

June 19, 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, Engineer Katie Warner, City Attorney Andy Pratt, Fire Chief Mike Hinz, Public Works Director Adam Hawkinson and Deputy Clerk Brenda Eklund.

## **PUBLIC FORUM**

### ***Scandia Good Neighbor Awards***

Mayor Maefsky presented Good Neighbor Award proclamations to Bill and Debbie Havener and to Kent and Jeannine Swenson. Both couples were nominated by neighbor Ann Rinkenberger in recognition of their valuable assistance when a fire broke out at the Rinkenberger's farm last month.

There were no other public comments made during the public forum.

## **APPROVAL OF AGENDA**

Mayor Maefsky announced a change to the order of the agenda. General Business item 9.a) Lions Donation was moved up to precede Agenda Items 7.) Committee reports. Two additions were made: 9.f) Seasonal employment and 9.g) Public Works employee leave of absence. **Ness, seconded by Hegland, moved to approve the agenda as amended. The motion carried 5-0.**

## **CONSENT AGENDA**

The following Consent Agenda was presented:

- a) Minutes
  - 1) May 15, 2018 Regular Meeting
  - 2) June 6, 2018 Work Session
- b) Treasurer's Report

Beginning Balance 6/1/2018	\$3,572,532.09
Receipts	\$47,363.76
Expenditures \$172,641.35	
Payroll <u>\$25,618.00</u>	<u>\$(198,259.35)</u>
Ending Balance 6/30/2018	\$3,421,636.50
- c) Payment of Vouchers
- d) Appointment of Perry Rynders to fill vacancy on the Planning Commission
- e) Temporary liquor license for Meister's to sell beer at Men's Fastpitch Tournament, Wayne Erickson Memorial Ballfield (June 22-24, 2018)
- f) Adopting a revised job description for the Fire Chief
- g) Resolution 06-19-18-01 Approving change to personnel policy
- h) Resolution 06-19-18-02 Recommending approval of the application for Slalom Course on Bone Lake
- i) 2018 Road Improvement project – Contractor's request for payment #1

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

**ACCEPTING DONATION FROM THE SCANDIA-MARINE LIONS CLUB AND AMENDING 2018 BUDGET (RESOLUTION NO. 06-19-18-05)**

Administrator Soltis reported that the Lions Club has donated the funds to replace a broken commercial refrigerator in the Community Center kitchen at a cost of \$2,293.78. A resolution was presented accepting the donation and amending the 2018 General Fund Budget in the amount of \$2,300 for this capital outlay and revenue.

**Kronmiller, seconded by Hegland, moved to adopt Resolution No. 06-19-18-05, Accepting Donation from the Scandia-Marine Lions Club for the Purchase of a Refrigerator and Amending the 2018 General Fund Budget. The motion carried 5-0.**

**PARKS AND RECREATION COMMITTEE**

Administrator Soltis reported that the PRC had no action items resulting from their June 4<sup>th</sup> meeting.

**PLANNING COMMISSION**

***Variance for Setbacks for New Construction at 13424 182<sup>nd</sup> Street. Jim and Barb Reihle, Applicants (Resolution No. 06-19-18-03)***

Planner Buss presented the recommendation from the Planning Commission for approval of variances from the road right-of-way and from the bluff line for the construction of a year-round cabin at 13424 182<sup>nd</sup> Street. Buss explained that the structure meets the 100' setback from the Ordinary High Water Level of Big Marine Lake, the 10' sideyard setbacks and lot coverage, but the cabin is proposed to be located 17' from the road right-of-way (40' required) and the well is shown to be 5' from the ROW (placing it 30' from the edge of the road). The entire parcel has an average slope of 18%, so that the cabin and septic system are located on the bluff and require variances from the 30' bluff setback.

Buss explained that the applicants have been working with Washington County for a year on a septic design that meets the required 75' lake setback and can be operational within the slopes. Because the trenches are 10' from the cabin, the County is willing to approve a variance for its location from a structure (20' required) once the City approves bluffline setbacks. County staff did not have concerns that the trenches were close to the home because the trench area is several feet lower than the lowest level of the house and shouldn't pose a health risk. They noted that the design falls under standard Type 1 system requirements which does not have a slope requirement.

Buss provided the City Engineer's comments that a detailed grading and stormwater management plan to prevent runoff onto adjacent properties will need to be approved prior to issuing a building permit. As well, the plan must show erosion control for protection of the vegetation on the slopes.

Buss noted that the DNR did not offer comments on the application. The Carnelian-Marine-St. Croix Watershed District had concerns about the septic system located within the slope towards the lake and recommended not approving the variance.

Buss described the findings that the application meets the goals of the Comp Plan for protecting water resources by locating the house where it meets the lake setback, the septic is within the most level area of the site, and conditions for grading and erosion control will protect the slopes on the site. The adjacent properties do not meet setbacks so that the house will not alter the character of the area. Buss said comments were made at the public hearing that the lot was unbuildable, but Buss explained the lot is defined as a legal, non-conforming property. With conditions, the application meets the criteria for granting a variance. Concerns of visual impacts due to parking within the driveway and the location of the well were also made during the public hearing.

Jim Shaver, Car-Mar Watershed Administrator, addressed the concerns the Board discussed at their last meeting that the septic design does not indicate a required secondary, backup site and is located within steep slopes towards the lake, a requirement they would like the County to change in their SSTS ordinance. Shaver said he could not advise the Board on conditions that would mitigate impacts of development on the property. Council member Schneider noted that the secondary system is shown as being in between the trenches. Schneider said this is a common design for loamy, sandy soils. Buss said the soils are better at this proposed site instead of a location near the road.

Council member Hegland asked if there are erosion problems on adjacent properties that have been developed. Administrator Soltis said there have been no complaints to the City to investigate.

Council member Kronmiller said he has concerns about septic systems on the lake side of homes and potential for failing systems in the future that would percolate towards the water. He said he sees problems with obtaining the proper grading of the property to protect adjacent parcels and structures and having only 17' as parking space from the ROW is a big problem as well. Adding fill to make the driveway level with the street may create more problems. Council member Ness said he agrees with these concerns, but the houses on this street have all been built into the bluff line.

Council member Schneider said he has a hard time going along with these variances and noted the Watershed's denial. He said following up on the conditions is the hard thing and they may not have proper oversight during construction. He voiced concern that it would be very difficult to get to the system behind the house for future maintenance and repairs if the trenches failed. Other sewers are on the roadside along this street and this system goes right to the lake. Planner Buss stated that the County is comfortable with the system in the proposed location where the soils and slopes are better.

Council member Kronmiller said this house would not fit into the neighborhood being this close to the road because other houses are set further back from the street. Council member Hegland

said the Planning Commission recommended approval, but Council member Ness who was at the meeting said it was a difficult vote for them.

Mayor Maefsky said the street appears congested for parking. Planner Buss said that one home would not substantially increase this. Administrator Soltis noted that 17' is the distance from the right-of-way and there is additional distance to the edge of the street.

Council member Schneider said he sees the biggest problem being that the conditions are not feasible to mitigate impacts. Mayor Maefsky agreed that the list of conditions appear to be unknowns and are problematic for her. Council member Kronmiller said other agencies will go along with the city's decision and it may not be the right thing to do.

Attorney Pratt and Planner Buss explained that conditions must relate to why the variance is needed and must be proportional to the impact created by the variance request. Findings for denial should be defensible and be able to hold up in court. The review period ends on July 13<sup>th</sup>, and the City can extend it an additional 60 days. Buss provided an option of tabling a decision until the applicants can prepare a detailed stormwater management plan for the City Engineer and Watershed to review. More technical information on the septic design can be asked for as well to objectively show if the property can be developed. Council members were agreeable to allow for an extension of the review. Buss summarized that a stormwater management plan, an erosion control plan, a grading and drainage plan, and information on the maintenance and future replacement of the septic system be submitted by the applicants for further review of this request.

Mayor Maefsky recognized speakers who wanted to comment on the variance application.

Maria Hinz, 13000 182<sup>nd</sup> Street, said that a typical road easement is 66' in width, whereas the paved road is currently 24'. She said that any future expansion of the width of the road would encroach onto the proposed house.

**Kronmiller, seconded by Ness, moved to table the variance request and extend the review period an additional 60 days to allow the applicant time to address the issues as noted by staff. Ness added that moving the septic system towards the road should be looked at. The motion carried 5-0.**

#### **BUILDING OFFICIAL**

Building Official Chuck Preisler submitted the building activity report. In May, 58 permits were issued at a valuation of \$1,949,322.00. Year to date, six new home permits have been issued.

#### **POLICE DEPARTMENT**

Deputy Yetter was absent. The police activity report was provided in the agenda packet.

#### **FIRE DEPARTMENT**

Fire Chief Mike Hinz reported that the department responded to 23 calls in May – 10 fire related and 13 rescue calls. Hinz is attending BOLD Emergency Management training this week at the County. Delivery of the new grass rig is anticipated by the end of the month.

### **CITY ENGINEER**

Bolton & Menk Engineer Katie Warner reported that most of the street reconstruction work is completed on 230<sup>th</sup>, Kirk and Melanie, with work continuing on Oxboro and Old Marine Trail next. A change order will be reviewed at the July 17<sup>th</sup> Council meeting for additional roadways being added to the 2018 project. Spray patching and crack filling projects will start this week.

### **CITY ATTORNEY**

Attorney Andy Pratt announced that Attorney Dan Burns will be taking over as Scandia's City Attorney beginning in July. Eckberg Lammers has assigned Pratt to be the attorney for Mendota Heights, as well as with other communities.

### **DIRECTOR OF PUBLIC WORKS**

Public Works Director Adam Hawkinson provided a written report for the past month's activities and explained that the Uptown Sewer ecopod replacement is working very well. Mayor Maefsky asked if the Wind in the Pines trail inaccuracies have been addressed. Hawkinson said he will be doing that soon. In answer to Council member Kronmiller's question about how much material was removed from the retention pond at the Log House Landing, Hawkinson replied 2 1-ton loads (six cubic yards) of dirt and gravel were taken out.

### **CITY ADMINISTRATOR**

City Administrator Soltis reported that the bond proceeds issued for the 2018 street project were deposited into the city's bank account last Friday. The tourism assessment committee is working on a meeting schedule. Site preparations for the MnDOT landscape project have begun. The EDA is pursuing a predevelopment grant application with the County CDA to study the feasibility of creating a community sewer system to serve commercial development within the Village Mixed Use area. Mayor Maefsky added that the shortfall for Gateway Trail lobbying efforts are being paid; although the tax bill which included an exemption for the trail easement was not signed by the governor, there is good chance for its future passage.

### **ACCEPTING DONATION FROM THE SCANDIA FIRE RELIEF ASSOCIATION AND AMENDING THE 2018 BUDGET (RESOLUTION NO. 06-19-18-06)**

The 2018 budget provided for the purchase of 12 self-contained breathing apparatuses for the fire department. The Fire Relief Association provided funds in the amount of \$9,450 to supplement the equipment with thermal imaging cameras. A budget amendment was presented to account for the expense and revenue.

**Ness, seconded by Hegland, moved to adopt Resolution No. 06-19-18-06, Accepting the Donation from the Scandia Fire Relief Association for the Purchase of Fire Equipment and Amending the 2018 Equipment Replacement Fund Budget. The motion carried 5-0.**

### **AMENDMENT TO CAPITAL FUND BUDGET FOR A FIBER TO THE PREMISE FEASIBILITY STUDY (RESOLUTION NO. 06-19-18-04)**

As discussed at the Work Session, the Council supported the Internet Focus Group's request that the City dedicate funds to pay for a feasibility study on a design that would provide high speed internet to all Scandia homes and businesses. Administrator Soltis reported that he completed the grant application to the Blandin Foundation by the June 15<sup>th</sup> deadline that has potential to pay

for half of the \$9,350 study conducted by CTC. Soltis explained that a budget amendment should be adopted for this expenditure regardless of the receipt of the grant proceeds.

In answer to questions of the fiber technology being outdated in the near future, Council member Kronmiller noted that fiber to the home technology is being supported by many providers and this would bring Scandia up to speeds that are typically a basic service nationwide. He said the infrastructure would increase home values, attract businesses and have potential for a huge payback.

**Kronmiller, seconded by Hegland, moved to adopt Resolution No. 06-19-18-04, Amending the 2018 Budget for the Capital Improvement Fund. The motion carried 5-0.**

**AGREEMENT WITH US SOLAR FOR A SUBSCRIPTION CONTRACT**

Attorney Pratt provided a memo addressing his analysis of a proposed agreement with US Solar to enter into a subscription for the production from one of their community solar farms. The agreement has a 25-year term which would credit the city's utility account with Xcel Energy based on the production amount, estimated to have a net revenue of \$1,278 in the first year.

Jane Qualey, US Solar, addressed each of the legal comments and clarified points of the contract. Administrator Soltis noted that there were some variables to fill into the contract at this point, but legal counsel found no issues with terms of the agreement.

**Ness, seconded by Kronmiller, moved to authorize the Mayor and Administrator to execute the US Solar Subscription Agreement. The motion carried 5-0.**

**DEVELOPMENT AGREEMENT WITH MSC-SCANDIA01, LLC FOR A COMMUNITY SOLAR GARDEN AT 23485 MANNING TRAIL**

Last year, a CUP was approved for a 1-Mw community solar garden at 23485 Manning Trail. Staff has worked on the required developer's agreement for execution prior to issuing a building permit for the solar arrays. Administrator Soltis explained that the interconnection agreement with Xcel is in place, the landscape plan has been approved to meet the conditions of the CUP, and the Met Council responded to the question of electromagnetic frequency exposure raised at last year's meeting.

Mayor Maefsky noted that language should be added to the development agreement to match that found in the CUP that the landscape must be maintained for the life of the project. She asked if the power connection will be via power poles or less intrusive power boxes. Administrator Soltis said that will be clarified with the developer; however, Planner Buss and Attorney Pratt said that cannot be a condition of approval of the development agreement at this point.

Lori Jarvinen, property owner to the south, said the site lines as shown on the diagram are not accurate because her house is at an elevation on 981 feet.

Joe Bergman, Exeter Group, said that screening for the life of the project is an expectation and was agreeable to the addition of this language. In addressing the installation of power poles or

boxes, he said that is a decision Xcel Energy makes. In addressing Council member Kronmiller's concern that the operation of solar gardens seems to jump around to various firms, Bergman said that Exeter is the sponsor for this community solar garden and is obligated to hold this for at least 5 years and possibly for the life of the project. He will be the contact going forward.

**Ness, seconded by Schneider, moved to approve the Developer's Agreement as amended with language that the screening will be maintained for the life of the project. The motion carried 5-0.**

**HIRING SEASONAL MAINTENANCE WORKER FOR PARKS GROUNDS**

One application was recently received for the position of Seasonal Maintenance Worker for the parks grounds. Public Works Director Hawkinson recommended approval of the hiring. A background check found no issues with the applicant.

**Ness, seconded by Hegland, moved to approve hiring Joseph Brooksbank at \$11.20/hour for the Seasonal Parks Grounds Maintenance Worker position. The motion carried 5-0.**

**LEAVE REQUEST FROM PUBLIC WORKS EMPLOYEE**

Administrator Soltis explained that Maintenance Worker Rick Regnier has requested additional leave time following a medical procedure on May 25<sup>th</sup>. The personnel policy allows for the Administrator to grant 10 days of unpaid leave, and Council approval for additional unpaid time off from work. Regnier's 10 days of unpaid leave extend through July 2<sup>nd</sup> and Regnier has provided that he can return to work with restrictions on July 5<sup>th</sup>.

**Hegland, seconded by Kronmiller, moved to approve additional leave of absence for Rick Regnier up to July 4, 2018. The motion carried 5-0.**

**ADJOURNMENT**

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

The meeting adjourned at 9:05 p.m.

Respectfully submitted,

Brenda Eklund  
Deputy Clerk