

March 17, 2020

A regular meeting of the Scandia City Council was held on the above date with modifications. Due to the health advisory issued by the State regarding the COVID-19 outbreak, to avoid public gatherings and limit social contact, the meeting was conducted over an electronic platform. All council members and staff who joined the meeting remotely could hear each other and contribute to discussions. City Administrator Cammilleri, Council member Cusick and Deputy Clerk Eklund were present in the Council Chambers. Cammilleri was the presenter and displayed the meeting materials for participants to view on their remote screens.

Mayor Christine Maefsky called the meeting to order at 7:02 p.m. Roll call was taken. The following were participants to the meeting: Council members Jerry Cusick, Steve Kronmiller, Chris Ness, Patti Ray and Mayor Christine Maefsky. Staff participating: City Administrator Ken Cammilleri, City Planner Merritt Clapp-Smith, City Engineer Ryan Goodman, City Attorney Eric Sherburne, Public Works Director Adam Hawkinson, and Deputy Clerk Brenda Eklund.

APPROVAL OF AGENDA

The agenda was amended to address the time-sensitive items and to postpone other topics to a future meeting. The Consent Agenda, Planning Commission reports and City Engineer's report remained. Discussion of leave policy, city operations, future agendas, hiring of summer seasonal staff were topics addressed under General Business. Council member Ness added a discussion of the hanging flower baskets in the Village Center. **Ness, seconded by Cusick, moved to approve the agenda as amended. Motion carried 5-0.**

CONSENT AGENDA

The following Consent Agenda was presented:

- a) Minutes
 - 1) February 18, 2020 Regular Meeting
 - 2) March 4, 2020 Work Session
- b) Treasurer's Report
- c) Payment of Vouchers
- d) Confirming the Parks & Recreation Committee Chair and Vice-Chair

Ness, seconded by Ray, moved to approve the Consent Agenda as presented. Motion carried 5-0.

PLANNING COMMISSION

Variance for Signage at 20168 St. Croix Trail North, Deep Roots Winery. Greg and Andrea Sandager, Applicants. Resolution No. 2020-10

Planner Clapp-Smith presented the recommendation from the Planning Commission to approve a variance for the installation of 2 one-sided business signs up to 72 square feet each at 20168 St. Croix Trail, the entrance to the proposed Deep Roots Winery business. The property is zoned Agriculture Core. A variance from the 10 square feet maximum size for signs allowed in the Ag Core zoning district was approved with findings and conditions written into a resolution.

Clapp-Smith described the findings. The property across the highway is zoned Rural Commercial which allows signs up to 200 square feet, and currently has a 60 square foot sign for the nursery business; signs of a similar size for the future winery would not alter the character of the area. The comprehensive plan supports specialty agriculture and the signage for the proposed winery is in general harmony with the comp plan and development code. Signs along Highway 95, a 55-mph roadway, should be sized in accordance with the speed of a passerby in order to be legible and for safe viewing by the traveler. The proposed maximum size of 72 square feet is the minimum action required to eliminate this practical difficulty.

Attorney Sherburne questioned the ownership of the subject parcel where the sign will be installed. Clapp-Smith explained that the owners of the parcel where the driveway is located are family members and have approved an access agreement. Sherburne advised that they sign the application as the property fee owners as well and be named in the resolution for the variance that will be recorded with the County property records. Clapp-Smith agreed that this language be added as a condition of approval.

Ness, seconded by Kronmiller, moved to approve Resolution No. 2020-010, Approving a Variance for Parcel 19.032.19.33.0005 Located at 20168 St. Croix Trail North, as amended with a condition requiring the property owners of the subject parcel to be a party to the variance application. Motion carried 5-0.

Council member Ness reported that there were two neighbors present at the Planning Commission's public hearing that spoke about their disappointment of a winery operation in their vicinity.

Ordinance No. 2020-02, Amendments to the Scandia Development Code regarding Winery as permitted with a Conditional Use Permit in the Agriculture Core District

Planner Clapp-Smith presented the recommendation from the Planning Commission to approve amendments to the development code that would permit a farm winery to operate with a Conditional Use Permit in the Agriculture Core zoning district. Winery is a use currently allowed with a CUP only in the Rural Commercial district, a limited district on three occupied parcels in Scandia. Clapp-Smith explained the rationale that the Ag Core district already allows uses that are very consistent with a farm winery operation, such as agriculture processing and agritourism. The term cidery was proposed as an addition to the winery definition as the uses and activities are so similar.

Attorney Sherburne recommended the production capacity stated in the definition be lowered from 620,000 gallons per year to the statutory limit of 75,000 gallons per year for a farm winery license, referenced in statute 340A.315 subd. 2 of the state tax code.

Council members questioned if Greg Sandager, applicant for Deep Roots Winery, is anticipating to be under this annual production limit. Administrator Cammilleri contacted Mr. Sandager by phone, who stated that he was agreeable to a change to this lowered capacity.

Ness, seconded by Cusick, moved to adopt Ordinance No. 2020-02, Amending the Development Code regarding Winery / Cidery, with an amendment to lower capacity to 75,000 gallons or fewer per year in the definition of winery / cidery. Motion carried 5-0.

Approve Summary Publication of Ordinance No. 2020-02. Resolution No. 2020-11

Ray, seconded by Cusick, moved to approve Resolution No. 2020-11, Approving Summary Publication of Ordinance No. 2020-02. Motion carried 5-0.

CITY ENGINEER

Approve and Accept Contractor's Bid for 2020 Street Improvement Project

City Engineer Goodman provided the bid results for the 2020 Street Improvement Project that were opened on February 20, 2020. The total project costs were estimated at \$587,000, including engineering fees and soil borings for this year and in preparation of the 2021 road project.

<u>Contractor</u>	<u>Total Base Bid</u>
Valley Paving, Inc.	\$505,848.00
Park Construction Company	\$512,316.00
Asphalt Surface Technologies Corp	\$525,902.00
Bituminous Roadways Inc.	\$526,118.50
Knife River Corporation	\$532,237.99
North Valley, Inc.	\$562,035.61
T.A. Schifsky & Sons, Inc.	\$586,521.50
Northwest Asphalt	\$607,512.65

Goodman recommended the award to the lowest bidder, Valley Paving. Council member Ness asked if additional roads should be added because the bid is lower than anticipated. Goodman explained that the difference is not enough to initiate a change order and there should be a buffer amount for potential increases in the mill and overlay work being done on Mayberry Avenue.

Kronmiller, seconded by Ray, moved to award the 2020 Street Improvement Project to Valley Paving, Inc. in the amount of \$505,848.00. Motion carried 5-0.

Bliss System Lift Station Control Panels -- Contractor's Request for Payment No. 1

City Engineer Goodman provided the Contractor's Request for Payment No. 1 for the work performed by Innova Automation as completed through March 11, 2020. There remains 10% of the original quote as retainage until completion of the entire project. Goodman recommended approval of the payment request.

Kronmiller, seconded by Ray, moved to approve payment to Innova Automation in the amount of \$92,700 for the work completed to date on the Bliss System Lift Station Control Panel Project. Motion carried 5-0.

Authorize Preparation of Quote Package for Public Works-Fire Hall Parking Lot Maintenance

City Engineer Goodman explained that the 2020 budget included improvements to the Public Works/Fire Hall parking lot in the amount of \$75,000 as a capital project. PW Director Hawkinson described the issues of poor drainage and deterioration at the site. Goodman noted that the current low oil prices generally equate to favorable pavement construction bids.

Ness, seconded by Kronmiller, moved to authorize preparation of a quote package for the Public Works / Fire Hall Parking Lot Maintenance Project. Motion carried 5-0.

DISCUSSION ON LEAVE POLICY

Administrator Cammilleri explained the League's recommendation to address clarity on a Contagious Disease Policy in light of the current situation regarding COVID-19, declared as a national pandemic. Cammilleri presented the policy that outlined a process for dealing with an employee that has exhausted their individual leave if they contract an illness. The employee will be considered for a special extended leave program which is only available during a pandemic. If approved for special extended leave, an employee may accrue up to 40 hours of negative PTO, which will be deducted from their accrual once they return to work. This policy only applies to employees who are eligible for health insurance benefits. If the employee is eventually forced to use unpaid leave due to a pandemic related illness or complication thereof, the City will continue to pay its share of all insurance benefits for health insurance premiums. Cammilleri explained that surrounding communities are adopting this policy and is endorsed by the MN League of Cities.

Ray, seconded by Maefsky, moved to adopt the Contagious Disease Policy as presented.

Council member Kronmiller asked if 40 hours is sufficient time to be away from work. Guidelines on the corona virus indicate to stay home until fully recovered and without symptoms for 7 additional days. Cammilleri said there is discretion to adjust the negative PTO accrual and extend the leave. The important factor is that the City will continue to pay the employee's health insurance premium with the employee paying their out-of-pocket share.

Mayor Maefsky called for a vote: Motion carried 5-0.

DISCUSSION ON MODIFICATONS TO CITY OPERATIONS

Administrator Cammilleri explained the procedures being followed under the recommendations from national and state agencies during this time of the declared pandemic. All events at the Community Center have been cancelled for the remainder of the month. At this time, there has been no change to the operating hours at City Hall, but Cammilleri asked for discretion to adjust as necessary. The Building Official has ceased in-home inspections until further notice. The Fire Department has adopted the CDC recommendations for meetings and emergency responses.

The Council was in agreement to conduct the April 1st Work Session through an electronic meeting format that they will participate in remotely. Cammilleri will research the potential to conduct the Board of Appeals scheduled for April 6th.

DISCUSSION ON FLOWER BASKETS IN THE VILLAGE CENTER

Council member Ness said he was concerned about the additional expenses that appear necessary to support the hanging flower baskets in the Village Center, approved as a beautification project at the February 5th Work Session. PW Director Hawkinson noted additional expenses of \$1,600 to purchase a watering tank, hanging brackets, fertilizer and the additional staffing time to water the baskets. Ness questioned if the purchase of banners may be a more cost-effective beautification project.

Mayor Maefsky directed Hawkinson to prepare a cost statement for discussion at the next meeting.

AUTHORIZE HIRING OF SUMMER SEASONAL PARKS WORKER

PW Director Hawkinson recommended a hiring process for one seasonal parks worker, at an advertised pay rate of \$12-\$14/hour, up to 40 hours a week and 67 working days.

Ness, seconded by Kronmiller, moved to authorize the hiring process for a Summer Seasonal Parks Worker. Motion carried 5-0.

ADJOURNMENT

Ness, seconded by Kronmiller, moved to adjourn the meeting. Motion carried 5-0.

The meeting adjourned at 8:23 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk