

April 16, 2019

A regular meeting of the Scandia City Council was held on the above date. Mayor Christine Maefsky called the meeting to order at 7:00 p.m. Following the Pledge of Allegiance, roll call was taken. The following members were present: Council members Jerry Cusick, Chris Ness, Patti Ray and Mayor Christine Maefsky. Absent: Council member Steve Kronmiller. Staff present: City Administrator Neil Soltis, City Planner Merritt Clapp-Smith, City Engineer Ryan Goodman, City Attorney Eric Sherburne, Police Deputy Brandon Yetter, Fire Chief Mike Hinz, Public Works Director Adam Hawkinson and Deputy Clerk Brenda Eklund.

PUBLIC FORUM

Scandia Good Neighbor Proclamation

Mayor Maefsky presented a Scandia Good Neighbor Proclamation to Dodi and Jeff Anderson who were nominated by their neighbors for their helpful and considerate acts of kindness.

No other comments were made during the public forum.

APPROVAL OF AGENDA

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

CONSENT AGENDA

The following Consent Agenda was presented:

a) Minutes

- 1) March 19, 2019 Regular Meeting
- 2) April 3, 2019 Work Session

b) Treasurer's Report

Beginning Balance 3/1/2019	\$4,234,436.52
Receipts	\$ 50,516.14
Expenditures \$97,734.81	
Payroll \$31,872.22	<u>\$(129,607.03)</u>
Ending Balance 3/31/2019	\$4,155,345.63

c) Payment of Vouchers

d) Park User Permit for Fastpitch Softball Tournament June 28-30, 2019

e) Resolution No. 04-16-19-01 accepting donations for the Wojtowicz Skate Park

f) Resolution No. 04-16-19-02 accepting donations for Lilleskogen Park

g) Request to extend probationary period for firefighter

Ness, seconded by Ray, moved to approve the Consent Agenda as presented. The motion carried 4-0.

PARK AND RECREATION COMMITTEE

Purchase of Skate Park Equipment and Amending the 2019 Budget (Resolution No. 04-16-19-03)

Parks and Recreation Chair Terry Gorham described the Committee's recommendation to replace the outdated and damaged equipment in the skate park, as provided for in the 2019 budget for capital improvements. PW Director Hawkinson received 3 quotes, all higher than the

budgeted amount of \$12,000. The Committee recommended a purchase from American Ramp Company at a cost of \$23,678.21 as meeting the criteria of safe and quality pieces. Installation would be completed by public works staff. A resolution to accept the quote and to amend the 2019 budget for the Capital Improvement Fund by re-appropriating funds for an additional \$11,700 was presented. It was noted that estimates for new equipment were gathered several years ago and resulted in the low budgeted figure.

Ray, seconded by Ness, moved to approve Resolution No. 04-16-19-03, Amending the 2019 Budget for Capital Improvement Fund to purchase new skate park equipment. The motion carried 4-0.

Accepting Statewide Health Improvement Project (SHIP) Grant for Bicycling Equipment (Resolution No. 04-16-19-04)

Parks and Recreation Chair Terry Gorham reported on the award of the \$5,000 SHIP grant as applied for last month with support from Cycling Scandia to purchase a bike rack, a fixit station, and timed door locks on the Warming House in preparation of making the area a gathering place for bicyclists. The 10% matching support was donated by a private citizen. Gorham explained that the PRC will further discuss the potential access to the Warming House at their next meeting. A resolution to accept the grant and amend the budget was presented.

Ness, seconded by Ray, moved to approve Resolution No. 04-16-19-04, Amending the 2019 Budget for the Park Capital Fund and to accept the SHIP grant for purchasing bicycling amenities. The motion carried 4-0.

PLANNING COMMISSION

Minor Subdivision at Parcel ID No. 12.032.20.43.0001 Between 220th Street and Pilar Road (Pilar Forest). Resolution No. 04-16-19-05

Planner Clapp-Smith presented the recommendation of the Planning Commission to approve a minor subdivision to create two single-family lots from an existing 17.47-acre undeveloped parcel that lies between 220th Street and Pilar Road, owned by John and Kristin Maurer. The preliminary plat known as Pilar Forest showed Lot 1 as an 8.25-acre lot off Pilar Road and Lot 2 as a 7.76-acre lot off 220th Street. The survey showed conceptual building sites. The required wetland delineation must be completed and reflected on the plat, along with the Engineer's requirements for dedicated drainage, utility and road easements. A resolution with findings and eleven conditions of approval was prepared, including payment of a \$3,000 park dedication fee for the creation of one new lot.

Mayor Maefsky asked for clarification of the Engineer's comments on dedicated easements, and recommended Condition #7 add an explanation of the dedication. Engineer Goodman explained that Outlot A, the sliver of land north of Pilar Road but within the property boundary, the Pilar Road and 220th Street rights-of-way be dedicated to the City as right-of-way to allow maintenance and private utility installations within public right-of-way.

Ness, seconded by Cusick, moved to approve Resolution No. 04-16-19-05, Approving a Minor Subdivision of PID 12.032.20.43.0001 with an amendment to Condition #7 per the Engineer's recommendation. The motion carried 4-0.

Variance from Setbacks at 21467 Olinda Trail (Resolution No. 04-16-19-06)

Planner Clapp-Smith presented the recommendation of the Planning Commission to approve variances to front and side yard setbacks to construct an attached garage to a single-family home at 21467 Olinda Trail owned by Mike and Melanie Hinz. Clapp-Smith explained the project of moving the existing detached garage which is 4.8 feet from the side property line and constructing an addition that meets this existing setback. The existing front yard setback of 32 feet will also be maintained. The Commission found this to be a logical placement for the small 0.53-acre lot, and the proposal maintains the same degree of nonconformity from the required 20-foot side yard and 40-foot front yard setback. A resolution was prepared with findings and six conditions, including submission of a grading plan and a Watershed permit for stormwater management and erosion control.

Ray, seconded by Cusick, moved to approve Resolution No. 04-6-19-06 as presented. The motion carried 4-0.

Variance from Front Setback at 18590 Langly Avenue (Resolution No. 04-16-19-07)

Planner Clapp-Smith presented the recommendation of the Planning Commission to approve a variance from the front yard setback for a new residential structure at 18590 Langly Avenue owned by Michael Wiebe. The combined size of the two vacant substandard lots in the Bliss Addition being built on total 0.31 acres. The steep slopes to the rear of the property pushes the buildable area within 20' of the front setback; the required front setback is 40'. The proposal complies with all other setbacks and lot coverage. Findings regarding the practical difficulties of the property and five conditions requiring combining the 2 lots, correcting plan elevations, and obtaining grading, driveway, Watershed and other permits were written into a resolution.

Engineer Goodman explained that corrected plan elevations and a more detailed grading plan will be reviewed to show the area for proper water flow to the lake. Council member Ness noted that this neighborhood had recent flooding issues and poor drainage and that it is crucial to get this plan right. Goodman said it will be important to be proactive to open the frozen culvert and allow natural drainage to the lake if the same conditions occur in the future.

Ray, seconded by Cusick, moved to approve Resolution No. 04-16-19-07 as presented. The motion carried 4-0.

Ordinance No. 210 – Regulating Solar Energy Systems

Planner Clapp-Smith presented the recommendation of the Planning Commission to approve an ordinance to regulate distribution solar energy systems, previously known as community solar gardens. Clapp-Smith summarized key elements of the ordinance, studied by the Planning Commission over several months.

- The naming convention for solar energy systems (SES) will be defined as “Local” SES for those that operate to distribute energy predominately to on-site users and “Distribution” SES for systems that distribute energy to off-site users.
- Allow in Agriculture Core zoning district only.
- Robust screening standards and setbacks from property lines, roads, and adjacent existing residential structures.
- Limit to one interconnection pole per solar project.

- Limit height to 12' at maximum tilt.
- The application must include renderings of the view from the ground level of adjacent residences, both with and without screening.

Planning Commission Chair Dan Squyres was present and explained the Commission's rationale for the standards, including the use of enhanced screening to address visibility concerns instead of limiting the size of the arrays to 1MW or less, saying "if you cannot see it, who cares if it's there."

Mayor Maefsky listed a number of concerns she had, and noted that those opposed and in favor of solar installations seemed evenly split based on social media comments she has been tracking. Concerns of negative impacts to property values, conflict with the 2040 Comp Plan, that the land use is not compatible with Scandia's rural image, potential future changes to technology and rules for solar, long-term implications of the systems and the surprises such as the number of poles installed were some of the issues she addressed. Squyres replied that solar benefits to natural resources and sustainability do align with the Comp Plan and the arrays will be concentrated in one zoning district. He said the ordinance was written to give the City the most amount of power with stronger standards from the previous ordinance, and they tried to balance property owner rights with rights of Scandia residents not to see them.

Maefsky noted edits to 4.34(B)(3)(F) to state "~~may~~ shall require the posting of a bond" and to 4.34(B)(4)(A) to replace community solar garden with Distribution SES.

Maefsky concluded that she is concerned about more surprises down the road and that 2 years of operating the 6 existing systems in Scandia has not been long enough of a time to know long-term implications. Council member Ness said that landowners have rights and this ordinance is more restrictive; potential issues can be dealt with down the line.

Ness, seconded by Cusick, moved to adopt Ordinance No 210 as amended with edits to 4.34(B)(3)(F) and 4.34(B)(4)(A). The motion carried 3-1, with Maefsky opposed.

Summary Publication of Ordinance No. 210 (Resolution No. 04-16-19-08)

Ray, seconded by Ness, moved to approve Resolution No. 04-16-19-08, Providing for the Summary Publication of Ordinance No. 210. The motion carried 4-0.

BUILDING OFFICIAL

Building Official Chuck Preisler's report on building activity was received. In March, eighteen permits were issued at a valuation of \$263,124.

POLICE DEPARTMENT

Police Deputy Brandon Yetter reported that juvenile suspects were identified in an explosives incident last month, with charges pending. Yetter warned the community on scamming tactics being reported at an increasing rate. The 6th-grade DARE graduation is scheduled for this Thursday.

FIRE DEPARTMENT

Fire Chief Mike Hinz reported that the department responded to 9 fire calls and 16 medical calls in March. The LED lighting upgrade at the Fire Station/Public Works building was completed this week. Four candidates were recently interviewed for placement on the department, with hiring recommendations forthcoming. The department was recently notified that its ISO rating has improved to a 6/10 effective July 1st, which will lower homeowner's insurance rates for those properties within a 5-mile radius of the fire station.

CITY ENGINEER

City Engineer Ryan Goodman provided a report on engineering updates. The neighborhood meeting on the Bliss Addition Stormwater Project held just prior to the Council meeting was well attended, with good communication between involved parties.

CITY ATTORNEY

City Attorney Eric Sherburne reported that funding initiatives for broadband expansion continues to progress through legislative hearings.

PUBLIC WORKS DIRECTOR

Public Works Director Adam Hawkinson reported that issues at the Bliss sewer system are related to high flow levels with the pumps, and the sand filter is not accepting fluid at the rate it should be. Mayor Maefsky requested that Engineer Goodman attend the May 1st Work Session with a report on the 201 sewer system. Hawkinson explained that staff is gathering costs associated with last month's flooding episode in the Bliss as part of Washington County's FEMA emergency reporting for potential reimbursement.

CITY ADMINISTRATOR

City Administrator Neil Soltis reported that the 311 citizen response system is now on the website for residents to request services and report issues. A report on the Tourism Assessment will be given by staff from the U of MN Tourism Center at the EDA Business Breakfast on April 24th. Soltis provided the implementation requirements for Scandia's progression to Step 3 of the GreenStep Cities program. A draft of the ordinance codification is expected next month. Soltis noted that Midco is expected to submit a proposal to the Internet Focus Group on its RFP for broadband expansion.

TOBACCO LICENSE APPLICATION – SCANDIA TOBACCO

An application for a Tobacco Products Sales License was discussed. Osama Masoud proposes to open Scandia Tobacco in existing vacant space at the Scandia Plaza, 21190 Ozark Avenue. Council member Ray recommended a delay on approving or denying the license to allow time for her to visit his existing business in Centerville.

Ness, seconded by Ray, moved to table a decision on the tobacco products license until the May 1st Work Session. The motion carried 4-0.

2018 AUDIT REPORT – SCHLENNER WENNER & COMPANY

Jon Archer, CPA with Schlenner Wenner & Company, provided a summary report on the City's recent financial audit for 2018. The City was provided a "clean" opinion, with no concerns of unusual transactions or accounting practices. Audit adjustments were nominal, and "no noncompliance" to the state's legal practices were identified. Financial highlights were explained; revenue exceeded budget, with expenditures for the year below budget. The General Fund balance ended the year at \$1.64 million. The 201 enterprise fund was described as operating at a loss when factoring in depreciation, such that cash reserves are not increasing enough for future infrastructure improvements. The City's capital assets increased in 2018 due to the extensive road improvement project.

ADMINISTRATOR SEARCH AND APPROVAL OF POSITION PROFILE

Liz Donabauer, consultant with DDA executive search firm, presented a draft position profile in preparation of posting the City Administrator position. Mayor Maefsky recommended a statement be added in the community information section that ISD 831 recently passed an operating levy to support educational programming.

In reviewing the salary range to be advertised, Donabauer provided a League salary survey from comparable cities, and noted that Scandia's current range of \$73,320 -- \$91,650 for this position falls below the average. Council discussion concluded that a competitive range is needed to attract quality candidates.

Cusick, seconded by Ray, moved to approve a salary range of \$85,000 to \$104,000 for the advertisement of the City Administrator position. The motion carried 4-0.

In reviewing the job description for advertising, Council recommended to add as a preferred qualification that a candidate must have a strong planning background and familiarity in all areas of government.

A timeline was reviewed. Candidate recruitment will run from April 17-May 15, with twelve semifinalists narrowed down to 4 to 6 to interview with the Council on June 27-28. An offer would be made by July 1st, with a projected start date in early August.

Ness, seconded by Ray, moved to approve the job posting and timeline for the City Administrator position. The motion carried 4-0.

AUDIO FOR BOARD ROOM (RESOLUTION NO. 04-16-19-09)

Administrator Soltis presented the 2 quotes received for installation of audio equipment in the Council Chambers, a project in the 2019 budget funded by the Cable TV Fund at a cost of \$8,500. This fund is a collection of cable franchise and PEG fees which are restricted in use for equipment.

Staff recommended to accept the lower quote from EMI Audio at \$10,614.49. A resolution to amend the budget an additional \$2,200 for this project was prepared. Soltis explained that the Cable TV Fund will be replenished by the end of the year based on monthly collections of the franchise and PEG fees.

Ray, seconded by Ness, moved to approve Resolution No. 04-16-19-09, Accepting the EMI Audio quote and amending the 2019 Budget for the Cable Television Fund. The motion carried 4-0.

UPDATE TO THE ENGINEERING STANDARDS

Engineer Goodman presented an updated document on the City's Engineering Standards and Detail Specifications, last adopted in 2007. Revisions to address terminology changes, ASTM standards, naming conventions and streetsign standards were explained.

Ness, seconded by Ray, moved to adopt the 2019 Engineering Standards and Detail Specifications as presented. The motion carried 4-0.

DNR GRANT FOR LILLESKOGEN PARK IMPROVEMENTS (RESOLUTION NO. 04-16-19-10)

Administrator Soltis reported on the recent award from the MN DNR of grant funds of \$38,270 as part of the Conservation Partners Legacy Grant Program for Expedited Conservation Projects. In cooperation with Friends of Scandia Parks and Trails, the grant request outlined a strategic approach to vegetation clearing and restoration of the wetlands in Lilleskogen Park. The 2019 Park Capital budget includes \$10,000 for wetland restoration that can be used towards the 10% match. The multi-year project estimates a completion date of summer 2022.

A resolution to accept the grant, amend the 2019 Park Improvement Fund budget, and authorize the Administrator and Mayor to execute the grant documents was prepared.

Ness, seconded by Cusick, moved to approve Resolution No. 04-16-19-10, Accepting a Conservation Partners Legacy Grant, Amending the 2019 Budget for Park Capital Fund, and Authorizing the Execution of Documents. The motion carried 4-0.

ADJOURNMENT

Ness, seconded by Ray, moved to adjourn the meeting. The motion carried 4-0.

The meeting adjourned at 9:45 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk