

June 17, 2008

A regular meeting of the Scandia City Council was held on the above date. Mayor Seefeldt called the meeting to order at 7:00 p.m. The following councilmembers were present: Councilmembers Pete Crum, Michael Harnetty, Dolores Peterson, Donnette Yehle, Mayor Dennis Seefeldt. Staff present: Administrator Anne Hurlburt, City Attorney Dave Hebert, Bonestroo Engineer Paul Hornby, City Planner Sherri Buss, Treasurer Colleen Firkus, Deputy Clerk Brenda Eklund.

PUBLIC FORUM

There were no public comments.

APPROVAL OF AGENDA

Councilmember Yehle, seconded by Councilmember Harnetty, moved to approve the agenda as presented. The motion passed unanimously.

APPROVAL OF CONSENT AGENDA

The following consent agenda was presented:

- a) Minutes
 - 1) May 20, 2008 Regular Meeting
 - 2) June 3, 2008 Meeting with Planning Commission
- b) Treasurer's Report

Beginning Balance 05/01/08		\$989,473.78
Receipts		+ <u>13,962.26</u>
Expenditures	86,108.79	
Payroll	<u>19,621.37</u>	- <u>105,730.16</u>
Ending Balance 05/31/08		\$897,705.88

- c) Payment of Vouchers
- d) Adoption of Records Retention Schedule (Resolution 06-17-08-01)
- e) Certificate of Compliance for Medical Staffing Partners, 14800 Scandia Trail (Resolution 06-17-08-02)
- f) Amendment to 2008 Budget

Councilmember Crum, seconded by Councilmember Harnetty, moved to approve the Consent Agenda as presented. The motion passed unanimously.

ICE RINK COMMITTEE

Administrator Hurlburt provided an update on the joint project between the City of Roseville and Scandia to provide replacement boards for Scandia's ice rink. The City of Roseville has confirmed that boards from Roseville's indoor rink are slated for removal on the weekend of July 25-27. The Ice Rink Committee met on June 10, 2008 to strategize a plan for removal of the old boards and reconstruction of the replacement boards. Volunteers will be recruited for work dates scheduled for July and August. The City of Roseville will ask Scandia to sign an agreement

relating to liability for salvage of their boards. That agreement will be brought to the Council at a later date.

COMPREHENSIVE PLAN COMMITTEE

Mayor Seefeldt gave an update on the Comprehensive Plan Committee meetings. The consultants have submitted a draft plan, which will be reviewed at two upcoming meetings on June 23 and 25 (6:00 p.m.). Councilmembers were invited to attend these work sessions.

PARK AND REC COMMITTEE – UPDATE ON WIND IN THE PINES PARK

Administrator Hurlburt relayed a report from the Park and Recreation Committee regarding recent improvements to Wind in the Pines Park. Great River Greening installed waterbars and steps to control erosion and stabilize trails in the park. Committee Chair Karen Schik arrived at 7:40 p.m. to provide additional information to the Council. Natural oak logs were utilized for the installation of the steps. The committee is very pleased with the work, and will meet with GRG next week to finalize the project.

POLICE DEPARTMENT

Deputy Chris Majeski reported on police activity within the past month. Recent burglaries are being investigated.

FIRE DEPARTMENT

Mayor Seefeldt extended a thank you to the Fire Department for the hours of volunteer work they have done in prepping the building's floor for seal-coating, and also for their presence at the recent opening of the Big Marine Park Reserve. Assistant Fire Chief Jim Finnegan presented the activity report for the past month and gave an update on the siren issue. Nelcom will be working on the conversion of the siren to an alternate frequency so that it will sound only in cases of pager failure and as a civil defense warning. This work is expected to be done by the end of June. Assistant Fire Chief Finnegan reported that the department provided assistance to the Hugo Fire Department by covering an eight-hour shift there.

CITY ENGINEER

Pilar Road Area Street Improvements, Resident Survey

Bonestroo Engineer Paul Hornby summarized the responses to the recent survey sent to property owners of Pilar Road and several connected streets. The survey was mailed on May 22. As of this date, 25 of the 35 surveys sent out were returned to the office. Submitted comments and concerns will provide helpful information regarding problematic drainage areas, sight distance concerns and erosion. Many responses were in favor of keeping the rural and scenic character of the roadway by having it remain unpaved. Easement acquisition would add to the cost of the project, although it is unknown at this time to what extent that would be. The Capital Improvements Committee will analyze improvements to these roadways as part of the Pavement Management Plan at a future committee meeting.

BUILDING/CODE ENFORCEMENT OFFICIAL

Building Official Steve Thorp's submitted report was reviewed. Councilmember Peterson inquired about the status of various code enforcement actions. Mr. Thorp will be back in the office next week and will contact Councilmember Peterson regarding her questions.

CITY ADMINISTRATOR

2009 Budget Meeting Schedule

Administrator Hurlburt has recommended that the council meet in two work sessions and schedule a special meeting in September to adopt the preliminary 2009 budget and certify the maximum tax levy. Meeting dates of August 6 and August 26 were scheduled to review recommendations from the Capital Improvements Committee and discuss a draft budget. Council will hold a special meeting on September 10 to adopt a preliminary budget and tax levy.

Draft Purchasing Policy

As the city currently lacks a written purchasing policy, Administrator Hurlburt presented a draft purchasing policy for council's review. A specific policy is necessary to give staff guidelines for purchasing goods and services for the city. Consensus of the council agreed that the policy is well written and falls within state guidelines. The draft policy will be distributed to the fire department, attorney and auditor for comments before adoption of a final purchasing policy at a future council meeting.

Draft Fixed Assets Policy

The city's auditors have recommended that the city adopt a fixed assets policy. Treasurer Colleen Firkus prepared a draft policy for review. The policy has guidelines for establishing the value of existing and new capital asset purchases, their useful lives for depreciation purposes, and procedures for keeping the inventory up to date in the future. The policy will be submitted to the auditor for review and brought back to the council for final adoption by resolution at a later date.

DESIGNATION OF CITY ENGINEER – RESOLUTION 06-18-08-03

Bonestroo, the city's engineering firm, has informed the City that Tom Peterson has resigned from the firm effective June 13, 2008. They have proposed Paul Hornby to replace him as the City Engineer. Their 2007 rates would continue to be in effect for the remainder of 2008.

Councilmember Peterson, seconded by Councilmember Harnetty, moved to adopt Resolution 06-18-08-03 Appointing a City Engineer. The motion passed unanimously.

CITIZEN'S PETITION FOR THE ENVIRONMENTAL ASSESSMENT WORKSHEET FOR TILLER CORPORATION MINING PROJECT (RESOLUTION 06-18-08-04)

A citizen's petition was submitted to the MN Environmental Quality Board (EQB) by Scandia resident John Lindell, 11240 218th Street. Mr. Lindell addressed the council with his concerns regarding the recent approval of Tiller's Conditional Use Permit for a mining operation, specifically his determination that an Environmental Assessment Worksheet (EAW) should be a requirement before allowing mining into the groundwater. The main issue addressed by the

citizen's petition was that Tiller had accelerated its mining timetable with its proposal for mining into the groundwater. The EQB determined that the City of Scandia is the appropriate governmental unit to decide the need for an EAW. City Planner Sherri Buss presented her report with findings that the project is exempt from further environmental review. Prior EAWs completed in 1987 and 1999 included an analysis of Tiller's mining operations. Plans submitted for the Conditional Use Permit that included mining into the groundwater and creation of the proposed lake were part of the phasing plan identified in the earlier EAWs. These plans provide no substantial change in the proposed project which would affect the potential for significant adverse environmental effects, therefore qualifying the project as exempt from further environmental review. Permits and safeguards required by local, state and federal regulations have not changed, and Tiller is in compliance with these permits and safeguards. The City's hydrogeologist's review of the existing groundwater studies for the Tiller Mine concluded that the impacts of mining into the groundwater will have a negligible effect on ground water tables in the area and on lake levels. The potential impacts evaluated in the 1987 and 1999 EAWs were identified, and no new impacts were identified when the research was reviewed in 2008.

Councilmembers Peterson and Yehle both commented that based on these findings, this project does not meet the requirements necessary to request a new EAW. Councilmember Harnetty views this as a well run operation and he trusts management to continue to operate in a well maintained manner. Attorney Hebert advised that conditions are reassessed every year through the Annual Operators Permit process. An EAW may be requested at any point there appears to be potential for environmental impacts not previously addressed.

Tim Brown, 23110 Manning Trail, inquired about the number of mining operations in the state that currently mine into the groundwater. Mike Caron, Tiller Corporation, listed off a number of locations that operate by this process with asphalt/concrete plants on site.

Councilmember Harnetty, seconded by Councilmember Crum, moved to adopt Resolution 06-18-08-04 Exempting Tiller Corporation Mining Operation in Scandia from Additional Environmental Review for Operations Proposed in the 2008 Conditional Use Permit. The motion passed unanimously.

CARNELIAN-MARINE-ST. CROIX WATERSHED DISTRICT

General Discussion/Background Information

By invitation, Carnelian-Marine-St. Croix Watershed Administrator Jim Shaver was present to add to a discussion of issues pertaining to the Watershed. Mayor Seefeldt began with a history of water management organizations in Scandia. Watershed Districts are separate units of local government, with authority established by state law and requiring no accountability to local government units.

Erich Kertzsch, 21355 Parrish Road, took issue with how the Watershed is funded by separate tax levies which show up on property tax statements to all residents within the WD, with no

accountability of the WD budget to an outside agency. Mr. Kertzsch sees no tangible benefits to being taxed without representation, as the DNR also oversees water quality. Mr. Kertzsch would like to see Scandia work together with other tiers of government to take up action on this issue.

Councilmembers agreed that people do wish to see something for their money. A recommendation was made to Mr. Shaver to supply the city with copies of the Watershed meeting minutes that can be added to the Scandia website and to present occasional reports to the council. Council considered it would be helpful to the public if the Watershed could designate where money is being spent in Scandia. Mr. Shaver added that the Citizen Advisory Committee is a means for residents to become involved in the Watershed.

Second Draft of Proposed Rules

A second draft of the CMSCWD rules dated April 30, 2008 was reviewed. Some changes were made in response to the City's comments on the first draft, the most significant being the threshold for erosion control permits and changing the access zone for wetlands and public water bodies to 50 feet or half the lot width, whichever is smaller. Comments from City Attorney Hebert have not been fully addressed, leaving concerns about the significant expansion of regulatory requirements and the impact on property owners' use of their land. Council directed Administrator Hurlburt to prepare a letter addressing the city's previous comments to the Board of Soil Water Resources, as this agency is currently reviewing the Watershed's draft rules. County Commissioners and legislators will also be copied on this letter.

CITY PARTICIPATION IN TACO DAZE

The Comprehensive Plan Committee has recommended that the City sponsor a booth during the Taco Daze festivities (September 6) to provide information on the Comprehensive Plan draft plan, parks-related issues and other city information. Staff was directed to proceed with the planning of a booth and tables to display maps of the Comprehensive Plan and Parks information.

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

The meeting adjourned at 9:00 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk