

February 19, 2013

A regular meeting of the Scandia City Council was held on the above date. Mayor Simonson called the meeting to order at 7:00 p.m. Following the Pledge of Allegiance, roll call was taken. The following council members were present: Council members Dan Lee, Chris Ness, Jim Schneider and Mayor Randall Simonson. Council member Sally Swanson arrived at 7:04. Staff present: City Administrator Kristina Handt, City Attorney Tom Miller, City Planner Sherri Buss, Building Official Keith Wille, Police Deputy Chris Majeski, Fire Chief Jim Finnegan, Maintenance Superintendent Tim Keiffer and Deputy Clerk Brenda Eklund.

PUBLIC FORUM

Sue Bies, 22250 Meadowbrook Avenue, addressed the Council with concerns she has about a neighbor's request to operate an event center. Ms. Bies stated that she would like to provide input on this potential business. Ms. Bies was informed that she could attend the public meetings and speak at the public hearings if the neighbor's request proceeded.

APPROVAL OF AGENDA

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

CONSENT AGENDA

The following Consent Agenda was presented:

- a) Minutes
 - 1) January 15, 2013 Regular Meeting
 - 2) February 12, 2013 Work Session
- b) Treasurer's Report

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|------------------------------|---------------------|
| Beginning Balance 01/01/2013 | \$2,611,271.29 |
| Receipts | + <u>76,927.25</u> |
| Expenditures \$135,771.64 | |
| Payroll <u>36,909.75</u> | - <u>172,681.39</u> |
| Ending Balance 01/31/2013 | \$2,515,517.15 |
- c) Payment of Vouchers
- d) Approve Fire Department Officer Appointments
- e) Approve Midcontinent Communications Franchise Extension (*Resolution 02-19-13-01*)
- f) Application for Excluded or Exempt Lawful Gambling Permit, Scandia Women's Softball (March 22 and November 22, 2013)
- g) Scandia-Marine Lions Temporary On-Sale Liquor License (April 27, 2013)
- h) Application for Excluded or Exempt Lawful Gambling Permit, Gammelgarden Museum (September 7, 2013)
- i) Update to Purchasing Policy to Require Purchase Order (*Resolution 02-19-13-02*)
- j) Purchase of Pump for Bliss Lift Station 2
- k) Application for Excluded Raffle Permit, Scandia Elementary PTO (March 23, 2013)

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

PARK AND RECREATION COMMITTEE

Appointment of Chair and Vice Chair

At the February 4th meeting, the Park and Recreation Committee elected Greg Zauner as Chair for 2013 and Matt Rasmussen as Vice Chair. **Lee, seconded by Ness, moved to approve the appointments of Greg Zauner as PRC Chair and Matt Rasmussen as Vice Chair for 2013. The motion carried 5-0.**

Chair Zauner reported that one of the goals of the Committee this year is to continue improvements to Lilleskogen Park with use of donations and volunteers.

PLANNING COMMISSION

Establishment of Agritourism Enterprise/Event Use Advisory Committee

At their February 13 meeting, the Planning Commission discussed a request to operate an events center in the General Rural District, something not currently allowed in the City's ordinances. The Planning Commission voted to recommend the formation of an Agritourism/Events Use Advisory Committee to research and make recommendations in developing code amendments to address the proposed events use.

Mayor Simonson stated that he did not support the formation of a sub-committee, as researching code amendments is a responsibility of the Planning Commission and it would add another level of bureaucracy in responding to the request from Mr. Stephan. Council members were in agreement with Simonson's position. **Simonson, seconded by Schneider, moved to not approve the Planning Commission's recommendation to form an Agritourism/Event Use Advisory Committee. The motion carried 5-0.**

Council member Lee stated that if event uses are allowed, an exception should be made for non-profit groups needing a permit. Council member Ness added that any neighbors' concerns should be thoroughly considered on this issue.

BUILDING OFFICIAL

Building Official Keith Wille reported that Scandia's net income for 2012 building activity was \$12,720. Wille predicted an improved year ahead as building activity appears to be picking up.

POLICE DEPARTMENT

Deputy Chris Majeski reported on the past month's police activity. Cases included first degree drug charges, fraud investigations, and a burglary at an unoccupied residence.

FIRE DEPARTMENT

Fire Chief Jim Finnegan reported that the department responded to six fire calls and fifteen medical calls in January. The new CAD/RMS systems have been installed in two vehicles, and the County is anticipating the system will go live by mid-March, once software tests and configurations are completed. The department is working with Regions Hospital to conduct quarterly EMT training. Finnegan announced that a Sky Warn Spotter class will be held on March 25th at the fire hall.

Authorize Advertising for Probationary Firefighters

Fire Chief Finnegan recommended that the department begin a recruitment process for the hiring of up to six new volunteer firefighters, due to the anticipated retirement in the next few years of up to nine current firefighters who have more than twenty years on the department. Finnegan stated that they currently have a staff of 25 firefighters. **Simonson, seconded by Lee, moved to authorize advertising for probationary firefighters. The motion carried 5-0.**

CITY ENGINEER

City Engineer Phil Gravel reported that well sampling of the monitoring wells in the Anderson/Erickson drainfield will be carried out in March.

MAINTENANCE SUPERINTENDENT

Maintenance Superintendent Tim Kieffer reported on the past month's Public Works activities. Council member Swanson requested a report on this past season's change in ice rink maintenance and the Zamboni status for a future work session.

CITY ADMINISTRATOR

City Administrator Kristina Handt reported on the Governor's proposal to expand a sales tax on services. If enacted, it could have the potential to add \$25,000 to the city's budget costs. Mayor Simonson recommended that a letter or resolution be signed by the Council stating the City's disapproval of the expanded sales tax proposal. Staff was directed to prepare this for the next Council meeting.

LIMITED USE PERMIT FOR PEDESTRIAN TRAIL IN THE RIGHT-OF-WAY ON TH 95 AT TH 97 (RESOLUTION NO. 02-19-13-03)

At the February 12 Council meeting, Planner Buss was asked to contact MnDOT regarding the future reconstruction of the trail along TH 95 that could be potentially removed by Tiller's mining project. Buss reported that if the City chose not to enter into a Limited Use Permit with MnDOT now, it could still do so anytime in the future if it wanted to take over the trail, with no cost to purchase a right-of-way easement. Council members were in agreement that the City should not take on the maintenance and liability of the trail at this time, since there is an option for a future decision if grant funds were to become available. A draft resolution had been prepared to approve a Limited Use Permit, but Council recommended no action be taken.

CONDITIONAL USE PERMIT FOR ZAVORAL MINE AND RECLAMATION PROJECT. TILLER CORPORATION, APPLICANT (RESOLUTION NO. 02-19-13-04)

At the February 12 Council meeting, staff was directed to prepare a resolution to approve the Zavoral Mine and Reclamation Project. City Administrator Handt reviewed minor changes to the document, one of them being the wording to commence mining for a period of 3.3 years "30 days after all permits required prior to the start of mining operations are obtained." Permits are required from the Watershed, MPCA, MnDOT and the DNR. Due to the decision to not require the pedestrian trail improvements by Tiller, Conditions #60 and #61 were deleted from the draft resolution.

City Attorney Miller recommended language be added to Condition #83 of the draft resolution to make it clear that an "Irrevocable Letter of Credit required by the Development Agreement" be

obtained before commencement of any project activities, in addition to the Performance Bond. The amount of the Letter of Credit would be established within the Annual Operating Permit.

Mayor Simonson asked for any further discussion. Council member Schneider stated that he felt the document was complete and thanked all those who provided input towards the conditions for the permit. Council member Swanson said that it was not an easy decision and also thanked all those who contributed. Council member Ness stated that there are a lot of good safeguards in place thanks to the citizen input. Council member Lee said that the document has teeth, a good reclamation plan, and he believes it will be a successful project.

Simonson, seconded by Lee, moved to approve amended Resolution No. 02-19-13-04, Approving Conditional Use Permit for the Zavoral Mine and Reclamation Project. Mayor Simonson called for a roll call vote. Ness – yes; Swanson – yes; Schneider – yes; Lee – yes; Simonson – yes. The motion carried 5-0.

ANNUAL OPERATING PERMIT (AOP) FOR ZAVORAL MINE (RESOLUTION NO. 02-19-13-05)

Council reviewed a draft resolution of the Annual Operating Permit based on discussion from the February 12 Council meeting. City Administrator Handt explained that Condition #8 was modified to reflect monitoring protocol as recommended by WCD staff. Condition #22 requires quarterly noise monitoring during mining operations. Handt noted a few other wording corrections. Planner Buss explained that the conditions of the AOP will be reviewed annually and can be modified based on site inspections and monitoring reports.

Simonson, seconded by Ness, moved to approve Resolution No. 02-19-13-05, Approving Annual Operating Permit Application of Tiller Corporation for the Zavoral Sand and Gravel Mine and Reclamation Project. Mayor Simonson called for a roll call vote. Swanson – yes; Schneider – yes; Lee – yes; Ness – yes; Simonson – yes. The motion carried 5-0.

CONDITIONAL USE PERMIT COMPLIANCE AND RECLAMATION AGREEMENT (RESOLUTION NO. 02-19-13-06)

Council reviewed an updated Compliance and Reclamation Agreement (Developer's Agreement) which reflected revisions based on the February 12th Council meeting. Administrator Handt noted that Section 2.16 was amended to reflect the DNR's definition of frac sand mining, a prohibited activity of the project. Attorney Miller recommended additional language to Section 5.1 to clarify that City costs will be documented through City Cost Statements. Language was also amended in Section 5.2, Security, to reflect that the Letter of Credit be provided 30 days after all permits required prior to the start of mining operations are obtained. It was also pointed out that a Certificate of Completion was attached to the document as Exhibit E, not a Partial Certificate of Completion as requested by Tiller.

Administrator Handt explained two alternative wordings regarding the completion of reclamation activities (Section 8.2.2). Council agreed with the language of Alternative 2, which would give the City the authority to determine if the reclamation actions are complete rather than delegate certification to a third party.

Ness, seconded by Lee, moved to approve amended Resolution 02-19-13-06, Approving Conditional Use Permit Compliance and Reclamation Agreement. Mayor Simonson called for a roll call vote. Schneider – yes; Lee – yes; Ness – yes; Swanson – yes; Simonson – yes. The motion carried 5-0.

SEAL COAT MASTER PLAN

City Engineer Phil Gravel presented a Seal Coat Master Plan to be used as a guide for future seal coat projects based on a six year cycle. Gravel explained that the roads in the City are divided into six zones of relatively equal road length, ranging from 10.9 to 11.8 miles. The plan arranges the zones geographically to eliminate the current practice of skipping around town with some of the projects. Maintenance Superintendent Kieffer added that this plan would help focus maintenance jobs such as patching, tree trimming and ditching into a particular region each year.

The Council verbally approved the Seal Coat Master Plan, with the understanding that it be used as a guide for future projects. The exact extent of any annual seal coat or maintenance project would be determined in that given year.

AUTHORIZE ADVERTISING FOR BIDS FOR 2013 SEAL COAT PROJECTS

City Engineer Phil Gravel presented a list of streets recommended for the 2013 Seal Coat Project. The streets are generally located in the southwest area of the City. Gravel estimated the cost of the project to be \$185,000. Striping would be bid as an alternate, estimated at a cost of \$11,500. Gravel explained that it is possible a cooperative contract could be entered into with Washington County for striping, at a lowered cost. Maintenance Superintendent Kieffer recommended that certain road segments not be striped following the seal coat overlay, due to their low speed limits and low traffic volume. Council member Schneider asked if all striping could be eliminated on the back roads. Mayor Simonson suggested that future discussion on which roads to stripe should include input from Deputy Chris Majeski so that safety issues are considered.

Kieffer stated that the bid designates trap rock as the seal coat aggregate, as the properties of trap rock make for better adherence and packing as compared to granite.

Simonson, seconded by Schneider, moved to authorize advertisements for bids for the 2013 Seal Coat Project. The motion carried 5-0.

Bid opening will be scheduled for April 3, 2013, with possible award determination at the April 16, 2013 City Council meeting.

ADJOURNMENT

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

The meeting adjourned at 8:50 p.m.

Respectfully submitted,
Brenda Eklund, Deputy Clerk