

November 15, 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, 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) October 17, 2016 Special Meeting
 - 2) October 18, 2016 Regular Meeting
 - 3) November 2, 2016 Work Session
- b) Treasurer's Report

Beginning Balance 10/01/2016	\$2,582,920.51
Receipts	<u>\$30,970.20</u>
Expenditures \$75,961.81	
Payroll <u>\$25,150.18</u>	<u>\$(101,111.99)</u>
Ending Balance 10/31/2016	\$2,512,778.72
- c) Payment of Vouchers
- d) Hire Seasonal Part-time, On-Call Maintenance Staff (Snow Removal)
- e) Hire Ice Rink attendants
- f) Approve 2017 Tobacco License Renewals: AJL Enterprises dba Scandia Olde Towne Liquor, Todd's Home Center
- g) Approve 2017 Liquor License Renewals: AJL Enterprises, Inc. dba Scandia Olde Towne Liquor (Off-Sale)
- h) Approve Temporary Liquor License, Meister's, Scanley Cup, January 27-28, 2017
- i) Canvass Results of November 8, 2016 Municipal Election (Resolution No. 11-15-16-05)
- j) Accepting donation from Fire Relief Association for the purchase of equipment (Resolution 11-15-16-06)

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

PUBLIC HEARING: APPLICATION FROM CITIZENS COMMUNICATION, LLC (FRONTIER) FOR A CABLE COMMUNICATIONS FRANCHISE

Following the notice issued at the October 18th Council meeting seeking applications for competitive cable communication franchises, one application was received by the November 8th deadline. Jack Philips, Citizens Telecommunications Company LLC (Frontier), was present to explain their proposal to deliver cable type content over existing internet connections to area residents.

Mr. Philips stated that Frontier will be making improvements to its fiber nodes and cabinets to increase bandwidth and speed for its new Vantage TV product. He described the proposal to add a next generation video experience that would be a competitively priced alternative to cable. Phillips also noted that the City would receive franchise and PEG fee revenue. With upgrades to the existing infrastructure, customers can anticipate download speeds of 40-50 megabytes/second compared to current 6-12 mb/s speeds. The product is currently being delivered in the south metro this year with expansion to begin in this area during 2017.

Mayor Simonson opened the public hearing at 7:19 p.m.

Residents had questions about cost. Mr. Philips said that Frontier's base product with increased speed will be delivered at the same cost as the customer's monthly bill, but tiered pricing may be offered for even higher speeds. Subscribing to Vantage TV will be competitively priced to cable television. A resident asked how their support for these improvements can be communicated to Frontier. Philipps said that he would bring a message to management that improved service is very important to the area, especially home based businesses, and badly needed. A question on the effect to Midcontinent's franchise agreement with the city answered that it would have no effect other than adding to the competitive market.

Steve Kronmiller said that he's in favor of the improvements to bandwidth and it's a good start, but other providers like Midco and Centurylink are providing potential of one gigabyte speeds. He said it will fill a hole but realistically it's not comparatively high speed.

Residents were directed to search the FCC website for CAF funding maps showing projected service upgrades.

There were no further comments and Mayor Simonson closed the hearing at 7:40 p.m.

Council member Lee said there is urgency in getting high speed internet to the area and the EDA should make this a priority in finding solutions. Mayor Simonson noted that lower density in Scandia makes it prohibitive for Midcontinent to expand their cable service. The Council further discussed Frontier's application later in the meeting.

PUBLIC HEARING: CERTIFICATION OF UNPAID CHARGES FOR 201 SEWER SYSTEM FOR COLLECTION WITH PROPERTY TAXES

Treasurer Colleen Firkus sent notices to 20 account holders with unpaid 2016 sewer charges that a public hearing would be held on this date for property owners to have an opportunity to object

to the certification of the unpaid charges to their 2017 property taxes. Mayor Simonson opened the hearing at 7:44 p.m. There were no speakers and the hearing was closed.

The Council took action on the certification later in the meeting.

PARKS AND RECREATION COMMITTEE

Parks and Recreation Committee Vice-Chair Greg Zauner reported on the Committee's past meeting. Plans for the annual Vinterfest event are proceeding. Scanley Cup organizer Corey Roberts asked for the rink to be closed on Thursday, January 26 to better prepare and preserve the ice rink for the hockey tournament to begin the following Friday evening. Roberts also asked that extending the hockey games into Sunday be a contingency plan if games need to be postponed due to poor ice conditions. Discussion on installing the lines under the ice concluded that Roberts be given the option to decide if they should be used, as having them last year accelerated ice melt by creating thermal hot spots by UV absorption.

Zauner described a new Vinterfest activity planned called Kubb. The Scandinavian game played with wooden blocks will be run as a tournament on the t-ball field during the afternoon of January 28th. The organizers will provide for all the setting up and running of this game.

Zauner explained that the Vinterfest button design contest will be offered to the sixth grade class again and the Committee is recommending a \$25 cash prize from the events budget for the first place winner.

The Forest Lake YMCA has proposed a new summer program called Park Play Days, offered for two sessions of Monday-Thursday for five weeks each at a cost of \$2,000. Zauner noted that the Camp Lakamaga programs have seen declining enrollment the past few summers, and the YMCA program has been successfully run in Forest Lake and Wyoming. Discussion of this funding request will be taken up at the next budget session.

PLANNING COMMISSION

Variances for an Accessory Structure at 20919 Quint Avenue – Pam and Michael Smith, Applicants

Planner Buss provided the recommendation from the Planning Commission for approval of variances to replace two existing structures and a concrete wall with a new larger garage at 20919 Quint Avenue. Variances are needed from the St. Croix Riverway setback, bluffline, and disturbing slopes greater than 25%. Buss explained that the substandard building cannot be located anywhere on the property that meets setbacks and the proposed location has the least impact on the River. The building would be excavated 24' into the hillside and would be located 95 feet from the river's OHWL (200 feet required) and 0 feet from the bluffline (100 feet required). The applicants have obtained approval from the National Park Service based on impact to their scenic easements and from MN DNR with conditions to minimize views from the river and provide a soil and erosion control plan.

The Planning Commission asked if the historic ice storage structure could remain in place. The NPS agreed that it could be preserved as a historic structure and integrated into the new retaining wall provided that detailed grading plans are provided to show that it could be held in place during construction.

Council discussion concluded that there are many concerns of constructing a building into the steep slopes and the revegetation of the area that would need to be excavated to construct the building. Peter Curtis, the architect designing the garage for the Smiths, was present and explained that they have consulted with a soil engineer to ensure that the excavation and proposed structure are feasible. City Engineer Goodman provided recommendations for a swale behind the garage to direct runoff around the building.

Mayor Simonson noted that this proposes a massive hole into the hill and he would have a difficult time supporting the variance for such a significant alteration to the bluff within the riverway. He questioned how construction within a 50% slope could be allowed when the code prohibits alterations to slopes over 25% and noted that this is not a minor variance.

Council member Ness said that he attended the site visit, and it may be helpful to the others to view the site. Council was agreeable to this and each will visit the site.

Simonson, seconded by Lee, moved to table action on the Variance at 20919 Quint Avenue to defer any action in order to allow Council members to view the site. The motion carried 5-0.

Conditional Use Permit for a Community Solar Garden at 21509 Lofton Avenue, Donald & Marilyn Hogle Trust. Novel Energy, Applicant (Resolution No. 11-15-16-02)

Planner Buss presented the Planning Commission's recommendation of approval of a Conditional Use Permit for a Community Solar Garden at 21509 Lofton Avenue, owned by the Marilyn & Donald Hogle Trust. The 40 kW solar array will be less than an acre in size and meets all the setbacks and criteria of the ordinance. Conditions were presented in a resolution that included screening the project from views along Lofton Avenue. The Planning Commission waived the requirement for wildlife friendly fencing that has a one-foot gap along the bottom; however, Buss explained that the ordinance requires wildlife friendly fencing as a performance standard and that a variance from this standard could not be found as a practical difficulty, so the condition remained in the resolution.

Council member Schneider noted that Condition #2 should replace Uniform Building Code with the Minnesota State Building Code.

Ness, seconded by Hegland, moved to approve Resolution No. 11-15-16-02, Approving a Conditional Use Permit for a Solar Community Garden at 21509 Lofton Avenue, with a correction to Condition #2. The motion carried 5-0.

BUILDING OFFICIAL

Building Official Chuck Preisler's report was received. Twenty-four permits were issued in October at a valuation of \$388,089.

FIRE DEPARTMENT

Fire Chief Mike Hinz reported that the Department responded to 6 fire and 7 rescue calls last month. The department hosted the annual open house during fire prevention week and the Safe Halloween event.

CITY ENGINEER

City Engineer Ryan Goodman reported that the contractor is doing final cleanup along roadways of the street improvement project (236th/237th/Oldfield) and will prepare project closeout for the December Council agenda, along with closeout of the seal coat project.

CITY ADMINISTRATOR

City Administrator Neil Soltis reported that it appears feasible to install concrete planking on the Log House Landing boat ramp instead of a slab pour. The planks can be purchased from the same supplier the DNR uses. The NPS sign at the Landing was vandalized within a week of its installation last month. Dumping incidents of tires and miscellaneous garbage in the ditches is on the increase this fall. The Wastewater Committee vacancies are being advertised on the website. Dasher board and kick plate repairs are being done on the ice rink. The plow equipment is prepped and ready for the snow season.

DISCUSSION ON APPROVING THE APPLICATION FOR A CABLE COMMUNICATIONS FRANCHISE TO CITIZENS TELECOMMUNICATIONS COMPANY (FRONTIER)

The public hearing was held earlier in the meeting, and the Council discussed the application from Frontier. Council member Schneider asked if this could jeopardize the existing franchise agreement with Midcontinent. Mayor Simonson replied that it would not.

Simonson, seconded by Ness, moved to approve Frontier's application for a cable communications services franchise and to begin negotiations for a franchise agreement. The motion carried 5-0.

APPROVING THE CERTIFICATION OF UNPAID CHARGES FOR 201 SEWER SYSTEM FOR COLLECTION WITH PROPERTY TAXES (RESOLUTION NO. 11-15-16-03)

The public hearing was held earlier in the meeting and no speakers appeared.

Ness, seconded by Hegland, moved to approve Resolution No. 11-15-16-03, Certifying Unpaid Charges for 201 Community Sewage Treatment for Collection with Property Taxes. The motion carried 5-0.

DISCUSSION ON 2017 LIABILITY AND PROPERTY INSURANCE RENEWAL WITH LEAGUE OF MINNESOTA CITIES INSURANCE TRUST

Administrator Soltis explained that the City must decide each year whether to waive the statutory monetary limit on tort liability, and estimated that the City saves approximately \$500 per year on insurance premiums by not waiving the limit. The deductible has been \$1,000 since 2012 and Soltis recommended it remain at that amount.

Soltis also noted that the Council has opted not to cover property in the open such as lighting, fences, and playgrounds; however, in the memorandum agreement for the Veterans Memorial the City agreed to pay for property coverage for the memorial.

Rates for 2017 are not yet available, but a 3% increase is estimated in the 2017 budget.

Simonson, seconded by Schneider, moved to renew insurance coverage with LMCIT for 2017 and to not waive the tort liability limits. The motion carried 5-0.

DISCUSSION ON AMENDING ORDINANCE NO. 151 REGULATING PARKING OF VEHICLES IN THE CITY (ORDINANCE NO. 178)

The Council reviewed Ordinance No. 178 that consolidated all the “no parking” roadways into Section 3, as was discussed at the last work session. Ordinance No. 151 would be rescinded.

Simonson, seconded by Hegland, moved to adopt Ordinance No. 178, Regulating the Parking of Vehicles in the City. The motion carried 5-0.

APPROVING SUMMARY PUBLICATION OF ORDINANCE NO. 178 (RESOLUTION NO. 11-15-16-04)

Simonson, seconded by Hegland, moved to approve Resolution No. 11-15-16-03, Providing for the Summary Publication of Ordinance No. 178. The motion carried 5-0.

DISCUSSION ON AMENDING POLICY ON ROAD RIGHT-OF-WAY MAINTENANCE

Administrator Soltis presented the policy on road right-of-way maintenance which reflected the agreement reached at work sessions to alter the mowing practices to support wildlife species. A five-foot width may be mowed beginning May 15th, and a full 8-foot width after September 1st. Language included that the entire ROW may be mowed any time for safety.

Simonson, seconded by Ness, moved to adopt the Road Right-of-Way Maintenance Policy as presented. The motion carried 5-0,

DISCUSSION ON APPOINTING PUBLIC WORKS DIRECTOR

Administrator Soltis reported that Adam Hawkinson accepted the terms of employment and has passed the physical exams and testing. Hawkinson’s start date will be December 12, 2016.

Simonson, seconded by Lee, moved to approve the hiring of Adam Hawkinson as Public Works Director with terms stated in the staff report. The motion carried 5-0.

DISCUSSION ON APPOINTMENT TO FOREST LAKE CABLE COMMISSION

Mayor Simonson announced that he is stepping down from his position on the Forest Lake Cable Commission effective November 30, 2016. This will result in no representation from the City on the Cable Commission. Council will discuss an appointment to the Commission along with other annual appointments at the January work session.

ADJOURNMENT

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

The meeting adjourned at 9:10 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk