

February 17, 2015

A regular meeting of the Scandia City Council was held on the above date. Mayor Simonson called the meeting to order at 7:00 p.m. Following the Pledge of Allegiance, roll call was taken. The following council members were present: Council members Bob Hegland, Dan Lee, Chris Ness, Jim Schneider and Mayor Randall Simonson. Staff present: City Administrator Kristina Handt, City Attorney Nick Vivian, City Planner Sherri Buss, Engineer Katie Warner, Police Deputy Brandon Yetter, Assistant Fire Chief Ernie Yoch, Public Works Director Tim Kieffer and Deputy Clerk Brenda Eklund.

PUBLIC FORUM

There were no public comments.

APPROVAL OF AGENDA

Ness, seconded by Lee, moved to approve the agenda as presented. The motion carried 5-0.

CONSENT AGENDA

The following Consent Agenda was presented:

- a) Minutes
 - 1) January 20, 2015 Regular Meeting
 - 2) February 4, 2015 Work Session
- b) Treasurer's Report

Beginning Balance 01/01/2015	\$3,481,425.91
Receipts	+ \$ <u>29,360.86</u>
Expenditures \$237,955.94	
Payroll \$ <u>29,096.33</u>	- \$ <u>267,052.27</u>
Ending Balance 01/31/2015	\$3,243,734.50
- c) Payment of Vouchers
- d) Designate Building Official
- e) Appointment of Parks and Recreation Committee Chair and Vice Chair for 2015
- f) Appointment of Planning Commission Chair and Vice Chair for 2015
- g) Application for Excluded or Exempt Lawful Gambling Permit, Scandia Women's Softball (March 27 and November 20, 2015)
- h) Street Light Agreement with the City of St. Paul

Ness, seconded by Lee, moved to approve the Consent Agenda as presented. The motion carried 5-0.

PUBLIC HEARING: RESOLUTION TO VACATE SECTIONS OF WAXSTAD, COLUMBUS, 3RD AND 4TH STREETS IN THE REVISION OF VASA PLAT

At the January 20, 2015 meeting, the Council called for a public hearing for the purpose of vacating portions of unopened streets within the Revision of Vasa plat. The process began by a petition of property owners received by the City on December 11, 2014.

Mayor Simonson opened the public hearing at 7:03 p.m. There were no public comments and the hearing was closed.

Council member Schneider asked if there will be any impacts to property taxes on the parcels once the vacated portion is added to the adjoining lots. Administrator Handt replied that the parcels will be increasing in size, but any tax implications would be up to the City Assessor to decide.

Council member Lee stated that he is against giving up any city land.

Simonson, seconded by Ness, moved to adopt Resolution No. 02-17-15-01, Vacating Columbus Street and Waxstad Street east of TH95, and 3rd Street and 4th Street between Columbus and Waxstad in the Revision of Vasa Plat. The motion carried 4-1, with Lee opposed.

BUILDING OFFICIAL

The January and first part of February building activity reports were received from Forest Lake Building Official Chad Payment. Administrator Handt explained that the City of Hugo will be providing future reports effective with the new contract for building inspection services which began on February 11th.

POLICE DEPARTMENT

Police Deputy Brandon Yetter reported that he has completed D.A.R.E. certification and will begin teaching the program to the 6th grade class at Scandia Elementary next school year. Yetter is investigating a generator theft from a truck on Big Marine Lake, a fraud case and identification theft.

FIRE DEPARTMENT

Assistant Fire Chief Ernie Yoch reported that the department responded to 20 calls in January; 4 fire related and 16 EMS. The department responded to a mutual aid call to Marine for a barn fire on January 28th. Fire officers met with Doug Berglund to discuss Washington County's emergency management offerings. All firefighters have been recertified in CPR.

CITY ENGINEER

City Engineer Ryan Goodman provided a written report on engineering activities, and Bolton & Menk Engineer Katie Warner was available to answer questions.

DIRECTOR OF PUBLIC WORKS

Public Works Director Tim Kieffer provided a report on the past month's operations. Kieffer is working on the easement for placement of the antenna within the A/E drainfield. Installation is scheduled for next week.

CITY ADMINISTRATOR

City Administrator Kristina Handt reported that she is working with Mr. Hebert of Novel Energy Solutions on the Made in Minnesota solar incentive. The firehall, Community Center and cold storage building are being considered for the placement of solar arrays.

It was noted that Handt and Planner Buss reviewed the conditions of the Bracht Mine on 185th Street and concluded that it would not be necessary for Bracht to apply for an Annual Operating Permit for 2015. The site is no longer being mined and is complying with the reclamation plans.

ANNUAL OPERATING PERMIT FOR ZAVORAL MINE (RESOLUTION NO. 02-17-15-02)

Planner Buss presented the staff report for Tiller Corporation's application for an AOP at the Zavoral Mine, a 114-acre site at the TH 95 and TH 97 intersection. This was the second year of mining operations at this site. Monitoring reports from various subconsultants were analyzed. Buss reported that most all conditions of the CUP and 2014 AOP were met.

Tiller reported that 327,120 tons of material was removed from the site in 2014. The average trips per day numbered 383. Buss noted that subconsultants found no negative impacts to groundwater, surface water, noise, or air quality in their analyses. The application indicates that construction of the access road into the site will continue and side slopes of the road will be established at final grades. Mining will continue in the Phase 2 area in 2015, and may move into Phase 3. Reclamation in the Phase 2 area will follow mining through the site.

Buss explained that a condition has been added to the 2015 AOP to address a change that Tiller made to the Storm Water Pollution Prevention Plan in 2014 without discussing the change with City staff. A required berm was not constructed before Phase 2 mining started, and instead swales were graded to direct storm water internally to meet the intent of Condition #22 of the CUP. Washington Conservation District staff indicated that this is an acceptable change, but a list of specific changes must be provided to the City before implementation so that changes to the AOP and CUP can be documented and tracked. Language to that effect was included in the draft resolution as Condition #36, but Buss indicated that the wording "including the SWPPP" could be removed in the final resolution.

Due to mining activity occurring outside of the growing season, the WCD was not able to do an annual review of the wetland boundaries. Buss recommended that Condition #11 be added to allow field review during the growing season.

The City received several noise complaints from residents. One related to the number of trucks using TH 97; the number of trucks was in compliance. The other complaint on braking noise from a gravel truck was responded to by Tiller; the truck was removed from service until repaired.

Results of the traffic log of the TH 97 and Lofton Avenue intersection have added Conditions #30-32 to address the occurrences of trucks not staying in the turning lanes and ensuring safety at the entrances and exits of the mining site. If the City documents that haul trucks are not complying with traffic regulations, the City may require that trucks cease use of the TH 97 and Lofton intersection and must use TH 97 and Manning Avenue for haul trips.

Buss explained that the 2014 revised reclamation plan to substitute native plantings in place of white pine transplants has been implemented quite well, and reclamation is in compliance with the conditions of the CUP.

Buss recommended approval of the AOP and summarized the new conditions to 1) review wetland boundaries during the growing season; 2) complete a video log of the TH 97 and Lofton Avenue intersection and that the applicant work with hauling contractors to improve compliance with traffic laws; 3) provide advance notice and obtain approval before deviating from any performance requirements of the CUP or AOP (striking “including the SWPPP” from the final resolution); and 4) to increase the letter of credit to \$97,000 for Phase 2 of the reclamation work.

Mike Caron, Tiller Corporation, stated that the conditions in the AOP are acceptable to Tiller. He stated that safe trucking practices are a top priority to the company and he will be on-site to monitor truck traffic. If complaints are fielded, some type of identification of the truck needs to be offered so that they can respond quickly.

Council member Ness stated that Phase 1 reclamation looks good, and mining activity was quiet last summer.

Mayor Simonson said that he had heard positive comments on the opened view of the river valley.

Ness, seconded by Hegland, moved to approve Resolution No. 02-17-15-02, Approving the Annual Operating Permit for Tiller Corporation’s Sand and Gravel Mine and Reclamation Project, as amended with removal of language in Condition #36. The motion carried 5-0.

ANNUAL OPERATING PERMIT FOR SCANDIA MINE (RESOLUTION NO. 02-17-15-03)

Tiller Corporation has applied for an AOP for the existing sand and gravel mining operation located on between Lofton and Manning Avenue near 225th Street. Planner Buss summarized their application and reported on 2014 activities. Most all conditions of last year’s permit and CUP were met. Mining into the groundwater began at the site in 2009 and excavation depth to date is approximately 15-20 feet into the groundwater table. Tiller did not mine into the groundwater table in 2014, but may do so in 2015. The groundwater monitoring subconsultant found no concerns or impacts from mining activities in the past year.

Buss reported that 215,600 tons of material was removed from the site in 2014 and 363,620 tons of add-rock was transported to the site (327,120 tons originated from the Zavoral site). The number of truck trips per day complies with the requirements of the CUP.

A complaint was received in late 2014 that berming along 218th Street is no longer sufficient in screening mining activity at the site. A berm was removed adjacent to 218th Street last year to accommodate final reclamation on the former Dresel site. Staff visits verified that some mining activity is visible from the street. Buss included Condition #3 for 2015 that the applicant shall

modify the berm currently under construction on the Roth property and add conifers to screen all mining activities from view.

Complaints related to the number of trucks hauling material from the Zavoral site were received. Buss proposed adding the same conditions for traffic compliance that are in the Zavoral AOP for the Scandia Mine AOP to monitor trucking operations (Conditions #5-7).

Another complaint noted a concern about mining into a wetland buffer on the former Dresel site. The Washington Conservation District investigated and recommended that the 2015 AOP permit include a condition that the WCD complete a site visit to document the wetland and buffer conditions on the site and determine whether mining activities have violated wetland regulations or the CUP (Condition #11).

Hegland, seconded by Ness, moved to approve Resolution No. 02-17-15-03, Approving an AOP for Tiller's Scandia Mine.

Council member Ness asked Tiller if they have any issues with the stated conditions in the AOP. Christina Morrison, Tiller Corporation, addressed Condition #3 related to the berming and screening requirements. She asked if the language could be modified to indicate the berm is adjacent to the Roth property and to not limit plantings to only conifers, as there is alternative vegetation that could work well.

Administrator Handt agreed that the condition could be amended to be more open-ended and she will work with Tiller to verify compliance with screening regulations. The wording of Condition #3 will state that "The applicant shall modify the berm adjacent to the Roth property and along 218th Street to ensure that the property is screened for compliance to the City's ordinance".

Simonson, seconded by Ness, moved to amend Resolution No. 02-17-15-03 with a change to Condition #3. The motion carried 5-0.

A vote was taken on the Hegland, Ness motion to approve the Scandia Mine AOP with the amended resolution. The motion carried 5-0.

FIRE CONTRACT WITH MAY TOWNSHIP

Administrator Handt presented a new three year contract with May Township to provide fire protection services to parts of the Township, to replace the previous contract that was in effect from 2012-2014. Handt explained that the number of homes in the coverage area was reduced by 20 as the Scandia Fire Department previously responded to both sides of Olinda Trail and will now cover only the western side. Marine Fire Department will cover the east side of Olinda Trail. Along with the reduced number of homes and the reduced fire department budget, May's contribution rate was decreased to \$32,248. It will increase by 3% in 2016 and 2017.

Simonson, seconded by Lee, moved to approve the Fire Department Service Agreement with May Township. The motion carried 5-0.

**WHITE BEAR LAKE RESTORATION ASSOCIATION VERSUS DNR LAWSUIT
(RESOLUTION NO. 02-17-15-04)**

As was discussed at the February 4th Work Session, Scandia should join other communities in opposing the DNR's settlement with the White Bear Lake Association as it could have significant economic impacts on Scandia water users. Administrator Handt explained the resolution which outlined the lack of scientific studies to back the claims of low water levels and the significant impacts the settlement could have on surrounding communities. By signing the resolution, Scandia would support the unification of all Northeast Metro cities to actively oppose the implementation of the terms of the settlement agreement.

Simonson, seconded by Ness, moved to approve Resolution No. 02-17-15-04, Relating to the Proffered Settlement Agreement by the White Bear Lake Restoration Association Relating to Regionalization of Municipal Drinking Water Supplies. The motion carried 5-0.

**VARIANCE APPLICATION FOR LOG HOUSE LANDING IMPROVEMENT
PROJECT OR REPURPOSING FUNDS**

At the January 20th meeting, Council authorized staff to begin the variance process for the Log House Landing Project in order to utilize the State Park Road Account Funding it was awarded. The final design deviated from the requirements outlined in the grant standards. A resolution was presented to the Council that would request a variance from MnDOT's design rules, but Administrator Handt reported that Mn-DOT engineers were not likely to approve a variance. Staff could continue to work with the County and State to possibly reallocate the grant funds to the road improvement project on the adjacent street, Quinnell Avenue. Bolton & Menk Engineer Katie Warner estimated costs of \$5,000 to \$7,000 to continue staff time on the Log House project if the variance process was continued.

Kristin Tuenge and Steve Kronmiller of the Carnelian-Marine Watershed, a funding partner in the project, explained three actions taken at their recent Board meeting. The Watershed made a recommendation to apply for other grant funding for the improvements to the boat ramp. The Watershed agreed to a 25% cost participation up to \$85,000 contingent on DNR grant funding for the project. The third was authorizing funds for a study to determine the amount of erosion and how big the solution needs to be. A \$10,000 budget was allocated to the study, and funds for the LHL Project will be withheld until the study is complete.

Council member Ness asked for more information on repurposing the funds to Quinnell Avenue. Handt explained that a new application for grant funds may be needed which would delay the reconstruction of Quinnell, which was planned for 2015. In not approving the variance for the design of 205th Street, Handt stated that the State engineers had concerns about fire access to the river and that a one-lane roadway was too drastic of a change. Warner included that the State did not want to set precedence for future roadway designs that are awarded grant funds.

Council member Schneider stated that Quinnell needs blacktop regardless of funding due to its bad condition. He proposed not spending any more money on the LHL project if it will not be approved.

Handt explained that there is no expiration on the \$200,000 grant funds which were awarded last year. The City could wait on LHL and work on a plan that might get approved in 2016. The downside is that the cost estimate for LHL will go up since it is not being tied into another reclamation road project.

Christine Maefsky, Chair of the LHL Committee, explained that a required two-lane road was not discussed in their meetings on road design. She noted that the grant funds are awarded for expansion projects and not preservation or restoration. Maefsky reminded the Council that bound gravel material should still be an option and is available at a lesser cost than asphalt.

Council continued to discuss the option of repurposing the grant funds to Quinnell Avenue improvements rather than pursuing a variance for the recommended design. Wayne Sandberg, County Engineer, could continue this course at no cost to the City, up until bids need to go out for this year's project. Sandberg has indicated that he could make a point that Quinnell has always been included as part of the project. Warner added that there would be some costs for engineering staff time.

Ness, seconded by Hegland, moved to pursue the repurposing of grant funds to Quinnell Avenue road improvements and to put the Log House Landing Improvement Project on hold pending the outcome of the Carnelian-Marine Watershed study. The motion carried 5-0.

TRUNK HIGHWAY 97 AT I-35 BRIDGE IMPROVEMENT (RESOLUTION NO. 02-17-15-06)

Administrator Handt presented a resolution to join Forest Lake and Columbus in supporting updates and funding to the TH97/I-35 interchange and addition of ramps at County Road 83. Many Scandia commuters use this interchange regularly. The resolution asks for bonding proceeds of \$25 million from the State for the much needed improvements.

Simonson, seconded by Hegland, moved to approve Resolution No. 02-17-15-06, Supporting the Reconstruction of the Interstate 35 / Trunk Highway 97 Bridge and County Road 83 Ramps. The motion carried 5-0.

EDA AND CAPITAL IMPROVEMENT COMMITTEE APPOINTMENTS

At the January Work Session, three appointments to the Capital Improvement Committee were made. Staff was directed to advertise for additional applicants to fill the five member committee. Due to Tom Triplett's vacancy on the EDA, applications were also taken for this position.

Ness, seconded by Simonson, moved to appoint Sally Swanson to the Economic Development Authority. The motion carried 5-0.

Three applications to the Capital Improvement Committee were received. Council member Ness recommended that all three candidates be interviewed. Interviews will be conducted at the March 4th Work Session beginning at 6:30 p.m.

ADJOURNMENT

Ness, seconded by Schneider, moved to adjourn the meeting. The motion carried 5-0.

The meeting adjourned at 8:21 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk