

December 7, 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, Chris Ness and Jim Schneider. 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**

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

### **TRUTH IN TAXATION PUBLIC HEARING ON 2017 BUDGET AND TAX LEVY**

Administrator Soltis provided an overview of the 2017 budget and explained that the purpose of the public hearing is for residents to learn about the budget and the property taxes needed to pay for the expenditures proposed for 2017. The Council will gather public comment and make any changes to the budget before its final adoption at the December 20<sup>th</sup> City Council meeting.

The proposed levy of \$2,257,872 reflects a 0% levy increase from 2016. Spending will stay relatively steady, with the following significant changes:

- \$42,000 in 2017 for the Comprehensive Plan update
- \$14,700 for website and technology upgrades in Administration
- \$8,000 for a used asphalt roller and \$3,000 for GIS upgrades in Public Works
- \$5,000 to the EDA to match County funding for predevelopment loans

No major street projects are planned for 2017. In preparation of a major project in 2018, the Local Road Improvement Fund will be funded at \$560,533 through the levy, and by the transfer of the unallocated fund balance in the General Fund in excess of 50% of expenditures from other funds.

Soltis provided a comparison of Scandia's property tax levy based on taxable value, and showed a slight decrease in rate to 36.6% in 2017. This places Scandia among the middle of all Washington County communities.

Mayor Simonson opened the hearing at 7:00 p.m. There were no public comments and the hearing was closed.

Council member Schneider said things look good, and recommended the tractor/mower replacement be purchased locally next year. It was confirmed that the equipment being replaced is a John Deere but the funds allocated for the purchase of equipment has the same or similar capabilities.

Soltis suggested that \$50,000 in engineering fees could be added to the Local Road Improvement Fund budget to that the plans and specification for the 2018 road projects can be bid out early in 2018. Based on the Councils' agreement, this change will be reflected in the final budget.

Mayor Simonson inquired about the funding which continues to be set aside in the Capital Fund for the 205<sup>th</sup> Street/Log House Landing project. Soltis explained that the \$200,000 assumes grant funds of \$100,000 to utilize bound aggregate paving for the project. The boat ramp improvements are included at a \$20,000 expenditure, with matching \$20,000 from the Watershed and \$15,000 from the National Park Service. Use of an experimental bound aggregate material was discussed, and Soltis stated that the budget for contractual services for road maintenance may accommodate using that process on a gravel road segment next year.

Council member Lee asked that his recommendation to eliminate the dive team from the Fire Department budget be discussed, as he thinks it is a waste of money that could better be spent elsewhere. Council member Ness stated that as long as training does not exceed 35 hours over the year, he is in favor of keeping the dive team. Council member Schneider said that the cost of training and equipment maintenance (approximately \$1,400 last year) is fairly minor and the dive team should not be taken away. Mayor Simonson and Council member Hegland stated that they were in favor of keeping the dive team.

#### **DISCUSSION OF DEVELOPMENT AGREEMENT WITH HOGLE TRUST AND NOVEL ENERGY SOLUTIONS FOR COMMUNITY SOLAR GARDEN**

Last month, the Conditional Use Permit for a Community Solar Garden was approved for installation at 21509 Lofton Avenue, owned by the Donald & Marilyn Hogle Trust. As part of the approval for the project, a development agreement must be completed between the City and Novel Energy. Administrator Soltis presented the agreement, drafted by City Attorney Andy Pratt, which incorporates the provisions of the CUP and establishes a screening escrow and decommissioning security.

**Ness, seconded by Lee, moved to approve the Developer's Agreement as presented. The motion carried 5-0.**

#### **REVIEW OF APPLICATIONS FOR VACANCIES ON THE WASTEWATER ADVISORY COMMITTEE**

Council reviewed the applications received for filling the vacancies on the Wastewater Advisory Committee. Doug Salmela and Holly Kaufhold had resigned from their positions in October.

Soltis noted that Doran O'Brien submitted an application today as a representative for the Uptown sewer system.

**Simonson, seconded by Schneider, moved to appoint Patrick Kelley as citizen representative for the Bliss System and Doran O'Brien as business representative for the Uptown System to the Wastewater Advisory Committee. The motion carried 5-0.**

#### **DISCUSSION SOLICITING COMMUNITY VOLUNTEER APPLICATIONS FOR APPOINTMENT TO THE COMPREHENSIVE PLAN STEERING COMMITTEE**

Administrator Soltis explained that the work plan for the Comprehensive Plan update proposed by Bolton Menk calls for the establishment of a Steering Committee consisting of 10-12 members from a mix of staff, elected and appointed officials, and community volunteers. Soltis

recommended that applications be solicited now in order to have appointments made in time for the initial work session on the Comp Plan planned for January or February. The Committee is intended to act as a sounding board for community issues, land use policies, and goals and will actively take part in the development of the Comprehensive Plan by providing high level guidance and recommendations.

There was discussion on the composition and size of the Steering Committee, and Council concluded that the application process for gathering a pool of interested residents should begin at this time. Further discussion on the make-up of the Committee will continue at the January Work Session.

**CLOSED SESSION**

**Simonson, seconded by Lee, moved to go into Closed Session under MN Statute 13D.05 for the purposes of conducting an evaluation of the City Administrator and under MN Statute 13D.03 for discussion on strategy for labor negotiations. The motion carried 5-0.**

**ADJOURNMENT**

**Schneider, seconded by Hegland, moved to adjourn. The motion carried 5-0.**

The meeting adjourned at 8:50 p.m.

Respectfully submitted,

Brenda Eklund  
Deputy Clerk