

November 2, 2016

The City Council held a Work Session on the above date. The following were present: Mayor Randall Simonson, Council members Bob Hegland, Dan Lee, and Jim Schneider. Absent: Council member Chris Ness. Staff present: City Administrator Neil Soltis, Fire Chief Mike Hinz and Deputy Clerk Brenda Eklund.

Mayor Simonson called the meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

Schnieder, seconded by Lee, moved to approve the agenda as presented. The motion carried 4-0.

DISCUSSION ON THE 2017 OPERATING AND CAPITAL BUDGETS

The Council continued to discuss the operating and capital budgets for 2017.

Fire

Fire Chief Mike Hinz presented the budget numbers he is recommending for 2017. The total budget for the department is close to prior years: \$234,400 compared to \$232,959 in 2016. Hinz explained that medical supplies will be increased due to the absence of the ambulance service which supplied these needs in the past. Hinz proposed a \$0.50 wage increase across all levels and estimated the addition of 5 new recruits next year. Turnout gear will remain budgeted at \$7,000 to replace 3 sets of gear each year. Hinz explained that the budget includes a monthly cleaning service at roughly \$1,000 for the year. Fire Department capital expenses from the Equipment Replacement Fund include \$85,000 for a replacement Grass Rig and the replacement of SCBA equipment that will be carried over from 2016 pending a grant application.

Council member Dan Lee suggested that the dive team be eliminated from the department and the funds to support this go to other purposes since the County dive team provides body recovery at no cost. Hinz explained that the dive team compliments the fire and rescue department, and annual costs do not exceed \$2,500 for training and equipment maintenance. Mayor Simonson noted that there are many water activities in Scandia and the role of the dive team, the only one in northern Washington County, gives hope to families in rescue situations. Lee felt that it is the role of the Council to sharpen its pencils to cut unnecessary spending. Staff was directed to present cost information related to the dive team at the December work session.

Public Works

Administrator Soltis explained the budgeting for next year. Long-term disability benefits were not budgeted but may be added based on the interpretation of the labor agreement. Staff was directed to consult with the attorney on this. Soltis noted that the preliminary budget allocated proportionate shares of the health insurance benefits to sewer and parks budgets; however, the Wastewater Committee recommended that all of the costs remain in the PW budget. The budget for road maintenance materials was increased to provide for more patching and shouldering next year. The budget for engineering was reduced based on charging costs related to the road improvement projects to the Local Road Improvement Fund. The budget for contractual services of \$330,000 will have \$200,000 set aside for sealcoating and \$40,000 for ditch and culvert repair

among the expenses. The major increase in the PW budget is the transfer to the Local Road Improvement Fund in accordance with the City's fund balance policy.

Mayor Simonson asked if dust control can be applied only to road frontages of residences and not open areas to lower the cost, then perform a second application later in the summer. Staff will bring back an estimate of the cost to apply dust control in this manner.

Parks

Wages for the grounds care of the Wayne Erickson ballfield will be allocated to the Parks Capital account next year, as revenue from advertising signs is earmarked for capital improvements and maintenance of the ballfield. Funds for materials have been increased to provide for continued replacement of the boards at the ice skating rink.

Equipment Replacement Fund

Purchases for next year include a used pavement roller for patching (\$8,000), replacement of the John Deere mower and attachments (\$30,000), and replacement of the Sterling dump truck and plow that was delayed from 2016 (\$200,000).

Local Road Improvement Fund

No road projects are budgeted for in 2017. The combination of the carryover fund balance and the levy of \$563,665 will provide funding for the 2018 road improvement projects.

201 Sewer

The Wastewater Committee recommended a 5% rate increase for 2017. Soltis noted that nearly \$1,000,000 of capital improvements will be needed by 2025 for which planning for these costs needs to be addressed since the cash flow isn't sufficient to pay for the improvements when they are needed. Soltis advised the Council that a revenue strategy is needed to address the long-term needs of the system. Council directed staff to contact an engineer from the MPCA to discuss alternate technologies that could be utilized for nitrate treatment to assist in estimating costs.

Uptown Sewer

A \$500 drainfield blower is provided for in this enterprise budget. The Wastewater Committee did not recommend a rate increase at this time.

Council did not make any changes to the proposed budget. The public hearing will be held on December 7th at 6:30 p.m. with final adoption on December 20th.

DISCUSSION ON ESTABLISHING A ROAD RIGHT-OF-WAY POLICY

At the October Work Session there was a discussion of mowing the right-of-ways with a request from a resident to adopt more wildlife friendly mowing practices. Reducing the width of the first seasonal mowing to 5-feet and timing the mowing to begin close to May 15th and after September 1st was agreed to. A policy incorporating this language was reviewed that also

merged the language of the tree trimming policy into a Road Right-of-Way Policy.

Administrator Soltis noted that mowing can be subject to weather conditions and performed at any time for safety reasons. No changes were made and staff was directed to place the policy on the next Council meeting for adoption.

DISCUSSION ON AMENDMENT TO THE PARKING ORDINANCE (ORDINANCE NO. 151)

No parking on Meadowbrook Avenue north of Highway 97 was a condition of the recent approval of a Rural Event Facility at 12680 Scandia Trail. Previously the City/Township designated no parking segments by resolution or by motion. Administrator Soltis presented a draft of an amendment to the existing parking ordinance that codifies all the City's no parking roadways into Section 3 of the amended ordinance. Mayor Simonson stated this is a cleaner approach and directed staff to prepare the ordinance for adoption at the next Council meeting.

DISCUSSION ON AMENDMENT TO THE DOG ORDINANCE (ORDINANCE NO. 166)

Administrator Soltis explained that the current dog ordinance defines the penalty for having a dog at-large as a misdemeanor, a crime that requires a pre-trial conference with the City Attorney and a possible court appearance, along with a fine up to \$1,000. Council member Hegland stated that having a dog leave the owner's yard shouldn't have such an onerous penalty. Council agreed that alternate language could be considered and directed staff to bring back a draft amendment to a future meeting.

DISCUSSION ON WASTEWATER COMMITTEE VACANCIES

Holly Kaufhold, Uptown representative, and Doug Salmela, 201 representative, have recently resigned from their positions on the Wastewater Advisory Committee. Administrator Soltis recommended that the positions be advertised through the City's website and Facebook page. If no appointments are made, the Council could consider reducing the number of members from 7 to 5. The Council favored this approach.

DISCUSSION ON PUBLIC WORKS DIRECTOR POSITION

Administrator Soltis recommended a conditional offer of employment be made to Adam Hawkinson for the Public Works Director position. Council was in agreement to the terms of the offer: Step 3 compensation of \$60,797 and then advancing to Step 4 after the probationary period with satisfactory performance. Based on the experience level, Soltis recommended that the offer include paid time off equivalent to that of a 5-year employee.

ADJOURNMENT

Lee, seconded by Hegland, moved to adjourn the meeting. The motion carried 4-0.

The meeting adjourned at 8:30 p.m.

Respectfully submitted,

Brenda Eklund, Deputy Clerk