

April 3, 2007

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

### **APPROVAL OF AGENDA**

The following additions to the agenda were presented: 1) Consider an increase to the bond issue for the 2007 Road Project so that an emergency repair to 228<sup>th</sup> Street may be added to the project; 2) Discussion on the procedure of Administrator Hurlburt's performance review; 3) Emergency replacement of the Community Center's furnace which services the city office and Board Room; 4) Replacement of Treasurer Firkus' computer; 5) Discussion of the deputy's office relocation.

**Dolores Peterson made a motion to approve the agenda as presented. Donnette Yehle seconded the motion and motion adopted unanimously.**

### **PUBLIC HEARING – VACATION OF PARTS OF 3<sup>rd</sup> STREET AND 1<sup>st</sup> AVENUE (RESOLUTION 04-03-07-01)**

As recommended by the Parks and Recreation Committee, for improvements to "Old Lions Park" to continue it is necessary to vacate street right-of-ways within the park boundary. Mayor Seefeldt opened the public hearing. Neighboring property owner Greg Benson, 21120 Olinda Trail, asked if vacating means a half-split of the road between owners, and will Washington County make record of this split. Attorney Hebert replied that the resolution adopted by the council will be recorded and by law this half-split will apply to the property. Mr. Benson asked why the 1<sup>st</sup> Avenue connection to Olinda Trail is not also being vacated. Dave Smith, Chair of the Parks and Recreation Committee, explained that this allows for a possible access trail to the park in the future. Mayor Seefeldt closed the public hearing. **Michael Harnetty made a motion to adopt Resolution 04-03-07-01 For Vacating Parts of 3<sup>rd</sup> Street and 1<sup>st</sup> Avenue. Dolores Peterson seconded the motion and motion adopted unanimously.**

### **2007 ROAD IMPROVEMENT PROJECT BID AWARD (RESOLUTION 04-03-07-02)**

City Engineer Tom Peterson presented the bid tabulations for the 2007 Road Project which were opened on March 23, 2007.

<u>Contractor's Name</u>	<u>Total Base Bid</u>	<u>Alternate No. 1 – Ostrum Avenue</u>	<u>Alternate No. 2 – Cut Down 240<sup>th</sup> Street Hill</u>
Dresel Contracting	\$ 1,278,299.60	\$ 87,068.00	\$ 10,915.00
Hardrives Inc	\$ 1,388,866.90	\$ 107,736.50	\$ 31,600.00
Jay Bros Inc	\$ 1,396,700.10	\$ 97,263.10	\$ 17,920.00
North Valley Inc	\$ 1,302,982.44	\$ 89,727.20	\$ 11,610.00
Northwest Asphalt Inc	\$ 1,396,028.51	\$ 90,336.10	\$ 20,675.00
T A Schifsky & Sons Inc	\$ 1,399,778.20	\$ 96,439.30	\$ 19,320.00
Tower Asphalt Inc	\$ 1,347,257.30	\$ 88,405.00	\$ 8,030.00

Engineer Peterson recommended that the bid, including both alternates, be awarded to low bidder Dresel Contracting. This compares favorably to the \$1,500,000 estimate. Alternate #1, Ostrum Avenue, calculates to the same price per lineal foot as the other streets in the project. Alternate #2 is to cut back the 240<sup>th</sup> Street hill as a means to improve safety concerns in this area. Jim Froberg, Chisago Lakes Township Board member, stated that they will share in the cost of work done on this segment, pursuant to the terms of the joint powers agreement. Councilmember Peterson had concerns about the cost of including Alternate #1. Mayor Seefeldt asked how the wetland concerns on Ostrum will be addressed. Engineer Peterson explained that the wetland will be delineated by late April and permits obtained within two months, putting the work done on Ostrum Avenue at the end of the project. This coincides to the driest part of the summer so the timing will be doable. Jim Shaver, Marine WMO, emphasized that the Wetland Conservation Act guidelines be followed. Mr. Shaver would also like to be given the chance to review the plans prior to starting the work. Richard Hudson, 20491 Ostrum Avenue, asked what is the benefit to the three property owners on this road? Administrator Hurlburt explained that combining this segment to the 2007 project is beneficial as this cost can be spread out over the total project. Costs may be higher when the next road project is assessed. Engineer Peterson confirmed that the improvements to Ostrum include 18-foot bituminous with one foot shoulders. Councilmember Harnetty stated that he did not hear an argument, financially, for pulling Ostrum Avenue from the project and this improvement ought to be done with minimal impact to the existing wetland. Engineer Peterson estimated a reduction of \$150/unit in the property owner assessment by removing Ostrum Avenue, as assessment depends on the number of assessable units. **Michael Harnetty made a motion to adopt Resolution 04-03-07-02 Accepting 2007 Street Improvements Bid, and awarding the bid to Dresel Contracting, including both alternates. Dennis Seefeldt seconded the motion and motion adopted.**

#### **ADDITION OF 228<sup>TH</sup> STREET REPAIR TO THE BOND ISSUE**

A significant repair to 228<sup>th</sup> Street at the south end of Bone Lake is needed. Engineer Tom Peterson has suggested that it is logical to add this to the 2007 Road Improvement Project by a change order. The cost of the repair is estimated to be \$25,000. This could be financed through the 2007 GO Improvement Bond Issue. **Dolores Peterson made a motion to add the financing of the 228<sup>th</sup> Street repair to the 2007 GO Improvement Bond Issue. Donnette Yehle seconded the motion and motion adopted unanimously.**

#### **PERFORMANCE EVALUATION – ADMINISTRATOR HURLBURT**

Mayor Seefeldt asked for all forms regarding Administrator Hurlburt's performance review be forwarded to him by April 11<sup>th</sup>. A closed meeting to conduct Ms. Hurlburt's review is scheduled for April 17, 2007 at 6:00 p.m.

#### **FURNACE REPLACEMENT**

The furnace that services the city office and board room, which is original to the building, has parts that are failing and is no longer safe to operate. Council reviewed an estimate from Lakes Air Heating and Cooling to replace the furnace unit. City Attorney Hebert advised the council that they may wish to consider another estimate from a local contractor. Councilmember Peterson was willing to accept the quote from Lakes Air as they have serviced the Community Center for many

years and provide good dependable work. Councilmember Harnetty stated that as there are two local contractors, they should both be given the opportunity to submit quotes, with the work being granted based on the best price. **Michael Harnetty made a motion to obtain another quote to replace the Community Center furnace, and to authorize Administrator Hurlburt to accept the low quote. Dennis Seefeldt seconded the motion. Voting yes: Harnetty, Seefeldt, Yehle. Voting no: Peterson. Motion adopted.**

#### **OFFICE COMPUTER REPLACEMENT**

Treasurer Colleen Firkus' computer, which contains the financial records, has recently been failing. Estimates have been obtained from several sources, with an approximation of \$1,000 to purchase a computer and necessary software. **Dolores Peterson made a motion to authorize staff to replace the Treasurer's computer at a cost up to \$1,200.00. Donnette Yehle seconded the motion and motion adopted unanimously.**

#### **RELOCATION OF DEPUTY OFFICE**

Councilmember Harnetty suggested a committee be formed to look into the issue of relocating the deputy's office. A previous suggestion that the office be relocated from City Hall to the Firehall has been met with some difficulty within the Fire Department. Assistant Fire Chief Jim Finnegan was present to state that he and Fire Chief Steve Spence will represent the Fire Department on this committee. Assistant Fire Chief Steve Yehle will not take a place on the committee as Yehle feels there is a conflict of interest with Donnette Yehle's position on the City Council. The council appointed Councilmember Harnetty, Mayor Seefeldt and Administrator Hurlburt to serve on the committee.

**The Planning Commission began their meeting at 7:37 p.m. The following members were present: Chair Chris Ness, Vice-Chair Jim Malmquist, Christine Maefesky, Kevin Nickelson, Peter Schwarz; City Planner Dick Thompson.**

#### **NEXTEL-SPRINT: CONDITIONAL USE PERMIT (RESOLUTION 04-03-03-07)**

Mr. Jason Hall presented Sprint-Nextel's request for a Conditional Use Permit to allow for the co-location of three antennas on the existing US Cable Tower and for the construction of three equipment cabinets in the existing compound at the base of the tower. The tower is located at 15072 Old Marine Trail North.

Planning Commission recommended to the City Council that they adopt the draft resolution as presented with the approved legal description supplied. **Dolores Peterson made a motion to accept the recommendation of the Planning Commission to adopt Resolution 04-03-07-03 granting Sprint Nextel a Conditional Use Permit for Antenna Co-location and Construction of Three Equipment Cabinets, with submission of the approved legal description. Donnette Yehle seconded the motion and motion adopted.**

**BIG MARINE DEVELOPMENT, LLC: TII GAVO FINAL PLAT APPROVAL**

The application by Big Marine Development, LLC for Final Plat approval for Tii Gavo was found to be incomplete by City Planner Dick Thompson. Mark Sandercott and Roger Tomten, representing Big Marine Development, LLC, were present to discuss the following matters.

*Amendment to the Preliminary Plat*

The final plat eliminates the community water system, although the concept plan and preliminary plat was presented with a community well serving all of the homes. It was only a small note on one of the plans submitted for the September 5, 2006 preliminary plat approval that indicated there would be “shared private wells”. The language in the minutes does not reflect this change, nor do the recollections of staff and board members present at that meeting. The developer now proposes to encourage individual homeowners to share their private wells. The developers explained their position on the community well system has changed due to discussions with the MN State Department of Health and in evaluating the cost of a community system. Mayor Seefeldt felt that this development was sold as a “green development”; the more holes that are put in the ground, the greater possibility of environmental damage. Mayor Seefeldt asked what incentives could be offered to encourage shared wells, and can the developer set up these well systems. Mr. Tomten replied that as the housing market is uncertain, they only want to encourage, not mandate conditions. The developer’s cost of setting up the shared wells may not be feasible. Councilmember Harnetty, in considering if the project is okay with multiple wells, stated that he would like to hear from the State of MN Health Department on the drawbacks of a community well system. Consensus among the Planning Commission was that this is a substantial change in the plat and therefore recommended to the City Council that they be required to apply for an amendment to the preliminary plat and to hold a public hearing for this change of removing the Community Well/Water system. City Attorney Hebert recommended that the developers submit data to justify individual wells and to supply information on how the shared wells will be addressed by the Homeowner’s Association.

*Park Dedication Requirements*

A committee (Mayor Seefeldt, Councilmember Peterson and Administrator Hurlburt) met with the developer to resolve the park dedication requirements. The developer was in agreement with the committee’s recommendation to pay 100% of park dedication fees (\$1,500 per lot) with a dedicated easement in the private open space for a future trail.

*Phasing of the Final Platting*

The developer has proposed to phase final platting by including 29 of the 37 approved lots in the first phase. An interior section of Meadowridge Trail would be platted as outlots for future developed building sites. All of the road and stormwater grading would be completed in the first phase. Engineer Peterson recommended the road be graded, crowned and ditched upfront, with the gravel and blacktop portion done at the later time. Discussion of the road segment possibly never being built was brought up. Administrator Hurlburt felt this could be addressed through a financial guarantee. Planning Commission recommended to the City Council that they approve the Phasing

Plan, prepare the roadbed for Meadowridge Trail without gravel; and also set money aside to protect the paved Meadowridge Lane and to insure completion of Meadowridge Trail.

*Defer Design of the Accessory Storage Buildings*

The developers propose to build the accessory storage buildings on an on-demand basis. Councilmember Peterson asked if the buildings will be red in color as proposed. Mr. Tomten replied that the design is based on an agrarian look in keeping with the rural setting. Attorney Hebert emphasized the need for the restrictive covenants to spell out that no accessory structures be allowed on the lots and that the covenants need to clearly state allowed garage size. Zoning is covered by the Planned Unit Development, which would not allow accessory buildings because of the storage units, superceding the development code.

*Financial Guarantee for the Project*

The developer proposes submitting a performance and payment bond as a financial guarantee, although staff recommends against accepting this form of a guarantee. Letters of credit are a much safer and dependable form of guarantee should it be necessary to collect on the funds. This issue will be discussed when the subdivision agreement is presented for approval.

*Construction of the Community Building*

The developer would like to proceed with the construction of the Community Center building prior to the construction of any homes. As this is not an allowable use, a building permit cannot be issued at this time. However, the city and developer could enter into an agreement to allow for the construction of the building to proceed. This agreement would hold the city harmless if for any reason the project would not proceed, and require a financial guarantee for removal of any construction that might be later found to be non-conforming. Planning Commission recommended to the city council to enter into an agreement with the developer to allow construction of the community building.

**WILLOWBROOK CHURCH: TEXT AMENDMENT (ORDINANCE 102)**

The application of Willowbrook Church for a text amendment to the Shoreland Management Regulations to allow places of worship in the Shoreland Overlay District was continued from the March 6, 2007 meeting. Mayor Seefeldt asked that the lake frontage of at least 300 feet be addressed. This frontage is covered by the current ordinance as it addresses lot size.

Councilmember Peterson felt that few residents presented opposition to a church being allowed in the shoreland overlay district, and that she would rather see a church rather than multiple homes if she were a lake resident. Councilmember Yehle suggested that the ordinance could limit road frontage to minor arterials only, feeling this would address the traffic issues and reduce impact on small lakes. Mayor Seefeldt pointed out that this language could be considered "spot zoning" and therefore not acceptable. The Planning Commission vote was tied 2-2 on the adoption of draft Ordinance 102 and was forwarded to the council without a recommendation. **Dolores Peterson made a motion to adopt Ordinance 102 Amending Section 6.1(3) of the Shoreland Management Regulations Adopted in Section 11.2 of Chapter 2 of the Development Code of**

**the City of Scandia (*To Allow Places of Worship in the Shoreland Overlay District*), subject to review by the DNR. Michael Harnetty seconded the motion and motion adopted unanimously.**

**REVIEW OF DRAFT MINING ORDINANCE**

City Planner Dick Thompson recommends a work session with the gravel operators prior to the hearing to adopt the Mining Ordinance in June. Councilmember Donnette Yehle will participate in this work session along with Planning Commissioners Kevin Nickelson and Jim Malmquist. The draft will be sent to the area's governing watersheds prior to the hearing.

**Planning Commission meeting adjourned at 10:55 p.m. City Council meeting continued.**

**TII GAVO FINAL PLAT, CONTINUED**

The council discussed action to the Planning Commission's recommendation in regards to the phasing proposal of the Tii Gavo plat. **Michael Harnetty made a motion to accept the recommendation of the Planning Commission to approve the phasing of the final platting of the plat known as Tii Gavo. Dolores Peterson seconded the motion. Mayor Seefeldt added that the financial guarantee must be in the form of a Letter of Credit. Motion adopted unanimously.**

**Donnette Yehle made a motion to adjourn. Dolores Peterson seconded the motion.**

Meeting adjourned at 11:02 p.m.

Respectfully submitted,

Brenda Eklund  
Deputy Clerk, City of Scandia