

May 15, 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 and Deputy Clerk Brenda Eklund.

**PUBLIC FORUM**

No public comments were made.

**APPROVAL OF AGENDA**

Mayor Maefsky announced a change to the order of the agenda. General Business items 9.a) and 9.b) were moved up to precede Agenda Items 7.) Committee reports. **Ness, seconded by Schneider, moved to approve the agenda as amended. The motion carried 5-0.**

**CONSENT AGENDA**

The following Consent Agenda was presented:

- a) Minutes
  - 1) April 17, 2018 Regular Meeting
  - 2) May 2, 2018 Work Session
- b) Treasurer's Report

Beginning Balance 4/1/2018	\$3,931,232.96
Receipts	\$25,036.22
Expenditures \$207,169.69	
Payroll <u>\$30,022.80</u>	<u>\$(237,192.49)</u>
Ending Balance 4/30/2018	\$3,719,076.69
- c) Payment of Vouchers
- d) Washington County Historical Society Temporary On-Sale Liquor License (June 16, 2018)
- e) Park User Permit for Fastpitch Softball Tournament June 22-24, 2018
- f) Approving pay request for Culvert Cleaning
- g) Authorizing the execution of a culvert maintenance agreement with Comfort Lake-Forest Lake Watershed District

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

**AWARD SALE OF \$3,835,000 GENERAL OBLIGATION STREET RECONSTRUCTION BOND (RESOLUTION NO. 05-15-18-06)**

Jessica Green, Northland Securities, summarized the sale of the City's general obligation street reconstruction bond in the amount of \$3,835,000. The proceeds will fund the majority of this year's street project, with the remaining \$1,100,000 cost of the project being funded from the Local Road Improvement Fund. Four bids were received, with lowest average interest rate bid

submitted by Robert W. Baird & Co., Milwaukee, WI. Debt service payments will be made over 15 years, at an average interest rate of 3.03%. An excellent “AA” S&P rating, strong management and budgetary flexibility contributed to the favorable sale, Greene stated.

**Ness, seconded by Hegland, moved to adopt Resolution No. 05-15-18-06, Awarding the Sale of \$3,835,000 Street Reconstruction Bonds, Series 2018A; Fixing their Form and Specifications; Directing their Execution and Delivery; and Providing for their Payment. The motion carried 5-0.**

**NEW LIQUOR LICENSE APPLICATION FOR NEW BUSINESS AT 21050 OZARK AVENUE**

Deputy Clerk Eklund described the application received from Matthew Miller for an On-Sale Intoxicating Liquor License and Sunday On-Sale Intoxicating Liquor License for the operation of his new business at 21050 Ozark Avenue. The property previously operated as a restaurant/bar which closed in January 2018. Mr. Miller was present to explain the business operation to be known as Brookside Pizza & Hoagies, projected to open July 9, 2018.

Council member Kronmiller said it’s nice that the business site is being re-opened but had heard concerns from the owners of nearby Scandia Pizza. Kronmiller encouraged Mr. Miller to reach out to them, which he agreed to do.

Council member Hegland told Mr. Miller to keep the EDA loan program in mind for any future improvements he may undertake.

**Ness, seconded by Hegland, moved to approve a new On-Sale and Sunday On-Sale Liquor License to Matthew Miller for the operation of Brookside Pizza & Hoagies. The motion carried 4-0, with Schneider abstaining.**

**PARKS AND RECREATION COMMITTEE**

***Accepting Donations for Vinterfest and Lilleskogen Park (Resolution No. 05-15-18-01)***

PRC Chair Terry Gorham presented a resolution accepting the donations of the snow sculpture contest prize money from Bolton & Menk (\$90) and the proceeds from the sale of Vinterfest buttons (\$244.59) and committing the donations to improvements to Lilleskogen Park.

**Kronmiller, seconded by Ness, moved to adopt Resolution No. 05-15-18-01, Accepting Donation for Vinterfest and Lilleskogen Park. The motion carried 5-0.**

***Accepting Donations for Leonard Wojtowicz Skating Park (Resolution No. 05-15-18-02)***

PRC Chair Terry Gorham presented a resolution accepting donations from Meisters Bar & Grill (\$544) and Forest Lake Floral (\$500) and committing the donations to assist with improvements to the skating rink.

**Kronmiller, seconded by Ness, moved to adopt Resolution No. 05-15-18-02, Accepting Donations for Leonard Wojtowicz Skating Park. The motion carried 5-0.**

***Award of Proposal for Tennis Court Reconstruction***

The 2018 budget for capital improvements includes tennis court reconstruction at a cost of \$40,000. PRC Chair Gorham explained that the Committee recommended the addition of pickleball striping to the City's courts as well as the Barton Johnson court across the street. The added court would accommodate more players and the Taco Daze tournament at a minimal cost of \$200. Public Works Director Hawkinson collected 3 bids, with the low bid for the reconstruction submitted by T.A. Schifsky at \$33,000 and the low bid for the painting and posts submitted by Tennis West Sports at \$11,233. Administrator Soltis noted that a budget amendment for the additional cost over the CIP budget amount could be added to a budget amendment resolution later in the meeting.

Council member Ness asked about the longevity of the new courts. Hawkinson estimated that the surface has a life of 15 years but will need crack patching during that time. Council member Schneider asked if community donations were solicited. Hawkinson explained not for this project, but that the Lions Club is amenable to donate to projects that come up in the future.

**Hegland, seconded by Kronmiller, moved to accept the bid from T.A. Schifsky in the amount of \$44,233 for tennis court reconstruction and surfacing. The motion carried 5-0.**

***Hockey Rink Signage***

PRC Chair Gorham summarized the Committee's recommendation to solicit businesses for the sale of advertisement panels inside the boards of the skating rink. Guidelines were presented for size, location, cost and final approval of the design by the City Administrator. The Committee favored allowing the businesses to use their own logos and colors rather than a standard design.

Mayor Maefsky stated her disagreement to the proposal with the position that the lower Village Center should maintain the clean, simple look due to its location adjacent to the Gammelgarden Museum, and that the signs would add visual clutter and distract from the unique Swedish heritage appearance of Scandia. She said it's not worth the revenue to commercialize this area of Scandia and is a disservice to the community's desire to have an identity goal.

Council member Hegland countered that the PRC is trying to start a program common on most skating rinks that could benefit local businesses; the program should be given a chance. Council member Schneider said the PRC worked a long time on the proposal. He said signs inside the rink wouldn't be seen as one drives by and would have low impact. Council member Kronmiller preferred the ads be limited to two colors, but suggested placement of signage on the east side be eliminated as a compromise. Gorham agreed that the guidelines could be amended to fill in the 20 spots for ads on west side of the rink first and to move out to the south and north if needed, with no ads being placed on the east side of the rink that could be visible from Olinda Trail.

**Schneider, seconded by Kronmiller, moved to approve the guidelines for the Wojtowicz skate park signage as amended to fill the west side of the rink with the first 20 advertisers. The motion carried 4-1, with Maefsky opposed.**

**PLANNING COMMISSION**

***Amended Conditional Use Permit at Am-Tec Designs, 21080 Ozark Court (Resolution No. 05-15-18-03)***

Planner Buss summarized the Planning Commission's recommendation to approve an amendment to the existing Conditional Use Permit for Am-Tec Designs at 21080 Ozark Court. The owner, Connie Sutton, proposes to expand the size of the principal building and to move an accessory structure to a new location on the property of the steel fabrication business. Buss explained that the proposal meets the criteria of the ordinance and is supported by the Comp Plan's goal to encourage business expansion.

**Schneider, seconded by Hegland, moved to adopt Resolution No. 05-15-18-03, Approving an Amended Conditional Use Permit for Am-Tec Designs, Inc. The motion carried 5-0.**

***Ordinance No. 198 to amend Chapter 5 of the Development Code – Shoreland Management Regulations***

Planner Buss presented Ordinance No. 198 as recommended for approval by the Planning Commission. A public hearing on the updated shoreland management regulations was held at their April 3<sup>rd</sup> meeting, followed by conditional approval by the DNR with some minor changes. Buss explained that the updated ordinance has expanded the list of regulated waters to include all public waters in the City as shoreland. Wetland setbacks replaced the uniform 75' setback with buffer requirements based on their quality. The ordinance would permit residential Planned Unit Developments in shoreland based on requiring the dedication of a significant portion of shoreland as open with higher densities further from shore. Buss noted that the DNR favored Scandia's higher minimum lot size, width standards and setbacks from those required in the state rules.

Buss explained a change made to the wetland setback requirements following the public hearing to reflect comments from the Carnelian-Marine-St. Croix Watershed. Staff modified the text to use the Board of Water and Soil Resources classification and buffer recommendations for each wetland category to avoid the different naming systems used by Watershed Districts. Language also references the state's MnRAM assessment method to be used with wetland delineations to determine wetland classifications.

Mayor Maefsky noted that Table 4.13 should remove reference to Halfbreed Lake now that the DNR has officially adopted this as Keewahtin Lake. Staff agreed that Sylvan Lake would be more appropriate to reference as the former lake name.

**Kronmiller, seconded by Hegland, moved to adopt Ordinance No. 198 as amended with a text change to table 4.13. The motion carried 5-0.**

***Summary Publication on Ordinance No. 198 (Resolution No. 05-15-18-04)***

**Kronmiller, seconded by Hegland, moved to adopt Resolution No. 05-15-18-04, Providing for Summary Publication of Ordinance No. 198. The motion carried 5-0.**

***Release of 2040 Comprehensive Plan Update (Resolution No. 05-15-18-05)***

Jane Kansier, Bolton & Menk Planner, summarized the 2040 Comprehensive Plan as recommended by the Planning Commission following the public hearing held at their May 1<sup>st</sup> meeting. The Plan provides for Rural Center designation for expansion of the Village Center to the north and west that reflects the reduced size recommended by the Commission and Rural Center designation on the west side of Big Marine Lake. This designation allows for increased density of 3-5 units per acre, and allows for a potential connection to regional sewer coming out of Forest Lake to homes and businesses on the west side of Big Marine Lake. Kansier noted that increased density would need to be supported by a municipal or community sewer system. Kansier reviewed the chapters of the Plan and described the action plan worksheets in Appendix F that outline the specific steps by chapter and goal. The action plan is intended to be updated every few years and would not need plan amendments to do so.

Kansier explained that once the City adopts the Plan, adjacent communities and affected agencies have up to 6 months to review and comment on the Plan. Once the City responds and addresses comments, the Plan is submitted to the Met Council by its December 2018 deadline. Upon approval from the Met Council, the City must update its zoning ordinances to be consistent with the Plan.

Mayor Maefsky said the Plan has captured the input from the community. Maefsky made the following text revisions that were agreed upon with consensus:

- Page 6, bullet point 4: describe steering committee as formed to engage ~~traditionally underrepresented communities~~ a full spectrum of the community from youth to seniors.
- Village Neighborhood labelling: rename the west side of Big Marine Lake so that there are not 2 Village Neighborhoods. Keep the traditional VN in the center of town. Council member Schneider recommended Rural Mixed Use and this was agreed upon.
- Page 38, bullet point 3: Promote “appropriate-sized” new businesses that create synergy with existing businesses and overarching goals. Council member Schneider said as long as the intent is not to restrict business, he agreed to the addition.
- Reference the glossary in the Development Code for terminology instead of starting a new glossary in the Plan.

A vote was taken on the following:

**Maefsky, seconded by Kronmiller, moved to amend language of bullet point 6 on page 29 to state “Improve designated physical access to the St. Croix River corridor and other important or high quality natural areas where public lands may provide access opportunities while preserving natural and historic integrity.” The motion carried 3-2 with Hegland and Schneider opposed.**

Kansier advised that renaming the west Rural Center from Village Neighborhood to Rural Mixed Use will necessitate the addition of another land use category with revisions to tables in the Plan document. This could be done along with any other revisions or non-substantive changes made once comments are received.

**Kronmiller, seconded by Schneider, moved to adopt Resolution No. 05-15-18-05, Authorizing Release of the Comprehensive Plan Update with the Plan as amended. The motion carried 5-0.**

**BUILDING OFFICIAL**

Building Official Chuck Preisler's April building activity report was reviewed. Thirty permits were issued last month with a valuation of \$400,510.

**POLICE DEPARTMENT**

Deputy Brandon Yetter reported on recovery of a stolen vehicle found on Mayberry Trail. Yetter has been patrolling Wind in the Pines Park with no incidents to report.

**FIRE DEPARTMENT**

The department responded to 13 calls in April – 4 fire and 9 medicals. Fire Chief Mike Hinz reported that the new SCBA equipment is in use. County dispatch will be turning on the new call system on May 22<sup>nd</sup>.

**CITY ENGINEER**

Engineer Ryan Goodman reported that notices of the 2018 street project were mailed to all property owners along the roadways. Updates of the project, including the County road project on Oakhill and Olinda, will be available on the city's website. A change order to add lineal feet to the project will be prepared for next month's meeting.

**DIRECTOR OF PUBLIC WORKS**

Public Works Director Adam Hawkinson reported that 5.3 tons of cold mix asphalt was spread on problem areas this spring. Trail map signs have been ordered for installation at Wind in the Pines Park.

**CITY ADMINISTRATOR**

City Administrator Soltis reported that the seasonal grounds worker position remains open until filled, with no applications received to date. The GreenStep program is offering a free technical assistance program called SolSmart to help local governments with solar ordinances and processes which could be worthwhile if the City wishes to reshape a solar ordinance. The MN PUC is investigating Frontier Communication's service and is soliciting public comments on customer services.

**DONATION FROM SCANDIA-MARINE LIONS FOR HOLIDAY DECORATIONS AND AMEND BUDGET FOR PURCHASE (RESOLUTION NO. 05-15-18-07)**

At the May 2<sup>nd</sup> Work Session, the Lions Club offered a donation of \$3,000 for purchase of new streetlight holiday decorations, to be matched by the City. Mayor Maefsky explained that the decoration selected by the Lions may have installation difficulties and suggested an alternative design to fit the streetlights, but at a potentially increased cost. Council members did not approve an increase above the \$3,000 limit and recommended the number of decorations purchased be lowered to not exceed a total cost of \$6,000. Staff identified funds in the Capital Improvement Fund for the purchase of holiday streetlight decorations. Council member Hegland

questioned if the decorations could be made by a local resident instead, and offered some examples he found on various websites.

**Kronmiller, seconded by Ness, moved to adopt Resolution No. 05-15-18-07, Accepting Donation from the Scandia Marine Lions Club, Approving up to \$6,000 for the purchase of Holiday Decorations and Amending the 2018 Capital Improvement Budget for that amount. The motion carried 5-0.**

**AMEND BUDGET FOR FILMING AND BROADCASTING CITY MEETINGS,  
PROVIDE FUNDS FOR AQUATIC SPECIES CONTROL AND FUND  
RECONSTRUCTION OF THE TENNIS COURTS (RESOLUTION NO. 05-15-18-18)**

City Administrator Soltis presented a resolution to provide budget amendments for expenditures approved at the May 2<sup>nd</sup> Work Session. The amendment would increase Capital Improvement Fund expenditures by \$5,000 for the increased cost of the tennis court reconstruction, would increase the General Fund expenditures to provide support for Aquatic Invasive Species Control in the amount of \$2,500 to the Carnelian-Marine-St. Croix Watershed District and \$1,000 to the Comfort Lake-Forest Lake Watershed District and increase the expenditures in the Cable Television Special Revenue Fund \$7,300 for the purchase of equipment and services to broadcast City meetings and events and for services to film City meetings and events.

**Kronmiller, seconded by Hegland, moved to adopt Resolution No. 05-15-18-08, Amending the 2018 Budgets for the General Fund, Cable Television Fund, and Capital Improvement Fund. The motion carried 5-0.**

**AWARD 2018 CRACK FILLING PROJECT**

Engineer Goodman presented the quote results received for the 2018 Crack Filling Project:

<u>Company</u>	<u>Total</u>
Seal Tech, Inc.	\$9,800.00
Pavement Resources, Inc.	\$9,840.00
Gopher State Sealcoat, Inc.	\$11,490.00
ASTECH Corp.	\$12,080.00
Allied Blacktop Company	\$13,800.00
Fahrner Asphalt Sealers, LLC	\$21,580.00

Goodman recommended awarding the project to the lowest bidder Seal Tech, Inc.

**Schneider, seconded by Ness, moved to award the 2018 Crack Filling Project to Seal Tech, Inc. in the amount of \$9,800.00. The motion carried 5-0.**

**AWARD 2018 SPRAY PATCHING PROJECT**

Engineer Goodman presented the quote results received for the 2018 Spray Patching Project:

<u>Company</u>	<u>Total</u>
Pavement Resources, Inc.	\$9,750.00
Seal Tech, Inc.	\$22,500.00
Fahrner Asphalt Sealers, LLC	\$104,300.00

Goodman recommended awarding the project to the lowest bidder Pavement Resources, Inc. Goodman explained that costs for the work on 240<sup>th</sup> Street will be reimbursed by Chisago Lakes and Franconia Townships, estimated at \$1,500.

**Schneider, seconded by Hegland, moved to award the 2018 Spray Patching Project to Pavement Resources, Inc. in the amount of \$9,750.00. The motion carried 5-0.**

**FIRE DEPARTMENT COMPENSATION (RESOLUTION NO. 05-15-18-09)**

At previous Work Sessions, the Council discussed the increase in compensation and job duties for the Fire Chief position. The 2018 budget provides for an increase to the Chief's compensation from \$4,200 to \$33,000 per year. Administrator Soltis explained that legal counsel analyzed a compensation structure which allows for payment of \$2,750 per month for administrative duties plus a separate hourly rate for firefighting. To minimize overtime, a 28-day work period was recommended. This would allow the Chief to reduce administrative hours if extra firefighting hours occurred in the work period. Legal counsel noted that by statute, cities are required to pay employees' wages on at least a semi-monthly basis. Soltis said this will necessitate a change to the current fire department's monthly compensation to coincide with the wages paid to full and part-time employees on a bi-weekly basis.

Fire Chief Hinz said that the recommendation looks good, but the change to a bi-weekly pay structure will be a challenge. Council member Hegland stated that the low frequency of fire calls does not justify this level of change in compensation and questioned whether the list of tasks submitted by the Chief are required to be performed. Fire Chief Hinz answered that there are more mandated duties required and the department is missing out on grants which take time to complete. Council member Kronmiller said that EMS calls should not be discounted; the department must comply with state requirements and expanded hours will allow the Chief time for this as well as to analyze where the department should be preparing for the future. Hegland said that the Chief will need to account for his time to justify whether Council action to approve the increase was appropriate.

Administrator Soltis said that he will continue to work with Chief Hinz on a job description to reflect the duties, responsibilities and performance expectations.

Council member Schneider said he understands that the Chief needs more hours to complete duties but had concerns with the potential for overtime pay. Chief Hinz explained the understanding to modify administrative hours near the end of the 28-day work period so that overtime will not be accrued. Administrator Soltis said there will be accountability by recording separate hours for administrative tasks and firefighting hours. In recognizing the mandated change from a monthly payroll, the resolution was amended to convert the monthly rate to an hourly rate.

**Hegland, seconded by Kronmiller, moved to adopt Resolution No. 05-15-18-09 as amended to convert the monthly rate to an hourly rate of \$28.85 for the administrative portion of the Fire Chief duties effective on July 1, 2018. The motion carried 5-0.**

**Hegland, seconded by Kronmiller, moved to begin the new pay structure with an effective date of July 1, 2018 and to have an updated job description for review at the June 6<sup>th</sup> Work Session. The motion carried 5-0.**

**US SOLAR SUNSCRIPTION AGREEMENT**

At the May 2<sup>nd</sup> Work Session, Council agreed to review a proposal from US Solar to provide a subscription to the production from one of their community solar farms. Cost savings of approximately \$1,278 could be credited to the City's Xcel Energy bill in the first year. City Attorney Pratt stated that he had given the agreement from US Solar a review but wanted to further research the section on changes in technology before giving an opinion. Council was in consensus to allow time for further review before taking action on the agreement at a future meeting.

**ADJOURNMENT**

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

The meeting adjourned at 10:00 p.m.

Respectfully submitted,

Brenda Eklund  
Deputy Clerk