

September 2, 2008

A regular meeting of the Scandia City Council was held on the above date. Mayor Seefeldt called the meeting to order at 7:03 p.m. The following councilmembers were present: Council members Michael Harnetty, Dolores Peterson, Donnette Yehle, Mayor Dennis Seefeldt. Absent: Councilmember Pete Crum. Staff present: Administrator Anne Hurlburt, City Attorney Dave Hebert, Building Official Steve Thorp, Deputy Clerk Brenda Eklund.

APPROVAL OF THE AGENDA

Councilmember Peterson amended the agenda to include a discussion of the city-sponsored Heavy Metal Day scheduled for September 27 and a discussion of the Rasmussen house. Councilmember Harnetty added an update on the ice rink project and discussion of the Community Center roof. **Councilmember Yehle, seconded by Councilmember Peterson, moved to approve the agenda as amended. The motion passed unanimously.**

NOMINATION FOR CARNELIAN-MARINE-ST. CROIX WATERSHED BOARD

Council discussed a nomination to the Carnelian-Marine-St. Croix Watershed Board of Managers, which has a vacant seat due to the resignation of Fredrick Marquardt. Michael White, nominated to a vacancy in April, remains interested in an appointment. One additional application was recently received from Gary Orlich. Councilmember Peterson stated that she strongly feels Mr. White is qualified to serve on the board. This was reiterated by Councilmember Yehle, who stated that Mr. White's past experience on the Watershed Board makes him excellent candidate. Councilmember Harnetty agreed, stating that Mr. White has a vested interest in the community and willingness to serve. Mayor Seefeldt stated he has no hesitation in nominating Mr. White, although consideration could be given to Mr. Orlich as he resides in the newly added area of the Car-Mar Watershed. **Councilmember Peterson, seconded by Councilmember Yehle, moved to nominate Michael White to the Carnelian-Marine-St. Croix Board of Managers. The motion passed unanimously.**

Mr. White's nomination will be forwarded to the Washington County Board of Commissioners.

MICHAEL AND EMILY MELLGREN - CERTIFICATE OF COMPLIANCE FOR A BUSINESS OFFICE AT 21150 OZARK COURT (RESOLUTION 09-02-08-01)

Emily and Michael Mellgren, 11315 242nd Street, Chisago City, doing business as Select Hardwoods, have made application for a Commercial Certificate of Compliance to operate a business office at 21150 Ozark Court. Select Hardwoods will use the space for office use only and will not store any equipment at this site. **Councilmember Peterson, seconded by Councilmember Harnetty, moved to adopt Resolution 09-02-08-01 for a Certificate of Compliance at 21150 Ozark Court. The motion passed unanimously.**

SET DATES FOR 2009 TRUTH IN TAXATION & LEVY ADOPTION HEARINGS

Councilmember Yehle, seconded by Mayor Seefeldt, moved to schedule the 2009 Truth in Taxation Hearing on December 1, 2008, with a continuation hearing on December 8, 2008 if needed. The motion passed unanimously.

COMPLETION OF IMPROVEMENTS IN THE SANCTUARY (RESOLUTION 09-02-08-02)

City Attorney Hebert explained the legal recourse the City has for completion of the pavement wear course to Oxboro Circle, a cul-de-sac within The Sanctuary. This is a 6-lot subdivision approved in 2005. The remaining financial guarantee of \$12,375 is inadequate to make the needed repairs and complete the street project, estimated at a cost of \$42,163. As Developer Brian Iverson does not have sufficient funds to fulfill the development agreement, he has agreed to petition the city to undertake the improvement of Oxboro Circle, and has agreed to an assessment of the balance of the costs to the portion of the development he still owns (Lots 3, 5 and 6, Block 1). The assessment terms will be at a rate of 6.5% per year, over 5 years.

Councilmember Yehle, seconded by Councilmember Peterson, moved to approve the Agreement of Assessment and Waiver of Irregularity and Appeal with Brian Iverson. The motion passed unanimously.

Councilmember Peterson, seconded by Mayor Seefeldt, moved to adopt Resolution 09-02-08-02 Declaring Adequacy of Petition and Ordering Preparation of Report. The motion passed unanimously.

The City Engineer will proceed to obtain quotes for the work, so that the project can be completed this year.

FALL HEAVY METAL DAY DISCUSSION

Councilmember Peterson distributed a letter she received from SRC regarding the spring clean-up. A low turnout resulted in a higher than usual cost to the city. It was suggested to host one annual clean-up event to bolster participation and lower the city's cost. **Councilmember Harnetty, seconded by Councilmember Yehle, moved to cancel the fall heavy metal collection day scheduled for September 27, 2008. The motion passed unanimously.**

DISCUSSION OF RASMUSSEN PROPERTY

Councilmember Peterson inquired about the status of the Rasmussen house, recently vacated by the longtime residents and now under complete ownership of the city. Administrator Hurlburt only recently obtained the keys and will report on an assessment of the condition of the house at the next council meeting.

RINK BOARD PROJECT

Councilmember Harnetty commended the volunteers who have worked on the installation of the replacement rink boards. The project is close to completion. It was suggested to officially recognize those who volunteered their time at a future meeting.

COMMUNITY CENTER ROOF

Due to the high number of damaged roofs in the area due to an early summer hailstorm, Councilmember Harnetty suggested that the city's insurance agent evaluate the condition of the

Community Center roof and also other city-owned buildings (annex, warming house, Public Works/Fire Department building). Staff will report on this at a future meeting.

The Planning Commission meeting was called to order at 7:32 p.m. The following were present: Commission Chair Chris Ness, Commissioners Tom Krinke, Christine Maefsky, Susan Rodsjo, Peter Schwarz and TKDA Planner Berry Farrington.

TOM AND LISA STANEK – CONTINUED HEARING ON VARIANCES TO CONSTRUCT A NEW HOME AT 19107 LAYTON AVENUE

The public hearing was continued from August 5, 2008 on the variance application for Tom and Lisa Stanek to construct a new home on a vacant lot located at 19107 Layton Avenue. The applicants submitted a plan in which the scale of the home was reduced and the impervious cover reduced to less than 25%, eliminating the need for a variance for lot coverage.

Planner Berry Farrington presented the planner's report in which approval was recommended. The applicant's plans have been revised based on comments from the August meeting. The height of the structure, previously proposed at 32 feet, now measures 28.5 feet. Two layout options were submitted; Layout A having the garage on the north and Layout B having the garage on the south. There is a very small difference in lake setback between the two (58.8 feet versus 58.5 feet) so that either option could be granted to best limit grading and avoid trees as the building permit process moves forward. The applicant is working with the DNR and Watershed to develop landscaping plans with the intent of protecting water quality. The report recommends that a landscaping plan be submitted to the City.

Commissioner Ness opened the hearing to the public.

Dave Berg, 11110 189th Street: Mr. Berg expressed his concerns about the negative impact this home could have on the water quality of Big Marine Lake and the limited connections into the 201 septic collector system. He is opposed to this proposal based on the precedent it could set to "shoehorn in uses in marginal lots".

Doug Salmela, 19123 Layton Avenue: With input from Pete Ganzel, Washington County Department of Public Health, Mr. Salmela presented a report from the year 2000 on the 201 septic collector system in which he interpreted the findings to show a capacity for 7.6 homes remaining. Approximately four homes in the vicinity have individual drainfields, which he feels connections should be reserved for. Mr. Salmela requested that the City provide a summary analysis of usage within the next 20 years, establish a life expectancy of the 201 system and establish a plan to handle additional connection requests fairly.

Brad Bergo, 19123 Layton Avenue: Mr. Bergo expressed his concerns of the long-term capability of the 201 system. He questioned the reduction in lot coverage by no longer calculating the deck as impervious and stated that the County and DNR view pervious pavers as

included in lot coverage. Administrator Hurlburt explained that a raised deck is not considered impervious. Planner Farrington explained that the revised plan no longer has a patio and distance of the driveway is measured from the edge of the parcel line, not from the right-of-way easement. This calculates to lot coverage of 21.4%. Mr. Bergo also had concerns of the changes to natural drainage that this structure would have, possibly leading to flooding onto his adjacent property. Overall, he is opposed to the granting of this variance based on the overall lot size variance and precedent setting nature. Mr. Bergo referenced the denial of a variance from the OHW at 19077 Layton Avenue, which required the home to be wider and taller than normal.

Chairman Ness closed the public comment portion of the hearing and asked applicant Tom Stanek for comments. Mr. Stanek felt that he followed through in what he was asked to do by scaling down the size of the home and reducing lot coverage below 25%. Mr. Stanek spoke with Pete Ganzel at the County and was assured that there is capacity for a new home connection on the 201 system.

Jim Shaver, Carnelian-Marine-St. Croix Administrator, added a comment that the Watershed considers a raised deck as impervious cover as a homeowner may lay a barrier underneath the deck for weed or erosion control.

Councilmember Peterson relayed comments she had gotten from the city assessor in which he classifies and assesses the property as unbuildable. Pete Ganzel relayed to Councilmember Peterson that he is not in favor of allowing additional hook-ups for new construction and that the capacity of the 201 system needs to be monitored carefully. Councilmember Peterson believes the intent of the installation of the collector system was for existing homes and cabins only.

Commissioner Schwarz inquired as to how and when a determination was made that the lot is unbuildable. City Attorney Hebert stated that a lot is valued as undeveloped for tax purposes only and the lot was assessed for the full value of a buildable lot when the road improvement project was undertaken in 1999. A determination that the lot is unbuildable has never been made.

Commissioner Krinke inquired if a building permit was ever denied on this lot. Administrator Hurlburt answered that records indicate that there have been no applications for building on this property.

Commissioner Maefsky asked if hook-ups to the 201 collector system have occurred for new construction. Administrator Hurlburt stated that there have been a couple in recent years.

Commissioner Schwarz inquired about the process for granting new connections. Administrator Hurlburt answered that the ordinance limits connections to contiguous lots in previously developed areas only. City Attorney added that the County issues the permits and have monitored it closely over the years.

Commissioner Krinke stated that these concerns have not been successfully mitigated and would be opposed to granting variances due to the small lot size.

Chairman Ness had concerns of how the calculations of lot coverage have been changed and indicated his opposition.

Commissioner Schwarz stated that the law allows reasonable use of property unless determined unbuildable. Numerous variances have been granted in this neighborhood. There remains a question of debate with the County regarding the 201 septic connection and he would like assurance that it is being monitored closely; otherwise, he sees no grounds for denial.

Councilmember Harnetty feels that even though the proposed structure may not be practical within the ordinance, denial may mean that future improvements in this neighborhood could also be denied.

Commissioner Rodsjo felt that the large deviation from the minimum 2.5 acre lot size is an important consideration for protection of water quality.

Mayor Seefeldt suggested that the review process be extended until a subcommittee meets with the County to discuss the long-term status of the 201 collector system. Staff will arrange for this meeting with the following serving on the subcommittee: Commissioners Ness and Schwarz, Mayor Seefeldt, Councilmember Harnetty and Administrator Hurlburt. A representative of the neighborhood will be invited to attend.

The Planning Commission moved to table the hearing for up to 60 days for the purpose of gathering additional information.

CHRIST'S HOUSEHOLD OF FAITH CHURCH AND SCHOOL – CONDITIONAL USE PERMIT FOR ADDITIONAL ANIMAL UNITS AND VARIANCE FOR ANIMAL FEEDLOT SETBACK FROM WHITE ROCK LAKE AT 19060 MANNING AVENUE NORTH

Applicant David Bluhm, representing Owner Christ's Household of Faith Church and School, was present to request a Conditional Use Permit to allow the keeping of animal units in greater concentration than 1 animal unit per 2 grazable acres and also variances from the feedlot setback of 300 feet from White Rock Lake and 75 feet from a wetland. There is an existing feedlot approximately 200 feet from White Rock Lake and 20 feet from the wetland. There are currently ten horses kept in the feedlot and nearby pastures. The property owned by CHOF consists of two parcels, 21 acres on the north and 19 acres on the south. The feedlot and pastures are located on the southern parcel. The church operates multiple accessory uses on the property, such as a day camp, a pick-your-own agricultural business, outdoor worship service area, a campground for private use, and multiple accessory structures. Some of these uses are nonconforming.

Planner Farrington presented the planner's report which recommends issuance of an Interim Use Permit that would establish termination of the permit, i.e. upon sale of the property. Permit conditions would allow continuation of existing accessory and nonconforming uses. Previous interaction with New Scandia Township allowed for the reduction in animal units over time as older horses died off, with a limit of five horses. The applicants worked with the Washington Conservation District to make improvements to the livestock operations to better protect the water quality of White Rock Lake. The improvements meet Minnesota Pollution Control Standards, as management practices are being followed. The WCD has determined that the feedlot will still meet State water quality standards if it is used by up to 10 horses.

Chairman Ness opened the hearing for public comments.

Al Sova, 10455 192nd Street: Will the feedlot parameters stay the same? *Planner Farrington:* Yes, there will be no change in the size of the feedlot. Mr. Sova later commented that the church has been a good steward of the land with low impact on the neighborhood. He has not been disturbed by any noise or activity as long as he has lived at his residence. Mr. Sova did express his concern about the present lake quality and asked what the City can do to assist with clean-up.

Moose Malmquist, 14670 Scandia Trail: Is the septic sufficient for use by large groups? *Mr. Bluhm:* Portable toilets are in place for large gatherings. There is low use of the house facilities during events. Building Official Thorp suggested that a septic compliance test be done every few years to evaluate the functionality of the septic.

Jane Ojez, 10445 192nd Street: The DNR has determined that feedlots are contributors to algae problems in water bodies. The poor conditions of White Rock Lake shouldn't get worse. What will the MPCA do to monitor the conditions? *Planner Farrington:* There will be no expansion of the present feedlot. The improvements which were undertaken according to the WCD engineered design are working to protect the lake from feedlot runoff. A buffer was created between the feedlot and the lake, along with a drainage area to divert water around the feedlot. Testing has determined that the feedlot has the capability to support up to 10 horses without increasing the pollution risk.

Unidentified woman: Where does the manure go? *Mr. Bluhm:* Composting bins have been designed by the WCD for the purpose of collecting manure.

Chairman Ness closed the hearing to public comment.

Commissioner Schwarz felt that the property has been well maintained, but the number of trailers should be limited to what the accessory structure holds. In addition, if the feedlot was designed for eight horses, that should be the limit. Commissioner Schwarz expressed that he would be in favor of granting an Interim Use Permit for one year, evaluating the permit at one year and pull if there are violations.

Chairman Ness counted 22 campers and trailers and felt that year-round storage issues should be addressed in the permit conditions.

Commissioner Maefsky stated that she was impressed with the condition of the property and sees that the owners have gone to great lengths to comply with feedlot control issues. Testing shows that the design is working and she would be in favor of granting a leeway of up to ten horses. Commissioner Maefsky felt that an IUP could be issued until the property changes ownership as long as the run-off is being monitored.

Councilmember Harnetty added that this is a good example of rural character that the City is promoting.

Councilmember Peterson stated that she is not in favor of allowing more than the five animal unit density.

Councilmember Yehle brought up past history in which CHOF was asked by the Township to reduce the number of horses in 2005 and have now increased that number, adding to her concerns about granting a permit for up to ten horses.

Commissioner Rodsjo recognized that CHOF has done much work to clean-up and prevent run-off into the lake.

Commissioner Krinke felt that present conditions could support eight to ten horses.

Mayor Seefeldt stated that it would be naive to say that there is no impact on water quality – winter conditions can bring some run-off into the lake and what seeps into the ground may be affecting the shallow water table.

The Planning Commission moved to recommend to the Council to adopt draft Resolution 09-02-08-03 with amended conditions: Condition #1 to read a maximum of eight (8) horses shall be kept on the property and revise Condition #7 to read that campers/trailers must be in storage or off the property within two (2) days after their use.

Councilmember Harnetty, seconded by Councilmember Peterson, moved to accept the recommendation of the Planning Commission.

Mayor Seefeldt felt that as the building which stores the campers/trailers is nonconforming and is not used for agricultural purposes, it may be better to remove camping as an allowed use, as it may set a precedent for future requests from other groups for gatherings within the City. The outdoor storage of recreational vehicles has been violated for many years on this site. Could CHOF consider one day worship services?

Councilmember Peterson also felt that it would be best to remove the outdoor camping use. Even though this has not been a problem on this particular property, it may set a precedent for requests for additional outdoor gatherings that could have potential to cause problems.

Councilmember Yehle stated her agreement to oppose overnight camping.

Mr. Bluhm stated that this would be a hardship for the congregation. There are primarily tents set up for overnight gatherings. Mr. Sova attested to this, and reiterated that the gatherings are very quiet.

City Attorney Hebert stated that the City could recognize this as a long existing practice and allow overnight camping with no outside storage of campers/trailers so as to limit the impact on neighbors as much as possible.

Councilmember Harnetty views CHOF as serving the needs of their organization by offering the overnight camping and believes the conditions in the resolution fit this logic.

Councilmember Peterson summarized the acceptable conditions: eight horses, campers/trailers allowed overnight to be removed the next day, all storage of camper/trailers must be inside a building, review the permit at one year. Mayor Seefeldt added a condition to require a septic compliance report within one year.

Administrator Hurlburt suggested that the conditions be incorporated into a revised resolution for review at the next Council meeting.

Councilmember Harnetty, seconded by Councilmember Peterson, moved to table the IUP and Variance request for Christ Household of Faith. The motion passed unanimously.

Councilmember Yehle, seconded by Councilmember Peterson, moved to adjourn.

The meeting adjourned at 10:05 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk

