the deadline and had not responded to the Fire Department's April 1, 2019, initial reminder letter.

Mayor Schmitt opened the public hearing.

Sheikhman Ali, Columbia Heights resident, said he had lived at the property from 2005 to 2013 and was representing his sister, who owns the property but only lives at the property on Fridays, Saturdays and Sundays when she is in town. He said he doesn't understand why the family needs to pay the \$150 penalty in addition to the \$75 annual family exempt rental fee.

Chief O'Brien said the fee is in place, according to Code, because it is a family rental. Mr. Hoeft added that if an owner does not reside at a property (i.e., driver's license address, one legal address and residence), then it is presumed to be a rental; and if family members, paying or not, live on the property, then it is considered a rental but is eligible for owner exemption. He said the license cost is higher now because the owner was late in applying for the family exempt license, so the fee was \$75 for the annual license plus a \$150 late fee.

Mr. Ali said his family was unaware of the exempt licensing change and any changes should be communicated to residents. Mr. Hoeft responded that fees are set by ordinances, and Mayor Schmitt added that website City Council minutes are the official record and can be viewed by the public. Mr. Ali said he felt some City representatives had been disrespectful to him.

Motion by Councilmember Buesgens, seconded by Councilmember Murzyn, Jr., to close the public hearing and to waive the reading of Resolution 2019-51, being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember Buesgens, seconded by Councilmember Murzyn, Jr., to adopt Resolution 2019-51, being a Resolution of the City Council of the City of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A, 408(A) of the rental licenses listed. All Ayes, Motion Carried 5-0.

C. Consideration of revocation of the licenses to operate rental units within the City of Columbia Heights is requested against the rental property at 4959 5th Street NE for failure to meet the requirements of the Residential Maintenance Codes.

Removed

9. ITEMS FOR CONSIDERATION

A. Other Ordinances and Resolutions

B. Bid Considerations

C. New Business and Reports

10. CITY COUNCIL AND ADMINISTRATIVE REPORTS

Councilmember Novitsky reported that the Jamboree begins this week with the Community Picnic and vendor show on Thursday, parade on Friday (last year of royalty), and softball and beanbag tournaments on Saturday, and waffle breakfast (9:00 am to noon at Murzyn Hall) and Athletic Boosters merchandise bingo beginning 12:30 pm.

Councilmember Murzyn, Jr., reported the Columbia Heights Lions Club Auto Show will be held this Saturday at Murzyn Hall rear parking lot: 4:00 pm registration, 5:00 pm show, 8:45 pm awards, 9:00 pm auto show, followed by fireworks. He also said food will be sold during the Jamboree parade this Friday beginning at 6 pm on 45th Avenue.

Councilmember Buesgens met with, along with Mayor Schmitt and Manager Bourgeois, members of the School Board to plan for joint work session in September. She also attended a meeting with the new Blooming Sunshine Garden in Lomianki Park and provided on update on plantings. The City reached 18% in its organic compost and she thanked all who participated.

In addition to the School Board meeting, Mayor Schmitt said she attended "Coffee with a Cop" at White Castle and said "Ice Cream with a Cop" will be upcoming.

Coordinator Sandell offered a reminder about the Community Picnic at Huset Park West this Thursday, with 30 Art & Craft Fair vendors and 25 information booths set up around the splash pad. A fishing clinic will be provided by Anoka County officials, and sign-up can be done by calling 763-706-3730 or visiting chreconline.org (50 slots available). The Community Picnic runs 4:30-7:00 pm and the Art & Craft Fair 4:30-7:30 pm. This year tickets will be distributed for 300 free tacos. Mayor Schmitt noted that the City has received requests to open the Council Chambers during the fireworks for those with PTSD or autism and that a volunteer from the Lions Club has offered to be assist. Manager Bourgeois responded that it certainly could be done and also stated that fireworks would be scheduled for Sunday should rain prevent a Saturday display.

Manager Bourgeois introduced and welcomed new City Clerk Nicole Tingley, and the Council congratulated her.

11. COMMUNITY FORUM

KT Jacobs thanked the Council for their continued support and provided an update on the 2020 Census: There will be an informational table on Thursday at the Community Picnic, with many visual items available, and several local businesses have offered their support (such as \$100 from Home Depot, Midas, oil change from Bobby & Steve's). Flags will also be distributed during the parade.

12. ADJOURNMENT

Motion by Councilmember Williams, seconded by Councilmember Novitsky, to adjourn. All Ayes, Motion Carried 5-0.

Meeting adjourned at 8:39 pm.



Respectfully Submitted,
Nicole Tingley, City Clerk/Council Secretary