

December 6, 2017

The City Council conducted a Work Session on the above date. The following were present: Mayor Christine Maefsky, Council members Bob Hegland, Steve Kronmiller and Jim Schneider. Council member Chris Ness arrived at 6:50 p.m. Staff present: City Administrator Neil Soltis, Fire Chief Mike Hinz, Public Works Director Adam Hawkinson and Deputy Clerk Brenda Eklund.

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

APPROVAL OF THE AGENDA

Hegland, seconded by Kronmiller, moved to approve the agenda as presented. The motion carried unanimously by those present.

PRESENTATION BY COMFORT LAKE-FOREST LAKE WATERSHED DISTRICT ON PROPOSED RULE CHANGES

Comfort Lake-Forest Lake Watershed Administrator Mike Kinney and Engineer Greg Ganske were present to describe rule revisions that are out for public comment until January 15, 2018, and proposed for adoption next year. Goals of the revisions include modifying the thresholds and simplifying the process for when permits are triggered, and adding flexibility for complex project sites as needed for storm water and erosion control. In discussion of the 2018 road project, the District noted that for this and future projects any stormwater impacts would be based on the added impervious area or for the whole project if there was a total reconstruction. Updates on the Watershed's quality improvement projects included nutrient reduction to both Moody Lake and Bone Lake.

TRUTH IN TAXATION PUBLIC HEARING ON 2018 BUDGET AND TAX LEVY

A public hearing was held for the purpose of gathering public comments on the City's 2018 budget and the property taxes needed to pay for the budgeted expenditures. The proposed levy of \$2,257,872 reflects a 0% increase from 2017. Spending in the General Fund is proposed to be an 8% decrease over the 2017 budget. Soltis explained the changes in each department from the steady state, including an increase to the Fire Chief's hours worked that results in a \$30,000 increase in the Fire Department budget.

New in 2018 will be a special revenue fund called the Cable Television Fund. This will hold the cable franchise and PEG fees upon the departure of the City from the Forest Lake Cable Commission in the second half of 2018. The PEG revenues must be used for equipment purchases to provide public access according to the cable franchise agreements.

The Local Road Improvement Fund will use \$725,050 of the levy, the unallocated fund balance, and the issuance of debt service to fund the projected \$6.5 million cost of the 2018 road project. Other Capital projects include reconstruction of the tennis courts, Community Center LED lighting conversion, emergency generator for the Fire Department, and replacement of the 2008 Ranger truck.

The 201 Sewer and Uptown Sewer enterprise funds will increase revenue with rate adjustments to prepare for future equipment replacements and projects.

Soltis provided a comparison of Scandia's property tax levy based on taxable value, and showed tax capacity rate of 36.6% in 2018. This places Scandia among the middle of all Washington County communities. Most residential tax bills will be slightly lower next year.

Mayor Maefsky opened the hearing at 7:36 p.m.

Milo Horak, business owner at 21070 Olinda Trail and Doran O'Brien, business owner at 21084 Olinda Trail: Horak and O'Brien stated that they were users of the Uptown Sewer System and supported the new rate structure that makes the user rates more equitable between small and large users.

There were no other public comments and Mayor Maefsky closed the hearing at 7:40 p.m.

2018 OPERATING AND CAPITAL BUDGETS

Fire Chief Mike Hinz provided a handout listing goals that could be met provided additional hours and wages be dedicated to the Fire Chief position as proposed in the 2018 budget. Hinz explained the lack of time is problematic to accomplish the increasing demands and duties being put on municipal fire departments. Goals included personnel reviews, implementation of standard operating guidelines, hose testing, mandatory state reporting, annual review of pre-plans of commercial and special use properties, and detailed monthly and annual report summaries. Hinz approximated he would work 24 hours a week in the part-time position. Hinz noted that savings could be seen in the department with being present at the station for more hours.

It was recommended that seeking to improve the ISO rating for the department be included as a goal, as insurance agencies use this rating to set rates which could save money on homeowners' insurance.

Staff will bring back a revised job description and a resolution setting the compensation based on the 2018 budget allocation.

It was agreed that there may be future discussion on billing for services and revising the volunteer firefighters' positions.

Council made no changes to the 2018 budget as presented. Final adoption of the budget is scheduled for the December 19, 2017 Council meeting.

DISCUSSION ON THE 2018-2022 CAPITAL IMPROVEMENT PROGRAM

Administrator Soltis explained the multi-year CIP which identified major projects and their source of funding. The CIP Committee put together the recommendations and a public hearing was held with the Planning Commission on September 5th. Soltis explained the details of the identified purchases and projects.

The Committee recommended the sale of the City-owned lot on Goose Lake to provide funding for the Park Capital Fund. The 201 Sewer System will need drainfield improvements and nitrate treatment by 2022. The City will need to begin to address these critical projects in the next year or two.

Soltis explained that this document replaces the 2016-2020 CIP and is Appendix F of the Comprehensive Plan. As for any purchases, the Council will decide whether or not proceed before expending any funds based on this plan.

DISCUSSION ON FIRE DEPARTMENT PURCHASE OF SELF CONTAINED BREATHING APPARATUS AND THERMAL IMAGING CAMERA

Fire Chief Hinz presented a proposal for a purchase to replace aged SCBA packs that are past their useful life and a primary item for safety protection. The replacement is in the 2017 budget using capital improvement funds of \$98,000. Hinz explained that the department recently found out it was not awarded an AFG grant that it had applied for.

Three suppliers were researched for the purchase to replace the 12 SCBA packs and 24 air bottles, with a recommendation to purchase MSA equipment from Emergency Response Solutions at a total cost of \$106,918.15. This includes the addition of a thermal imaging camera with each SCBA. The department feels the extra cost of the camera is well worth the safety that it would provide to the user, and the Fire Relief Association has agreed to pay \$9,540 to cover the cost of the upgraded equipment. This lowers the City's cost to \$97,378.15, in line with the budgeted amount.

Schneider, seconded by Hegland, moved to approve the purchase of replacement SCBA at a cost of \$97,378.15 with \$9,540 funded by the Relief Association. The motion carried 5-0.

ACCEPTING A DONATION FROM THE FIRE RELIEF ASSOCIATION TOWARDS THE PURCHASE OF FIRE EQUIPMENT (RESOLUTION NO. 12-06-17-01)

Kronmiller, seconded by Schneider, moved to approve Resolution No. 12-06-17-01, Accepting Donations for Purchase of Fire Equipment. The motion carried 5-0.

DISCUSSION ON APPLICATION FOR PART-TIME PLOW DRIVER

No applications for a part-time on-call snow plow driver were received by the December 1st deadline. Council agreed with Administrator Soltis's request to continue to post the position for applications.

ADJOURNMENT

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

The meeting adjourned at 8:40 p.m.

Respectfully submitted,

Brenda Eklund, Deputy Clerk