

April 17, 2007

A regular meeting of the Scandia City Council was held on the above date. Mayor Dennis Seefeldt called the meeting to order at 7:03 p.m. The following councilmembers were in attendance: Peter Crum, Michael Harnetty, Dolores Peterson, Donnette Yehle, Mayor Dennis Seefeldt. Staff present: Administrator Anne Hurlburt, City Attorney Dave Hebert, City Engineer Tom Peterson, Treasurer Colleen Firkus, Deputy Clerk Brenda Eklund.

### **PUBLIC FORUM**

There were no public comments.

### **APPROVAL OF AGENDA**

Councilmember Peterson presented the following additions to the agenda: 1) Discuss the status of the legal paper; 2) Discuss a drainage problem on Lofton Court. Mayor Seefeldt to add a report on the Urban Land Institute Workshop he attended last week. **Dolores Peterson made a motion to approve the agenda as presented with additions. Donnette Yehle seconded the motion and motion adopted unanimously.**

### **CONSENT AGENDA**

The following consent agenda was presented:

- a) Minutes from March 20, 2007 Council Meeting; April 3, 2007 (Meeting with Planning Commission); April 9, 2007 (Special Meeting, Board of Appeal and Equalization).

- b) Treasurer's Report.

Beginning Balance 3/01/07		\$1,004,832.31
Receipts		+ <u>69,262.15</u>
Expenditures	- 195,283.85	
Payroll	<u>17,306.77</u>	<u>212,590.62</u>
Ending Balance 3/30/07		\$861,503.84

- c) Payment of Vouchers in the amount of \$101,637.40
- d) Resolution 04-17-07-01 Approving Dissolution of the Marine WMO

**Dolores Peterson made a motion to approve the consent agenda. Peter Crum seconded the motion and motion adopted unanimously.** Councilmember Harnetty stated that he would like to see an expanded treasurer's report, such that a history of balances may be viewed. Administrator Hurlburt will discuss this with Treasurer Firkus.

### **COMMITTEE REPORTS**

#### ***Parks and Recreation***

Dave Smith, Park and Recreation Committee Chair, was present to discuss the recommended name change of Old Lions' Park. Mr. Smith provided a list of suggested names that were collected through a survey taken at Taco Daze last fall. The Park and Rec Committee recommended the park be renamed "Lilleskogen" (Swedish for "the little forest"). **Michael Harnetty made a motion to**

**accept the recommendation of the Park and Recreation Committee to rename Old Lions Park as “Lilleskogen”. Dolores Peterson seconded the motion and motion adopted unanimously.**

## **STAFF REPORTS**

### ***City Engineer***

Engineer Peterson recommended approval of pay request #2 to Peterson Excavating in the amount of \$20,248.30 for the Olsen-Sandgren-Hawkinson Storm Sewer Improvements. Mr. Peterson also recommended approval of the release of the letter of credit in the amount of \$82,263, as retainage of \$3,031.32 is sufficient to guarantee the rest of the work. **Dolores Peterson made a motion to approve Pay Request #2 in the amount of \$20,248.30 to Peterson Excavating for the Olsen-Sandgren-Hawkinson Storm Sewer Improvements, and to release the letter of credit in the amount of \$82,263.00. Donnette Yehle seconded the motion and motion adopted unanimously.** Engineer Peterson addressed the drainage problem on Lofton Court. Resident Cal Floerke, 23259 Lofton Court, reported a flooded basement during the spring thaw as large amounts of run-off flowed over the road towards his property. Engineer Peterson reported on a site visit to this location and he did state that the 2006 overlay project required varying levels of blacktop, possibly altering the slope. Engineer Peterson will take survey shots at the edges and driveway curb to analyze improvements that could slope the drainage away from Floerke’s house.

### ***City Administrator***

City Administrator Anne Hurlburt discussed with the council the level of involvement they would like to have in the hiring of the three open staff positions. Councilmember Harnetty suggested the Human Resources Committee (Councilmembers Dolores Peterson and Peter Crum, Administrator Hurlburt) be used as the advisory board in the hiring process. The consensus of the council is as follows: 1) Delegate staff to follow through with the hiring of the part-time office assistant; 2) Administrator Hurlburt to make a rough-cut of the maintenance and building official applicants by a grading system; 3) Involve the Human Resources Committee in the interview process of the full-time positions, after which they will present their conclusions to the council.

### ***Police Department***

Deputy Chris Howard reported on police activity in the past month. A request for a speed trailer to be placed in the 30-mph zone on Olinda Trail near the ballfield has been submitted to the County Sheriff’s Department. Deputy Howard has been doing extra patrol at this location and observed excessive speeding. Councilmember Harnetty asked about burglary incidences – Deputy Howard stated a low incidence of burglaries (one in January) and a fall in narcotic reports. Deputy Howard reported to the council that as of August 2007 he will be leaving the contracted position with the city and will begin work in Washington County’s K-9 Program. Mayor Seefeldt thanked Deputy Howard for the good work he has done the past two years.

### ***Fire Department***

Assistant Fire Chief Steve Yehle was present to review the Joint Powers Agreement with Capitol City Regional Firefighter’s Association. Two associations recently merged, requiring each member

community to approve a revised joint powers agreement. City Attorney Hebert reviewed the agreement and found no problems. **Donnette Yehle made a motion to approve the Joint Powers Agreement with Capitol City Regional Firefighter's Association. Dolores Peterson seconded the motion and motion adopted unanimously.** Assistant Fire Chief Yehle also presented information concerning the Fire Department's 2007 budget. As revenues are not collected until midway through the year, it appears that the fire fund is operating a negative balance through the first quarter. Suggestions were made to apply the SCBA purchase to a capital improvement expense rather than a supply expense. Another suggestion was made to accrue the fire department payroll prior to expensing it. Overall, the five-year trend shows a solid management style and reflects well on the budget, according to Assistant Fire Chief Yehle.

**MARK BRUMBACK AND JODY OHLHAUSER – CERTIFICATE OF COMPLIANCE**

Applicants Mark Brumback and Jody Ohlhauser were present to discuss their request for a Certificate of Compliance for an accessory apartment at 16080 Scandia Trail. They intend to purchase and remodel the property. Administrator Hurlburt read the conditions of approval from draft resolution 04-17-07-02. Mayor Seefeldt reminded the applicants that the septic design will need to be updated to accommodate a two-family dwelling. Mr. Brumback replied that they are prepared to address this requirement. **Dolores Peterson made a motion to approve Resolution 04-17-07-02 for a Certificate of Compliance for an Accessory Apartment at 16080 Scandia Trail. Peter Crum seconded the motion and motion adopted unanimously.** The resolution will be recorded with Washington County so that any subsequent purchasers of the property will be aware of the conditions.

**MONTE EASTVOLD – ENGAGEMENT AGREEMENT WITH SOUND CAPITAL MGMT**

Monte Eastvold, Northland Securities, presented details of an agreement that is necessary to proceed with the sale of G.O. Improvement Bonds of 2007. State law requires that a third party be hired to verify market rates prior to a negotiated sale. Sound Capital Management will provide this service at a cost of \$1,250. **Dolores Peterson made a motion to approve the engagement letter that will hire Sound Capital Management to review the interest rates related to the G.O. Improvement Bonds of 2007 at a cost of \$1,250. Dennis Seefeldt seconded the motion and motion adopted unanimously.**

**DAVE STENE, EIDEBAILLY – 2006 AUDIT**

Dave Stene, EideBailly, presented a summary of the Annual Financial Report for the Year Ended December 31, 2006. Accounting records were found to be in good condition. There was a decrease in reserves, but within reasonable levels. The fund balance reserve of \$126,000 is down from the previous year's amount of \$193,000 and should be adjusted with the 2008 budget plan. No changes in accounting policies were recommended. Internal control appears to be an appropriate system for small government. No findings or exceptions were found within the legal compliance audit. Councilmember Crum asked how these findings compare to other cities the size of Scandia. Mr. Stene felt a favorable comparison could be made and the city appears to be in good shape financially. **Dolores Peterson made a motion to accept the 2006 Audit Report. Peter Crum**

**seconded the motion and motion adopted unanimously.** Councilmember Harnetty suggested an interim review of finances midway through the year. Administrator Hurlburt stated that 2008 budget planning will occur in July and an analysis can be made at that time. In addressing the unfunded 2007 Road and Bridge project, cash will be received from the bond sale on approximately the fifteenth of May, bringing the Road and Bridge fund balance back up to a favorable level.

#### **CITY ADMINISTRATOR PERFORMANCE REVIEW**

Mayor Seefeldt reported on the council's closed Special Meeting held just prior to the start of the regular meeting of April 17<sup>th</sup>. The purpose of the meeting was to conduct Administrator Hurlburt's six-month performance review. Mayor Seefeldt summarized the meeting by stating the council is very pleased with the overall performance of Administrator Hurlburt's hard work and had received favorable comments from staff and various committee members.

#### **LEGAL NEWSPAPER**

Councilmember Peterson stated that many residents have contacted her in regards to using the Forest Lake Times as the legal newspaper and would like to see this issue revisited. Residents have felt that the Country Messenger served the community very well over the years and would like to see the Country Messenger reinstated as the legal paper. Discussion continued on the qualifications necessary for legal paper designation and how the decision made in January was based on legal and other findings. Attorney Hebert was asked to review the statutes and will present a report at the May 1<sup>st</sup> council meeting. Administrator Hurlburt will also have all legal notices posted on the website.

#### **MAYOR SEEFELDT -- REPORT ON URBAN LAND INSTITUTE WORKSHOP**

At a recent workshop, Mayor Seefeldt served on a discussion panel in regards to the local Tii Gavo subdivision. Those attending gave a positive response to Scandia's Open Space Conservation Subdivision Ordinance and the Woodland and Tree Preservation Ordinance. A similar Planned Unit Development (to Tii Gavo) in Scott County was also presented. Their findings concluded that the net profit from a cluster was no better than a regular conventional subdivision.

**Dolores Peterson made a motion to adjourn the meeting. Peter Crum seconded the motion and meeting adjourned at 8:25 p.m.**

Respectfully submitted,

Brenda Eklund  
City of Scandia Deputy Clerk