

August 21, 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 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 Good Neighbor Award proclamation to Craig Mattson in recognition of his collaboration with the Comfort Lake Forest Lake Watershed District for a wetland restoration project that resulted in noticeable water quality improvements to both Moody Lake and Bone Lake. Mattson was nominated by Bone Lake Association President Dave Bakke.

Presentation by Forest Lake Area School District

Steve Massey, Superintendent of the Forest Lake Area School District, presented district highlights and explained the significant building improvements undertaken as a result of the voter approved 2015 bond referendum. A new HVAC system, classroom improvements and a secured entrance system have been completed this past summer at Scandia Elementary. Massey noted that the School District will have a referendum on the November ballot seeking approval of an increase in general education revenue.

Marine Area Community Library Report

Ruth Willius, Children's Program Committee member of the Marine Area Community Library, reported on the successful summer programming offered for youth and that there is increased participation in all services offered by the community library.

Maefsky Family Donation

Family members of Vince and Christine Maefsky presented the donation of the Craig Blacklock photography book, *St. Croix and Namekagon Rivers – The Enduring Gift*, to the citizens of Scandia. The book, published in commemoration of the 50th anniversary of the Wild and Scenic Rivers Act, will be on display in the city office.

APPROVAL OF AGENDA

Mayor Maefsky announced the following:

- Removal of Consent Agenda Item 5.g) Approving the Pay Equity Report for discussion at the next Work Session.
- Removal of Agenda Item 7.b ii) Ordinance No. 199 regarding livestock for further review at the September 4th Planning Commission meeting.
- Addition of Agenda Item 7.b iv) Summary publication of Ordinance No. 200, Resolution No. 08-21-18-07

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) July 17, 2018 Regular Meeting
 - 2) August 1, 2018 Work Session
- b) Treasurer's Report

Beginning Balance 7/1/2018	\$6,702,091.07
Receipts	\$62,656.06
Expenditures \$730,333.24	
Payroll <u>\$29,200.92</u>	\$(759,534.16)
Adjustments: JE Tax Settlement	<u>\$1,284,767.69</u>
Ending Balance 7/31/2018	\$7,289,980.66
- c) Payment of Vouchers
- d) 2018 Road Improvement project – Contractor's request for payment #3
- e) 2018 Spray Patching project – Contractor's request for payment #1
- f) Adopting an updating to the Policy on striping of City roads
- g) Approving the 2019 Contract for Services with Lakes Center for Youth and Families
- h) Approving the donation of Self Contained Breathing Apparatus to the Marine Fire Department
- i) Accepting the resignation of Joe Grabick from the Fire Department
- j) Approving a Special Event Permit, Meisters, Taco Daze Events, September 7 and 8, 2018
- k) Authorization for Meisters Bar & Grill to sell beer at Taco Daze Beer Garden, September 8, 2018
- l) Approving a Special Event Permit, Brookside Pub, Taco Daze, September 8, 2018
- m) Approval of gambling license at the Brookside Pub for the Forest Lake Area Athletic Association, Resolution No. 08-21-18-06
- n) Approving a Request from Fire Department to utilize Public Works equipment for water ball tournament during Taco Daze

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

PARK AND RECREATION COMMITTEE

Due to lack of a quorum, an August meeting of the Park and Recreation Committee was not held.

PLANNING COMMISSION

On August 3rd, TKDA announced the retirement of City Planner Sherri Buss. Buss explained that she will attend the September 4th Planning Commission meeting, and then working half-time until the end of the year. TKDA has appointed Merrit Clapp Smith to take over as the City Planner, who was in attendance.

Variance at 23209 St. Croix Trail. National Park Service, Applicant. (Resolution No. 08-21-18-01)

Planner Buss presented the staff report for a variance from the bluffline setback for the replacement of an existing septic system at 23209 St. Croix Trail, a property owned by the National Park Service. Washington County will approve the septic permit upon the City's

approval of a variance for its location. Buss explained that the parcel is located on the bluffs adjacent to the St. Croix River and the applicant is requesting a variance to permit placing the system tanks in approximately the same location as the existing cistern and pumping the liquids to a new drainfield to the north. The system designer found no location on the property that would meet the required 40-foot bluffline setback, although the proposed location meets all other required setbacks

Feature	Required Setback	Proposed Setback
OHWL of St. Croix River	150'	Approximately 500'
Bluff line	40'	0-5'
Water supply wells	50' sewage tanks; 100' soil treatment area	Approximately 200'
Occupied buildings	10' sewage tanks; 20' soil treatment area	Approximately 200'
Side property line	20'	Approximately 600'
Rear property line	50'	Approximately 250'

The Planning Commission held a public hearing on August 7th and recommended that the variance be approved requiring the NPS to locate the system the maximum feasible distance and a minimum of 5 feet from the bluffline. A resolution was prepared with findings and eight conditions granting approval. Buss stated that the approval is the minimum action needed to replace the septic system and allow reasonable use of the property, and is consistent with the goals of the Comprehensive Plan to protect the River. A grading permit for review by the City Engineer was listed as a condition of approval.

Council member Ness said that he attended the site visit and Planning Commission meeting. The Commission looked at other configurations for the tanks, but this is the only reasonable location on a difficult site.

Hegland, seconded by Schneider, moved to adopt Resolution No. 08-21-18-01, Approving a Variance for 23209 St. Croix Trail North as presented. The motion carried 5-0.

Ordinance No. 200 – Amending Chapter 3, Section 3.6 Land Alteration and Grading

Planner Buss reported that the Planning Commission held a public hearing on August 7th on amendments to the land alteration and grading ordinance. The amendments were in response to the Council’s concern that grading projects have been undertaken without adequate oversight, resulting in adverse impacts to adjacent properties and road rights-of-way.

The Commission recommended approval of lowering the thresholds that require a grading permit from 50 cubic yards or disturbance of 1,000 square feet of land area to 10 cubic yards or 600 square feet. Buss stated that these are the same thresholds as those adopted in the recent Shoreland Ordinance update. The amended ordinance also removes the grading permit exemption for projects that need a building permit, requires a permit for any land alteration regardless of size if it is likely to have an adverse impact to an environmentally sensitive area, public property or City right-of-way, and provides for the collection of a fee and escrow to cover the cost of the City Engineer’s review. Buss explained that the Commissioners recommended the staff maintain a list of permit applications over the next year, for an evaluation of the impacts

of the amendment and whether the requirements are meeting the City's goals without placing an unreasonable burden on landowners.

In answer to a question about grading activity having oversight from Watershed Districts, Administrator Soltis explained that there are certain activities not regulated by the watersheds and this ordinance would monitor land alteration activity to avoid potential adverse impacts. Buss agreed that even small projects can impact public rights-of-way and the lowered thresholds would catch problems early on. Council member Kronmiller noted the example of the Layton property and said the drainage problems here could have been prevented. Kronmiller voiced his support for the ordinance amendments, as did Mayor Maefsky.

Council member Schneider questioned the lowered quantity of material to 10 cubic yards, and said he would be against adding a burden and cost to landowners. Schneider suggested limiting the requirement to certain locations instead, such as small lake lots. Council member Hegland agreed with these concerns and stated the ordinance amendments are an overcorrection. Mayor Maefsky said that the Commissioners gave the ordinance lots of thought based on Council direction and noted that the one-year review will provide an evaluation of the ordinance outcomes.

Kronmiller, seconded by Ness, moved to adopt Ordinance No. 200 as presented. Voting yes: Kronmiller, Ness, Maefsky. Voting no: Schneider. Hegland abstained. The motion carried 3-1.

Summary Publication of Ordinance No. 200 (Resolution No. 08-21-18-07)

Kronmiller, seconded by Ness, moved to adopt Resolution No. 08-21-18-07, Summary Publication of Ordinance No. 200. The motion carried 5-0.

BUILDING OFFICIAL

Building Official Chuck Preisler's report on building activity was received. In July, 68 permits were issued at a valuation of \$755,664. Eight new construction permits have been issued this year.

POLICE DEPARTMENT

Police Deputy Brandon Yetter reported on burglaries, narcotic arrests and trespass complaints at the River which occurred in the past month.

FIRE DEPARTMENT

Fire Chief Mike Hinz reported that the department responded to 4 fire calls and 9 medical calls in July. The dive team assisted with a recovery at Square Lake last week.

CITY ENGINEER

City Engineer Ryan Goodman added to his written report that the Layton Avenue ditching project started on Monday. MnDOT plans to add a left turn lane at the Highway 97/North Shore Trail intersection in 2020 to address the hazardous traffic situation here.

CITY ATTORNEY

Eric Sherburne was introduced as Scandia's new City Attorney from Eckberg Lammers law firm.

PUBLIC WORKS DIRECTOR

PW Director Adam Hawkinson reported on the past month's activities. A second application of dust control was completed on August 6th. The new holiday streetlight decorations were delivered and will require a modification to the bracket assembly for mounting on the lampposts. Council member Ness asked how the water test results for the 201 sewer are reading. Hawkinson stated that chlorides are high in the A/E, and high nitrates are still an issue at the Bliss drainfield .

CITY ADMINISTRATOR

City Administrator Soltis updated the Council on the May Township Fire Agreement, the MnDOT landscape project will be planted by volunteers on September 1, staff will meet with CTC next week to review the pre-design broadband engineering work, and the DNR is seeking to enter into an agreement with the City for pre-development work on the Gateway Trail connection between the state park and the annex building. Soltis's report included a League memo addressing a question on maintenance of unplatted roadways – the level of responsibility was unclear.

DNR ACQUISITION OF LAND FOR ADDITION TO CRYSTAL SPRINGS SNA

Bob McGillivray, Trust for Public Land, announced that the agency has acquired two parcels of land for addition to the adjacent Crystal Springs Scientific and Natural Area – the 21-acre Lerdal Parcel and the 60-acre Zavoral Parcel. Agreements are in place to donate the land to the DNR. A map of the area was shown, with a potential new parking area east of the Highway 95/97 intersection. Washington County will receive PILT (Payment in Lieu of Taxes) at a rate of approximately \$2,700/year for the Zavoral Parcel and \$\$1,500/year for the Lerdal Parcel. McGillivray said he would answer any questions and asked for the Council's support.

Mayor Maefsky stated her support as this action is in accord with the Comp Plan to preserve natural resources and provide public access to recreation areas. Council member Kronmiller asked if the City will have any responsibilities to the land, and how would the boundaries be defined to limit trespassing to adjacent private property. A DNR representative replied that the DNR would manage the property. Boundaries of SNA's are clearly marked by signs; enforcement issues are coordinated with the area's Conservation Officer. Kronmiller said he liked the idea of creating overlooks here and providing access to the River would be a huge value to the community. Ness agreed with support for the new land addition.

Council member Hegland said that the list of high quality species data would be beneficial to include in the tourism assessment data being compiled for Scandia, and that the site has exceptional natural resource value.

Hegland, seconded by Kronmiller, moved to support the acquisition of land by the Public Land Trust to add to the DNR's Crystal Springs SNA. The motion carried 5-0.

**TRANSFER OF BIG LAKE ESTATES OUTLOT A TO WASHINGTON COUNTY
(RESOLUTION NO. 08-21-18-02)**

Sharon Price, Washington County Planner, explained that the County is acquiring property along the east side of Big Marine Lake for inclusion into its Big Marine Park Reserve. Outlot A of Big Lake Estates is located within the Park's Master Plan and surrounded by parcels currently owned by the County. When Big Lake Estates was platted in 1973, Outlot A was deeded to New Scandia Township to fulfill the requirements of open space on the plat. The County requested the transfer of this outlot for public use within the Park.

The Planning Commission reviewed the request at their August 7th meeting and concluded the transfer is consistent with the Comprehensive Plan and supported the action.

In answer to a question about the future of Margo Avenue, Price explained that as the County acquires property to the north, the plan is to ultimately close Margo Avenue as a roadway.

Ness, seconded by Hegland, moved to adopt Resolution No. 08-21-18-02, Approving the Transfer of Outlot A in Big Lake Estates to Washington County for Park Purposes. The motion carried 5-0.

**AGREEMENT TERMINATING A RESTRICTIVE COVENANT TO PROPERTY
ADJACENT TO MARGO AVENUE (RESOLUTION NO. 08-21-18-04)**

Washington County is acquiring property at 18135 Margo from Carol Bofenkamp to include in its Big Marine Park Reserve. Council was presented an agreement to terminate a restrictive covenant that the Bofenkamp property at 18135 Margo Avenue cannot be sold or conveyed separately from other property in May Township that is not being sold. The City's Attorney worked on the termination agreement and resolution. County Planner Sharon Price stated that executing this document facilitates the County's purchase of the property.

Hegland, seconded by Schneider, moved to adopt Resolution No. 08-21-18-04, Adopting an Agreement Terminating Restrictive Covenant Relating to Certain Real Properties Located Adjacent to Margo Avenue (Carol and Thomas Bofenkamp). The motion carried 5-0.

AMEND THE PURCHASE POLICY (RESOLUTION NO. 08-21-18-03)

Council reviewed an amended purchasing policy as discussed at the August 1st Work Session. Language was added to the City's purchasing policy for sustainable purchasing when practical and economically feasible. Administrator Soltis explained this action meets a goal towards Step 3 designation as a GreenStep City.

Kronmiller, seconded by Ness, moved to adopt Resolution No. 08-21-18-03, Updating Purchasing Policies. The motion carried 5-0.

**DNR GRANT APPLICATION FOR MANAGING EMERALD ASH BORER
(RESOLUTION NO. 08-21-18-05)**

PW Director Hawkinson explained that Scandia is a finalist in the DNR's grant application for funding an Emerald Ash Borer management program. Hawkinson has requested \$10,000 to

carry out a tree inventory, public education on emerald ash borer, and a tree management plan to deal with the impacts of the ash borer.

Hegland, seconded by Ness, moved to adopt Resolution No. 08-21-18-05, Authorizing Application to the MN DNR for a Grant Managing Ash for Emerald Ash Borer in Community Forests. The motion carried 5-0.

APPOINTMENT TO THE SCANDIA ECONOMIC DEVELOPMENT AUTHORITY

Bruce Swenson's term on the EDA Board expired on July 31, 2018. One application was received to fill the 3-year term. The Council interviewed Kristen Libby at a special meeting prior to their regular meeting. Mayor Maefsky reported that Libby will be an asset to the EDA and to the community.

Maefsky, seconded by Ness, moved to appoint Kristen Libby to a 3-year term on the Scandia Economic Development Authority, expiring July 31, 2021. The motion carried 5-0.

RECOMMENDATION OF APPOINTMENT TO CARNELIAN-MARINE-ST. CROIX WATERSHED BOARD

Scandia resident Paul Richert has made an application to Washington County for a position on the Carnelian-Marine-St. Croix Watershed Board of Managers. Cities may provide an endorsement to the Washington County Board which have the authority to make the appointments.

Ness, seconded by Kronmiller, moved to recommend Paul Richert for appointment to the Carnelian-Marine-St. Croix Watershed Board of Managers. The motion carried 5-0.

COMMUNITY BUILDING CLEANING PROPOSALS

Mike Herman, Top Notch Cleaning, gave notice in July that he will be ending his service for cleaning the city's buildings on August 31, 2018. Staff distributed a Request for Proposals to 18 area cleaning contractors. Four proposals were received. Administrator Soltis presented a summary of the proposals and recommended accepting the lowest proposal from Genie Cleaning Services. Soltis noted that it is a local business and experienced in cleaning municipal buildings.

Kronmiller, seconded by Hegland, moved to accept the proposal from Genie Cleaning Services for cleaning the City's buildings. The motion carried 5-0.

DISCUSS AGREEMENT EXTENDING OPTION TO PURCHASE CITY PROPERTY ON OLINDA LANE

On March 20, 2018, the Council voted to direct legal staff to prepare a Right of First Option Agreement for the adjacent property owners to purchase the City owned parcel in Hawkinson Highlands at its appraised value, and to be responsible for any fees that may be necessary for the transaction. The agreement was reviewed and Council was in consensus was to extend the option agreement to the Caldwells and Gorhams.

Kronmiller, seconded by Hegland, moved to approve the option agreement. The motion carried 5-0.

SELECTION OF AN ELECTRICAL INSPECTOR

Electrical Inspector Brian Nelson has given notice that he will be retiring at the end of September. Staff has researched potential replacements and one inspector is interested. Council agreed to interview Joe Wheaton at the September Work Session.

ADJOURNMENT

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

The meeting adjourned at 8:45 p.m.

Respectfully submitted,

Brenda Eklund
Deputy Clerk