

August 16, 2016

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 Neil Soltis, City Planner Sherri Buss, City Engineer Ryan Goodman, City Attorney Andy Pratt, Police Deputy Brandon Yetter, Fire Chief Mike Hinz and Deputy Clerk Brenda Eklund.

PUBLIC FORUM

There were no public comments.

APPROVAL OF AGENDA

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

CONSENT AGENDA

The following Consent Agenda was presented:

- a) Minutes
 - 1) July 19, 2016 Regular Meeting
 - 2) August 3, 2016 Work Session
- b) Treasurer's Report

Beginning Balance 07/01/2016	\$2,351,951.07
Receipts	\$1,273,351.12
Expenditures \$572,923.57	
Payroll <u>\$25,483.65</u>	<u>\$(598,407.22)</u>
Ending Balance 07/31/2016	\$3,026,894.97
- c) Payment of Vouchers
- d) Special Event Permit, Scandia Marine Lions, Taco Daze, September 10, 2016
- e) Special Event Permit, Meisters, Taco Daze, September 9 and 10, 2016
- f) Renewal of contract with the Lakes Area Youth Service Bureau for 2017 services
- g) Firefighter Pay Increase for Completion of Probationary Period and Certification

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

PUBLIC HEARING: ORDINANCE NO. 176, OPTING OUT OF STATE STATUTES REGARDING TEMPORARY DWELLING UNIT – CARE FACILITY

Planner Buss explained Ordinance No. 176 that provides for the City to opt out of new state legislation that requires a city to permit temporary dwelling units for care facilities within 15 days of an application. Buss explained that Scandia allows temporary care facilities in a more flexible way than the state law, and that most communities have chosen to opt out. Building Officials have expressed concern that the units may not meet building and septic codes.

Mayor Simonson opened the public hearing at 7:03 p.m. There were no comments and the hearing was closed. Council discussion followed later under General Business.

PLANNING COMMISSION

***Variance for Sewer Setback at 12700 182nd Street. Jerald and Nancy Schilling, Applicants
(Resolution No. 08-16-16-01)***

Planner Buss presented the recommendation from the Planning Commission to approve a variance for installation of a new septic system at 12700 182nd Street. Buss explained that the Schillings are seeking to upgrade their existing septic system and variances from the wetland and road right-of-way setbacks are needed. The proposed system will be approximately 30 feet from the nearest wetland (75 feet required) and 10 feet from the road right-of-way (County ordinance allows for 10 feet, but Scandia's ordinance requires 40 feet). Buss stated that the location is well outside the OHWL setback of Big Marine Lake, which has a higher priority than the wetland and roadway setbacks. The Watershed District had no objections.

Simonson, seconded by Ness, moved to approve Resolution No 08-16-16-01, Approving a Variance for 12700 182nd Street. Discussion: Ness said this location away from the lake makes the most sense. Buss noted that it preserves trees. Lee said it is the best solution. Schneider stated his approval. **The motion carried 5-0.**

Ordinance No. 174, Amending Chapter 2, Section 4.34 Solar Farms and Community Solar Gardens

Planner Buss presented Ordinance No. 174 as recommended by the Planning Commission for changes to existing Chapter 2, Section 4.34 of the Development Code regarding Solar Farms and Community Solar Gardens. The study of the ordinance addressed concerns which resulted in a 3-month moratorium on applications for solar installations. Buss summarized the proposed amendments as recommended by the Planning Commission:

- Clarifies when the use is allowed in the Ag Preserves District
- Removes the 600-foot setback from wildlife and scenic riverway and replaces with site specific setbacks
- Requires a vertical sketch in relation to surrounding topography and public roadways
- Establishes 75' setbacks from all parcel boundaries, with options for wider setbacks if warranted by impacts to adjacent properties
- Eliminates the minimum parcel requirement and instead allows setbacks to govern the parcel size needed to accommodate a solar project.
- Established options to require a vegetative buffer up to 25' in depth and screening up to 95% of the view from adjacent parcels, with screening be achieved within 2 growing seasons
- Requires the use of wildlife friendly fencing when fencing is included in the project

Council member Schneider said that screening the projects was the biggest issue, and the revised ordinance addresses that with the 95% requirement. Mayor Simonson said that the revised ordinance is more restrictive, but property owners and applicants need more clarity and less discretion as to what the City wants. Simonson gave an example of a past application for a church that tried to build in Scandia and was faced with too many moving targets which led them to abandon the project after significant investment in the plans. Buss explained that a Planning Commissioner expressed this same concern that a developer wouldn't know exactly what they are facing until they had already invested in the planning stage, but the majority of the Commissioners agreed to these amendments.

Simonson asked in what season is the 95% screening required, and that once evergreens reach 40', the lower branches provide no screening. Simonson questioned eliminating the ordinance and ending any future solar farms in Scandia.

Council member Ness stated that 3 of the past 4 applications for solar farms have worked well, and this revised ordinance language has flexibility in using the word "may". Mayor Simonson said use of "may" leads to personal feelings interfering with the decision-making, and developers need something concrete to base their plans on. Administrator Soltis said that looking at this from the solar developer's perspective, not knowing the screening depth and setbacks at the outset makes it difficult financially to invest in a project, and questioned if this vagueness and uncertainty would discourage developers.

Attorney Pratt said that flexibility is not always a bad thing. Staff can work with developers and help craft something reasonably that works with the land characteristics of the proposed site; but yet the ordinance is not consistent across the board.

Planner Buss stated that the responsibility will be on staff to recognize the issues of a site; for instance the topography could dictate wider setbacks or additional screening. Staff would work with developers ahead of time to think about the application so as not to waste their time and money.

Council member Schneider stated that there are some gray areas, but the ordinance should not be thrown out. Council members Ness and Hegland stated their agreement, and that they found no reasons not to allow solar projects.

Ness, seconded by Lee, moved to adopt Ordinance No. 174 as presented. The motion carried 5-0.

Summary Publication of Ordinance No. 174 (Resolution No. 08-16-16-02)

Schneider, seconded by Hegland, moved to approve Resolution No. 08-16-16-02, Providing for the Summary Publication of Ordinance No. 174. The motion carried 5-0.

Ordinance No. 175, Amending Chapter 2, Section 2.11 for Uses in the Rural Commercial Zoning District

Planner Buss presented Ordinance No. 175 as recommended by the Planning Commission for changes to the list of allowed and permitted uses in the Rural Commercial District (R COMM). Buss explained that similar to the amendments to the Village Mixed Use Districts recently adopted, the list of allowed uses was expanded to those that uses that were previously conditions but have minimal impacts and are consistent with neighboring communities' commercial districts. Breweries and craft distilleries were added to the uses that require Conditional Use Permits, as many communities are adding this to encourage new local businesses. Administrator Soltis stated that uses that are alcohol related or vehicle intensive will need a CUP.

Simonson, seconded by Hegland, moved to adopt Ordinance No. 175 as presented. The motion carried 5-0.

Summary Publication of Ordinance No. 175 (Resolution No. 08-16-16-03)

Ness, seconded by Lee, moved to approve Resolution No. 08-16-16-03, Providing for the Summary Publication of Ordinance No. 175. The motion carried 5-0.

BUILDING OFFICIAL

Building Official Chuck Preisler's building activity report was received. Thirty-three permits were issued in July at a valuation of \$1,325,492. Administrator Soltis noted that year-to-date valuations total \$6.1 million, versus \$3.4 million at this time last year, driven by an increase in new home construction.

POLICE DEPARTMENT

Deputy Brandon Yetter reported on a burglary and vandalism incident at a vacant home on Olinda Trail, a fatal vehicle accident on Manning Trail and 180th Street, several domestic calls, and a theft at Scandia Liquor. National Night Out was well attended by over 200 people.

Mayor Simonson questioned Yetter on his time spent patrolling Wind in the Pines Park. Yetter estimated 30-40 hours spent this year investigating trespassing and vandalism issues, which has resulted in several narcotics, underage drinking and trespassing citations. Simonson noted that the Park is taking up a lot of his time and suggested that the Council needs to address if resources are being used wisely.

FIRE DEPARTMENT

Fire Chief Mike Hinz reported that the Department responded to 22 calls in July – 7 fire related and 15 rescue calls. The Department has been involved with several community events this summer.

CITY ENGINEER

City Engineer Ryan Goodman provided an update to the Bliss System report that will be sent to Administrator Soltis to identify items that need to be budgeted within the Capital Improvement Plan. Goodman encouraged the Council members to advocate to the State for the Small Cities Assistance Allocation, which is not funded for 2017. Last year Scandia received \$63,000 as a supplement to the road fund. Council member Ness noted that he and Goodman will attend the next meeting of the NE Groundwater Coalition and will report on its status at the next Work Session.

2016 Street Improvement Project – Contractor's Request for Payment #3

Engineer Goodman presented the Contractor's Request for Payment #3 and recommended approving a payment to Dresel Contracting for services provided on the 2016 Street Improvement Project (reconstruction of 236th/237th Street/Oakhill Road). A 5% retainage will be held until final inspection.

Simonson, seconded by Hegland, moved to approve a payment of \$57,950.72 to Dresel Contracting. The motion carried 5-0.

CITY ATTORNEY

Policy Regarding Site Visits and Ex Parte Communication

Attorney Pratt presented an amended site visit policy to incorporate a new section on "ex parte communication" (communication outside of all members). Pratt explained that this adds a liability protection for the City to ensure that there is an equal opportunity for all involved parties

to be part of the decision making process. The Planning Commission had reviewed the amended policy at their last meeting and recommended approval.

Simonson, seconded by Ness, moved to adopt the revised Site Visit Guidelines as presented. The motion carried 5-0.

Election Campaign Signage

Attorney Pratt presented a memo from the League of MN Cities explaining the state law regarding election campaign signs. In the 56-day period around the election date, campaign signs may be posted in any size and number; however, the location of those campaign signs must not hinder public safety.

CITY ADMINISTRATOR

Administrator Soltis reported that the Oakhill Cottages storm shelters are nearing completion, the solar panels at the Firehall/Public Works building are generating almost double the power that the building is using, and he has met with Frontier on their future broadband upgrades in the Scandia area. Soltis provided a summary of Public Works activities – shouldering and tree trimming efforts will be the focus over the next month.

Council member Schneider asked how exterior storage complaints are progressing. Soltis explained that he and Deputy Yetter are working on easing the violations towards compliance with citations and deadlines.

CONTINUED DISCUSSION ON A CONDITIONAL USE PERMIT FOR A COMMUNITY SOLAR GARDEN ON OLDFIELD AVENUE. AMERESCO GREENMARK, APPLICANTS (RESOLUTION NO. 08-16-16-04)

At their June 21st Council meeting, Ameresco was asked to provide additional information on the landscape and grading plan for their proposed solar garden project on the 40-acre site on Oldfield Avenue near 236th Street. Planner Buss stated that the applicants provided all of the information requested. Buss explained that the central issue has been whether the project meets the performance standard that the solar garden is screened from view of public right-of-way to the extent possible by setbacks, berming, existing vegetation, landscaping, or a combination thereof. Buss said that the applicants have acknowledged that the site will not be fully screened from all roadway views, although the size and number of trees and shrubs has been increase to address the Council's concerns. The applicant's legal counsel provided a letter with a statement that Ameresco has met the legal requirements for screening and landscaping under the City's ordinance.

Attorney Pratt provided his legal summary that "to the extent possible" does not mean 100% screening. With the project located on a slope, it's not possible to screen the entire site from view, but the Council must determine if their proposal has been met "to the extent possible". Pratt said that they have undertaken due diligence to meet the ordinance requirement.

Simonson, seconded by Hegland, moved to approve Resolution No. 08-16-16-04, Approving a Conditional Use Permit for a Community Solar Garden on Parcel Number 02.032.20.23.0001 on Oldfield Avenue North.

Council member Schneider asked for an explanation of the provided cross-section diagram. Planner Buss explained that it shows the line of sight from the road right-of-way of a 6' person. Buss explained that the revised landscape plan has additional berms and vegetation to the effect that the applicants have determined that they have done as much as reasonably possible to screen the view from public right-of-ways. The plan uses a mix of conifer species and shrubs to achieve a more natural looking wooded landscape instead of a solid row of conifers.

Council member Schneider asked if extra trees could be added as a terrace on the slope since the extra trees wouldn't diminish that much solar energy across the entire 40-acre site. Mary Matze, the applicants' Planner with Landform, stated that losing any more panels over the 5 Megawatt system doesn't make the site viable anymore. She said they have screened the hill to the extent possible with berming and larger trees.

Council member Lee said the extenuating circumstances of this site are a challenge, and the City is using the current ordinance as a guideline. Council member Hegland stated that they have met the ordinance as required at the time of their application. Council member Ness said that this site does not work for a solar installation, but they must balance the rights of the property owners. Mayor Simonson said that he is an advocate for solar but this is one of the worst locations in the community.

Mayor Simonson called for a roll call vote on the above motion: Hegland – yes; Schneider – yes; Ness – yes; Lee – yes; Simonson – yes. The motion carried 5-0.

DISCUSSION ON ORDINANCE NO. 176, OPTING OUT OF STATE STATUTES REGARDING TEMPORARY DWELLING UNITS – CARE FACILITY

Earlier in the meeting, the Council held the public hearing on opting out of state law regarding temporary care facilities. There were no public comments. Council member Schneider said that the City's current ordinance addresses this already with better flexibility.

Schneider, seconded by Hegland, moved to adopt Ordinance No. 176. The motion carried 5-0.

SUMMARY PUBLICATION OF ORDINANCE NO. 176 (RESOLUTION NO. 08-16-16-05)

Schneider, seconded by Hegland, moved to approve Resolution No. 08-16-16-05, Providing for a Summary Publication of Ordinance No. 176. The motion carried 5-0.

DISCUSSION ON LAKES AREA TELEVISION 2017 BUDGET PROPOSAL

The 2017 Lakes Area Television budget was approved by the Forest Lake Cable Commission Board members present at its July 19th meeting. Per the Joint Powers Agreement, cities must approve by resolution or submit written objections within 45 days. City Administrator Soltis recommended the Council take no action due to the recent vote to terminate Scandia's membership in the JPA. By default, this will give consent to the budget as proposed by the Forest Lake Cable Commission Board. Mayor Simonson agreed to this approach and stated that the Board passed the budget in his absence.

Ness, seconded by Schneider, moved to take no action on the 2017 Lakes Area Television budget. The motion carried 5-0.

DISCUSSION ON ACCEPTING DONATION OF BIKE RACK BY THE ST. CROIX RIVER ASSOCIATION FOR LOG HOUSE LANDING

City Administrator Soltis presented the proposal from the St. Croix River Association for the donation of a bike rack at the Log House Landing. The bike rack would be provided free of cost and placed at the landing and at other access points along the river for paddlers to shuttle back to their cars by bicycle. The City would be responsible for its installation, identified as a location on the west side of the ramp area that is designated as no parking for vehicles. Council member Lee favored the idea as a designated spot to store a paddler's canoe/kayak as well.

Simonson, seconded by Lee, moved to accept the donation of a bike rack from the St. Croix River Association to be installed at the Log House Landing. The motion carried 5-0.

DISCUSSION ON ACCEPTING DONATION OF SIGNAGE BY THE NATIONAL PARK SERVICE FOR LOG HOUSE LANDING

City Administrator Soltis presented a recommendation from the Parks and Recreation Committee to approve the donation of an informational bulletin board from the National Park Service to be installed at the Log House Landing, about 3 feet north of the existing signage on the eastern side of the parking lot. The NPS and DNR would be responsible for the changeable content to be posted on the board, such as rules and riverway activities. PRC Chair Ryan Jinks stated that the board is a 2-3 year experiment, at which time a decision will be made to either replace the board with a permanent sign or to discontinue the project.

Simonson, seconded by Ness, moved to accept the donation from the National Park Service of a sign to be installed at the Log House Landing. The motion carried 5-0.

DISCUSSION ON FILLING THE PUBLIC WORKS DIRECTOR POSITION

City Administrator Soltis explained that the candidate for the Public Works Director turned down the City's employment offer for a position with another community. Soltis recommended that the Council may want to consider revising the job description by modifying the skills and requirements to attract a wider pool of applicants. Council member Schneider noted that the employee should have a vested interest in Scandia to deter moving on to another job after a few years in Scandia. It was agreed to discuss the position description at the September 7th Work Session.

ADJOURNMENT

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

The meeting adjourned at 8:37 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk