

April 17, 2018

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 Bob Hegland, Steve Kronmiller, Chris Ness, Jim Schneider and Mayor Christine Maefsky. Staff present: City Administrator Neil Soltis, City Planner Sherri Buss, City Engineer Ryan Goodman, City Attorney Andy Pratt, Police Deputy Brandon Yetter, Fire Chief Mike Hinz, Public Works Director Adam Hawkinson, Treasurer Colleen Firkus, and Deputy Clerk Brenda Eklund.

PUBLIC FORUM

Scandia Good Neighbor Award

Mayor Maefsky presented a Scandia Good Neighbor Proclamation to Lynne Moratzka, Director of the Gammelgarden Museum. Moratzka was recognized for the many contributions she has made to the Scandia community, including growth of the Museum, founding Scandia Preschool and the Elim Foundation, the formation of the Scandia Farmers Market, and celebrations highlighting Scandia's Swedish history and culture.

Written public comments were received from Nancy Stalland, 19356 Meadowridge Trail on behalf of the Tii Gavo Homeowners Association and read aloud by Mayor Maefsky. Following concerns expressed last fall about speeding drivers in the Tii Gavo subdivision, Deputy Yetter conducted 2 informal speed studies but did not acquire sufficient data on drivers' natural speeds. The residents of the subdivision requested installation of a speed box this spring to gather relevant data on drivers' speeds to help determine if the roads should be posted at a lower rate of speed.

APPROVAL OF AGENDA

Ness, 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) March 20, 2018 Regular Meeting
 - 2) April 4, 2018 Work Session
- b) Treasurer's Report
- c) Payment of Vouchers
- d) Advertising for part-time seasonal maintenance worker
- e) Retirement of Firefighter John Bauer
- f) Firefighter Pay Increases for Completion of EMT Certification
- g) Amendment to Lease with Scandia Marine Lions for the Old Fire Station/Annex
- h) Assessment Services Agreement with Pauszek, Inc.

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

PARKS AND RECREATION COMMITTEE

Parks and Recreation Committee Chair Terry Gorham reported that the Committee is in the planning process of future park improvements for recommendations to the Capital Improvement Program. They are conducting a tour of 9 park sites on May 19th. Bids for the tennis court reconstruction will be reviewed at their meeting on May 7th.

PLANNING COMMISSION

Ordinance No. 196 – Amending Chapter 2 of the Development Code for Uses in the VMU-A and B Zoning Districts

Planner Buss summarized the recommendation from the Planning Commission to amend the development code to add Planned Unit Developments as a permitted use with a CUP in the VMU A and B Districts. Buss explained that PUD's offer flexibility from standard zoning requirements for creative site plans and situations that meet the goals of the Comp Plan to assist with economic development for businesses. The Commissioners also recommended an action step for the new Comprehensive Plan be added to allow for a variation of lot sizes in the business districts. Buss further explained that this amendment corrects an oversight in the development code on PUDs (Section 7), where it lists them as allowed in the VMU Districts but PUDs are not listed as a use in the VMU districts (Section 2).

Kronmiller, seconded by Ness, moved to adopt Ordinance No. 196, Regarding the Village Mixed Use A and B Districts, as presented. The motion carried 5-0.

Summary Publication of Ordinance No. 196 (Resolution No. 04-17-18-01)

Ness, seconded by Hegland, moved to approve Resolution No. 04-17-18-01, Providing for the Summary Publication of Ordinance No. 196. The motion carried 5-0.

Variance at 22331 Peabody Trail. Sean and Ashley Maloney, Applicants. (Resolution No. 04-17-18-02)

Planner Buss presented the recommendation from the Planning Commission for approval of a variance to construct a new garage closer to the road right-of-way than the principal residence at 22331 Peabody Trail. Sean and Ashley Maloney requested the variance due to practical difficulties because of the topography of the 9.6-acre parcel and locations of the well and septic system that limit potential locations for the garage that would meet requirements of the development code. The garage would be approximately 100 feet from the road and screened by existing trees. Council member Ness stated that this location makes the most sense than any other area on the property. A resolution with findings and 6 conditions for approval was prepared.

Ness, seconded by Hegland, moved to approve Resolution No. 04-17-18-02, Approving a Variance for 22331 Peabody Trail. The motion carried 5-0.

Update on Shoreland Management Ordinance

Planner Buss reported that the Planning Commission held a public hearing at its meeting on April 3rd and recommended approval of the updated Shoreland Management Ordinance that they have been working on over the past year. The update is based on the new DNR model ordinance and modified to meet Scandia's needs.

Buss explained that most comments at the public hearing recommended that the City maintain or strengthen its current standards to protect lakes from potential impacts of development on adjacent parcels to Scandia water bodies. Planned Unit Developments were recommended as an option for development in the shoreland which preserve a significant portion of shoreland area in exchange for higher densities in parts that are farther from the lakeshore.

The Planning Commission also recommended that the ordinance regulate all of the public water bodies as shoreland and have all other wetlands regulated by the setbacks listed in Section 6.4B. Administrator Soltis noted that a change to the wetland setbacks would mirror the watershed districts buffer requirements and would allow for smaller setbacks depending on the quality of the wetland.

Mayor Maefsky asked if requiring developments in the shoreland to be PUDs instead of Conservation Subdivisions was discussed by the Commissioners. Buss stated that they did not discuss making PUDs mandatory but as an option for development; PUDs require that 70% of the Shore Impact Zone and other natural areas be dedicated as permanent conservation areas in order to permit higher densities in areas further from the lakeshore. Council member Schneider noted developers of a PUD would be giving up valuable lake lots versus a conservation subdivision plan.

The ordinance has been sent to the DNR for its review to determine if the draft meets the minimum standards of the State's model ordinance. The City may adopt the ordinance after it addresses any DNR comments and receives their conditional approval.

BUILDING OFFICIAL

Building Official Chuck Preisler's activity report included 27 permits issued in March at a valuation of \$12,953,198.33. Administrator Soltis noted that the permits issued for the Scandia Elementary upgrades contributed \$11 million to the valuation.

POLICE DEPARTMENT

Deputy Brandon Yetter reported on the past month's police activity. The 6th grade DARE graduation was recently held, the County is hosting a household prescription drug "Take Back" event on April 28th, and Yetter has been pursuing ordinance violations this spring. Yetter explained that he will schedule installation of a speed box in the Tii Gavvo development once temperatures warm up.

FIRE DEPARTMENT

Fire Chief Mike Hinz reported that the department responded to 13 calls in March; 1 fire related and 12 EMS related. Adam Meyers and Joe Grabrick have completed their EMT certifications.

CITY ENGINEER

City Engineer Ryan Goodman provided an update on the County's road construction plans. County 52 from Highway 95 to Highway 97 will be completed before the City's Taco Daze festival in early September. Full depth reconstruction of County Road 3 will be divided into a 2-year project; County Road 4 to Old Marine Trail will be completed this year, and the remaining north portion to the County line on 240th Street is scheduled for 2019.

CITY ATTORNEY

City Attorney Andy Pratt explained legislative bills in process during this session which could affect cities and provided an update on the DNR's appeal to the White Bear Lake court ruling.

DIRECTOR OF PUBLIC WORKS

Public Works Director Adam Hawkinson reported that the department has been asphalt patching and clearing brush in the road right-of-ways. Hawkinson said the Sentence to Serve program did an excellent job clearing buckthorn in Lilleskogen Park this winter.

CITY ADMINISTRATOR

City Administrator Neil Soltis reported that S&P Global rated Scandia with a very good AA bond rating for preparation of issuing the upcoming road improvement bond. Soltis and Mayor Maefsky have attended hearings and provided testimony on the Gateway Trail bill which would allow for early expiration of the metropolitan agricultural preserve classification on lands acquired for parks and trails.

2017 AUDIT REPORT BY SCHLENNER WENNER

Ryan Schmidt, Audit Manager with the accounting firm Schlenner Wenner, reported that the City received a clean audit opinion on the 2017 financial review recently completed by the firm, with no concerns or significant audit adjustments. The year ended with a \$1.7 million fund balance, and Schmidt said that the City is in great financial state. There has been a steady trend of asset growth, with a decrease of long-term debt.

AWARD OF BID FOR THE 2018 STREET IMPROVEMENT PROJECT

Engineer Goodman presented the bids received on April 11, 2018 for the 2018 Street Improvement Project.

<u>Contractor</u>	<u>Total Base Bid</u>
Park Construction Company	\$3,732,404.50
North Valley, Inc.	\$3,926,895.86
T.A. Schifsky & Sons, Inc.	\$4,684,862.00

Goodman recommended the Council award the bid to Park Construction Company, which bid an amount \$1.4 million less than the estimated cost of the project. Goodman explained that the unit prices for asphalt was much lower than anticipated, which will allow for additional roadways to be added to the project, discussed later in the meeting.

Schneider, seconded by Kronmiller, moved to award the 2018 Street Improvement Project to Park Construction Company at a bid of \$3,732,404.50. The motion carried 5-0.

DRAINAGE AND UTILITY EASEMENT ON 199TH STREET

Engineer Goodman explained that the 2018 road project includes replacement of a culvert under 199th Street which requires the City to obtain permanent and temporary easements from property owners Robert and Sandra Reed. A diagram of the easement area was viewed. Goodman explained that payment of \$1.00 would be made to the owners at the time the documents are recorded with the County.

Ness, seconded by Hegland, moved to approve the Permanent Public Drainage and Utility Easement Agreement and a Temporary Construction Easement with Robert Reed and Sandra Russell-Reed. The motion carried 5-0.

MUNICIPAL ADVISORY SERVICES AGREEMENT WITH NORTHLAND SECURITIES

Administrator Soltis presented an agreement with Northland Securities, a municipal advisor, to provide services for support, marketing and sale of the road improvement bond. Fees of \$21,170 would be paid out of the bond proceeds.

Ness, seconded by Kronmiller, moved to approve the Municipal Services Agreement with Northland Securities. The motion carried 5-0.

FINANCING PLAN FOR THE ISSUANCE OF BONDS

Administrator Soltis explained that the lower than anticipated project costs for the 2018 road project allow for the City to reduce the amount of general obligation bonds to be issued from the previous amount of \$4.5 million. Additionally, State Statutes allow the scope of the bid road work to be increased up to 25% which would bring the total project cost to around \$5 million, including engineering and underwriting costs. Council supported increasing the scope of the project to take advantage of the bid and Northland's recommendation to issue a bond in the amount of \$3.89 million. The Local Road Improvement Fund will provide the remaining \$1.1 million of the project costs from funds that are on hand. Soltis noted that the plan eliminates the need to increase the levy for the LRIF by 5% each year as adopted in the latest Capital Improvement Plan and decreases the levy for debt service on the bonds. This would reduce the projected levy in 2022 by \$130,000 and would allow roads marked in fair condition on the Pavement Management Plan to be worked on sooner than expected.

Northland will receive bids from underwriters to purchase the bonds on May 15th. The bond would be repaid over 15 years at a projected interest rate just over 3%.

Ness, seconded by Hegland, moved to approve the financing plan for the \$3.89 million General Obligation Bond. The motion carried 5-0.

ORDINANCE NO. 197 – RIGHT-OF-WAYS MANAGEMENT

City Attorney Pratt explained the right-of-way management ordinance that has been discussed at the last several Council work sessions. The document addresses small cell wireless infrastructure facilities and consolidates the City's existing ordinances and policies for right-of-way management into one comprehensive document. Existing ordinances for utility permits, seasonal weight limits, and parking of vehicles are repealed. The City's engineering standards along with policies on snowplowing and road right-of-way are incorporated into the ordinance by reference.

Ness, seconded by Hegland, moved to adopt Ordinance No. 197, Managing the City's Right-of-Ways, as presented. The motion carried 5-0.

SUMMARY PUBLICATION OF ORDINANCE NO. 197 (RESOLUTION NO. 04-17-18-03)
**Kronmiller, seconded by Hegland, moved to approve Resolution No. 04-17-18-03,
Providing for the Summary Publication of Ordinance No. 197. The motion carried 5-0.**

MNDOT LANDSCAPING AGREEMENT (RESOLUTION NO. 04-17-18-04)

MnDOT provided the final agreement for landscape improvements in the right-of-way at the corner of State Highway 97 and Olinda Trail, as provided for in the MnDOT Landscape Partnership Program. MnDOT will fund \$8,000 for the City's purchase of materials for the project, with the installation promoted as a community volunteer activity. The agreement outlines the maintenance responsibilities plan and schedule.

A resolution was presented which approved entering into the agreement and authorizing the Mayor and Administrator to execute the agreement.

Ness, seconded by Kronmiller, moved to approve Resolution No. 04-17-18-04, Entering into a Cooperative Landscaping Agreement with MnDOT. The motion carried 5-0.

REMOVING CONDITIONS OF A CUP FROM THE TITLE OF 21150 OZARK COURT (RESOLUTION NO. 04-17-18-05)

Administrator Soltis explained that in 2011 the City approved a Conditional Use Permit for a chiropractic health care clinic in the multi-tenant building at 21150 Ozark Court. The clinic is no longer in operation, but the recorded CUP remains on the title for the property and is an impediment to a closing for the sale of the property. Attorney Pratt prepared a resolution to rescind the 2011 resolution with findings that a medical/chiropractic clinic is now an approved use in the VMU-A zoning district by adoption of Ordinance No. 169 in 2016 and the use no longer requires a CUP.

Ness, seconded by Kronmiller, moved to approve Resolution No. 04-17-18-05, Revoking a Conditional Use Permit for Croix Ridge Chiropractic at 21150 Ozark Court, and Rescinding Resolution No. 05-17-11-02. The motion carried 4-0, with Schneider abstaining from the vote.

FIRE SERVICES AGREEMENT WITH MAY TOWNSHIP

At the April 4th Work Session, Council approved using a 3-part formula for the new agreement for fire protection services with May Township that uses a common data set for determining the allocation percentages. A draft of the agreement was presented that contains the allocation language and recommendations from the City Attorney. Administrator Soltis explained that upon approval of the form of the agreement by both the City and Township, staff will work with May Township to determine the percentages to be used. The final agreement will be presented to the Council at a future meeting. Based on estimates, there will not be any significant changes from the amount paid to the City under the current agreement.

Attorney Pratt explained that "no guarantee" language was added releasing the City from any liability. Fire Chief Hinz stated that the agreement looked good.

Schneider, seconded by Kronmiller, moved to approve the form of the agreement with May Township for fire protection services. The motion carried 5-0.

DISCUSSION ON CLOSING THE PARKING LOT AT WIND IN THE PINES PARK

At the April 4th Work Session, Council directed staff to research closure of the parking lot at Wind in the Pines Park and address other liability questions for the trespassing and criminal complaints from adjacent property owner John Haus. Attorney Pratt explained that the City's liability if someone is hurt on Haus's private property is very small based on other access points to Haus's land and the measures taken by the City to deter trespassing. The Deputy is actively patrolling the park as well.

Council discussed using a parking pass system and the issuance of an administrative citation to violators not in possession of the permit. The permit cost could be set to cover the administrative costs to issue the permits and signage costs for posting the new rules. In order for administrative citations to be issues, an ordinance would need to be enacted identifying the staff that would have the power to issue an administrative citation.

Council member Kronmiller questioned if the City has the responsibility to keep people off the Haus property. Pratt answered no, there are marked park boundaries. Kronmiller stated that the City is expending time and energy to fix a problem that the City doesn't necessarily need to be involved in.

Council was in agreement to pursue a permitting system for parking in the lot and directed staff to research an ordinance and analyze the costs and procedures for discussion at a future meeting. Schneider and Maefsky questioned if this would solve the problem of trespassing. Ness said that this step shows the City is trying to deter problems at the park. Deputy Yetter commented that those being cited for not having a parking pass may not care and liked the backbone of issuing criminal citations and using the court system for enforcement. It was clarified that issuing parking violations would not preclude the enforcement of criminal activity occurring at the park or on private property.

ADJOURNMENT

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

The meeting adjourned at 9:00 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk