

August 19, 2015

The City Council held a Special Meeting on the above date. The following were present: Mayor Randall Simonson, Council members Bob Hegland, Dan Lee, Chris Ness, and Jim Schneider. Staff present: Administrator Kristina Handt, Public Works Director Dave Williams, Fire Chief Mike Hinz, City Engineer Ryan Goodman and Treasurer Colleen Firkus

Mayor Randall Simonson called the meeting to order at 6:30 p.m.

2016 BUDGET and 2016-2020 CIP

Administrator Handt and City Engineer Goodman reported on paving alternatives for 185th Street, Oakgreen Ave. and Old Marine Trail. Handt stated there is an Assessment Policy in place in which the property owners representing 35% of the road frontage could petition the City to pave their roads, or the Council could pass a resolution with a four-fifths majority to move forward with paving a gravel road. The policy also assesses 75% of the bituminous costs, which would be required if borrowing were used to fund the project. Goodman presented cost proposals of two traditional paving options. One is called a Shape and Pave where it is assumed the subgrade is sufficient to support the pavement. It includes adding some gravel and grading. Cost estimates also included culvert replacement, minor ditching, minor clearing and grubbing, signing and striping. The second option is called a Full Section, which is how developers are required to build, which includes 12 inches of sand, 8 inches of class 5, and two lifts of bituminous – a base and a wear course. The cost estimates for the two options are:

<u>Street</u>	<u>Full Section</u>	<u>Shape and Pave</u>
185 th from Olinda Trail to Old Marine Trail	\$1,048,000	\$638,200
Old Marine Trail, 6,150 ft., 1.16 miles	\$ 994,000	\$606,700
Oakgreen Ave.	\$ 345,700	\$209,700
Total Project Cost	\$2,387,700	\$1,454,600

Godman said that this is a very large project and should receive very competitive bids. However, he felt it was a lot to spend on low volume roads, which is 300 cars or less per day, and there are very few parcels to participate in the assessment as part of the abutting property is DNR land. Goodman presented a third option called Double Chip Seal, which is two layers of seal coating with a specified crushed aggregate base. The base would still have to be prepped with any soft areas addressed first. Maintenance is seal coating them in the future. Pictures of a 5 year old road that had been paved from gravel with a Double Chip Seal method were passed around. Goodman did not see any reflective cracking and felt the road was flexible enough where it self-seals when hot. Small towns and cities that can't afford full section paving are utilizing this method. Schneider expressed concern over an inadequate base and how that would affect snowplowing on a road not yet frozen. Goodman did not have any information on the subgrade of the roads in question. Residents in the audience also said there are large areas of frost boils on 185th, possibly due to former extensive gravel truck traffic. A sample of this type of road can be seen in front of the Stillwater Township hall. Cost is estimated to be one-fourth the cost of a Full Section project. Assuming the base is prepared, the cost of the Double Chip and Seal would be \$225,000 for all three roads, while just the bituminous part of a Full Section would cost \$875,000 – a surface to surface comparison, with no subgrade work.

Simonson suggested doing a test strip of a chip and seal product. Goodman said he could check with contractors to see if there are other local areas that have used this method. Schneider said he would like to lay the options out for the residents that would be assessed and let them decide to petition the Council for paving, or just stick with dust control measures. They had recently requested the City to budget a second application of dust control. Goodman said he is assuming there would be little subgrade work needed and maybe the roads should be monitored through the next freeze/thaw cycle. Handt suggested the Public Works staff could get a representative sampling of the three roads subgrade and residents could be invited to the September 2 Council Work Session to hear the options and comment. Council agreed to this plan.

Handt also pointed out that if a paving project is assessed, the City could borrow to spread out the cost. This method would affect the 2017 budget with a new debt service payment. Otherwise, the Council could put more money in the 2016 budget for a second application of dust control. Ness suggested making a decision on extra dust control at the September 2 meeting.

Several residents of the area in question, who are concerned about dust control, wash-boarding and pavement options, were on hand to hear the presentation, ask questions and offer input.

Handt reported that the City has built up consistent sufficient tax levy in the budget to be doing a \$1,000,000 project every other year. Streets have been rated and identified through year 2028 for repair and sealcoating. After the 2015 and 2016 projects, at the current level of funding, there is anticipated to be \$420,000 left in the Local Road Improvement Fund (LRIF). Additional work could then be added to projects in 2016 or 2017.

Goodman pointed out that the map of projected road projects is just a guide and will change over time and adjusted annually. As more money is found through favorable bids, budget allocations, or alternative paving options, the timeline will change on which roads are repaired or reconstructed. For example, there are no dates set for Oldfield, Oren, Oakhill and Melanie as there is no money now for them, but they could be done when extra funds are found. Micro-surfacing recently used in Chisago County and on Hwy. 97 is another lower cost alternative to sealcoating roads that have been built to current standards. Goodman also mentioned something called Scrub Seal and suggested those interested watch it on Youtube, as it may apply to some of the City roads that are not going to be reconstructed anytime soon. Goodman said these alternative methods of pavement management are now being used more by local contractors due to the high cost of bituminous, which has doubled in 10 years.

Handt suggested the Council decide early on which roads to do next year, so they can begin the bidding process early and receive favorable bids. The Council decided to increase the LRIF Capital Improvement expense from \$900,000 to \$1,150,000 to do 236th, 237th, Novak, and add in Oldfield as far as the money allows, which Goodman estimates about 2,500 ft. from 240th to 236th.

Public Works Director Williams reported on his review of the dump truck. He reviewed the maintenance records and DOT inspections, along with a road test and a walk through. He reported the truck is in sound condition. However, the sander system is outdated and cannot be calibrated as to how much salt is being put down per mile; it's guesswork. The interior is quite

used with an air-ride seat that is beginning to malfunction and is costly to replace. There are signs of wear and rust on the chassis and fittings for the hydraulics. There is some body work that needs to be done. Williams thinks there will need to be expensive repairs in the near future. His recommendation is to keep the budget where it is and purchase the new truck. This will include a trade-in of the current truck, which will get the best value for it now. Waiting longer will decrease the trade-in value and increase the cost of a new truck making it more expensive to the taxpayer. Mayor Simonson said the two questions from the last meeting were if it is feasible to push the purchase back a year, and choosing single versus tandem axle. Williams did not think that would be a good plan to put off the purchase, and he recommends buying a single axle truck as the City already has a tandem axle truck. It is also part of the plan to stagger costs by spreading out purchases. Simonson pointed out an older truck can also lead to down-time issues when it is needed during a snow event. Ness remembers a worker's compensation claim from an employee hurt by a piece broken off an older truck. Handt remarked there is no advantage to waiting as it will just cost more. Council agreed to support the purchase.

The Police service budget was discussed. Handt reported that there is a 180 days termination notice required, so if the Council was planning on cutting police service, then to budget half a year's expenses. The City is also not allowed to put a question on the ballot regarding police services. Handt suggested putting the question in the fall newsletter and the Council talk to people to see what they want. Ness indicated he was getting a split response and would like to see it in the newsletter. Hegland suggested putting some statistics in the newsletter on costs. Schneider would like to see both sides represented in the newsletter. Schneider feels it is too much money for the level of service; that code enforcement is in the Administrator job description and citation authority can be granted by the Council to anyone representing the city, from animal control, public works, building official, and administrator, with citations being sent out in the mail. Schneider stated the only reason Scandia started with police service was when a three year grant received and he doesn't believe there would be no increase in response time if the contract were cancelled; that the north car covers May, Marine and Scandia. Hegland would like to do an analysis of the cost per call and requested staff to pull Deputy Yetter's calls in Scandia. No action was taken.

There was much discussion on the Fire Department budget. However, as Chief Hinz had left on a fire call, there were no changes made to the Fire budget.

NE METRO WATER SUMMIT GROUP JOINT POWERS AGREEMENT

Goodman provided information on the background of the origin of this water group. The City has a well that provides water to Elim church, Gammelgarden and the Community Center which is sourced in the Prairie du Chien-Jordan aquifer. This aquifer is the focal point of the White Bear Lake settlement and the groundwater issues with the number of communities that use that aquifer as a main water supply. This aquifer has a high point on the east side of White Bear Lake and runs out through Scandia. Directional flows show that any water pumped out of the aquifer in Scandia would flow towards the St. Croix River. Therefore, from a geological standpoint it is unlikely that any Scandia access would affect the White Bear Lake levels. The group formed when the DNR was sued in 2012 over the White Bear Lake historic low water levels. The MET Council became involved with a water supply plan for municipalities. A number of alternatives were looked at to reduce the ground water pumping that was occurring with the suburban sprawl.

Previously surface water was the dominant source for municipal water, mainly the Mississippi River. In 2014 the MET Council released a feasibility assessment approaches to water sustainability in the Northeast Metro in which thirteen communities were identified. The City of Scandia was not listed in it. No causation was established for the low lake levels as the lawsuit did not go to trial and no expert testimony was heard by the judge. There are a number of studies that are ongoing and expected to be finished mid-2016 by the USGS in coordination with the DNR and MET Council, in which several more monitoring wells have been installed throughout the aquifer and seepage meters placed in lakes, including one in Big Marine Lake. There have been three meetings of the NE Summit group that included elected officials, representatives from Washington County Environmental, DNR, MET Council, some senators and then municipal representatives. No one south and east of Hugo has attended these meetings. A joint powers agreement was proposed at the last meeting. Goodman hesitated to advise Scandia to join this group as participation may imply Scandia has a stake at the issues at hand or is willing to join in the participation costs. He did not feel there was much the City could do to enforce conservation efforts as it does not have a municipal pumping system, and the amount of water Scandia uses is so minimal. The only concern is that within that groundwater management plan, the DNR may make efforts to review private permits like developments with community wells, or farmers that irrigate with well water. That will take a lot of manpower and is not likely to happen. Goodman doesn't have any confirmation of which cities are going to join this coalition. He advises Scandia to just wait and see what develops. The Council agreed with that approach.

ADJOURNMENT

Ness, seconded by Lee, moved to adjourn the meeting at 9:23 p.m. The motion carried 5-0.

Next budget meeting is Wednesday, September 2 at 6:30 p.m.

Respectfully submitted,

Colleen Firkus
Treasurer