

**Sandstone City Council Meeting Minutes
January 15, 2020**

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Kester, Gaede, Spartz, Palmer, Riley

Members absent: None

Staff present: Administrator George, Recording Secretary Nelson

Others present: Alanea White with Pine County Courier, property owner Keriann Darkow

PLEDGE OF ALLEGIANCE:

Council, guests and staff recite pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA:

Motion Gaede, second Riley to approve the agenda with the additions of Fire Hall Building Project: Pay Application No. 5; Resolution 20200115-04 – Approving Health Care Facilities Refunding Revenue Bonds on behalf of Essentia Health; and Pay Equity Report. Motion carried 5-0.

PETITIONS OR COMPLAINTS BY RESIDENTS AND/OR COUNCIL MEMBERS:

The council members are still receiving comments about the lack of Christmas lights this year. Staff received complaints about junk on a property on Commercial Ave, and another regarding staff driving around their home, and another about a car parked on the street blocking mail boxes. There were several calls about ice and snow difficulty. An anonymous email was received about a rat problem but there was no response when staff tried to contact the source.

Keriann Darkow of 717 Commercial came in to address the City's handling of her property. City staff was there today to remove the piles of debris that have been in her yard for several weeks. Darkow's friends started to clean up the property and a neighbor brought a pickup over to help haul away the debris. Staff will continue to monitor the property.

PUBLIC HEARINGS/PRESENTATIONS: None

CONSENT AGENDA:

Motion Palmer, second Riley to approve the following Consent Agenda items:

Regular Meeting Minutes from December 18, 2019,

Resolution No. 20200115-01 – Annual Designations, and

Cemetery Deed – Donald Sears.

Motion carried 5-0.

OLD & CONTINUING BUSINESS:

City Code 1330 – Snowmobile and Off-Highway Vehicle Regulations

The City Council has been reviewing City Code 1330 to determine if it could apply to Off-Highway Vehicles (OHVs) as well as snowmobiles. OHVs include all-terrain vehicles (ATVs), off-highway motorcycles (OHMs) and off-road vehicles (ORVs). The Council discussed the designated routes established in the ordinance that are acceptable for traveling through the City. Changes were agreed upon and the final ordinance amendments will be presented at the February 19th Council Meeting for adoption.

River Bluff Project – Final Pay Request

The City Engineer has been working with the contractor to obtain the final closeout documents: consent of

surety, lien waivers, IC-134 forms from subcontractors. One of these documents has been received, staff is still waiting for the others. The final quantity numbers have been agreed on between the contractor and the City Engineer. The Engineer is also presenting Change Order No. 2 – the City agreed to split the cost of the manhole repair by the third-party vendor, rather than have the newly-paved street dug up. The City share is \$2,186.50. Additionally, Anderson reports that SEH is in the process of linking the as-builts to the GIS system, all mailboxes within the project area have been reinstalled, and concerns with the dirt work on the corner of 4th and River Bluff can be addressed in the spring, along with erosion at the alley, as warranty work.

Motion Palmer, second Spartz to approve Change Order No. 2 on the River Bluff Street Project for manhole repair work in the amount of \$2,186.50, and further to approve Application for Payment No. 6 (final) from MPJ Enterprises for \$25,988.79 contingent on all of the closeout documents being submitted. Motion carried 5-0.

Fire Hall Building Project: Pay Application No. 5

The project has reached completion. All required documents have been submitted: Contractor's Affidavit of Payment of Debts & Claims, Consent of Surety to Final Payment, Withholding Affidavit for Contractor, and Record Drawings (as-builts). The Contractor has submitted Pay Application No. 5 in the amount of \$22,080.30, which is the retainage amount. Project Engineer LHB has approved the payment.

Motion Spartz, second Palmer to approve Application for Payment No. 5 (final) on the Fire Hall Building Project to Mark Haug Construction for \$22,080.30. Motion carried 5-0.

NEW BUSINESS:

2017 Outstanding Water/Sewer/Storm Water Utility Charges

In 2017, the City Council approved assessing six parcels which are tax-forfeited. Four of them are the parcels the City acquired in order to demolish the buildings: 1114 Birch, 329 Minnesota, 310 Park, 313 Park. One parcel is not accessible (right-of-way lines up with Hoover, but the road doesn't go through). The other parcel is actually over the right-of-way on Main Street between Division and Washington.

Councilors discussed the land-locked parcel in further detail, stating that the County should be billed in the future. The right-of-way parcel was also questioned. Staff will follow up on these two parcels.

Motion Spartz, second Riley to cancel the 2017 outstanding water/sewer/storm water utility charges in the total amount of \$319.04 on the six tax-forfeited parcels. Motion carried 5-0.

Resolution No. 20200115-02 – Set Public Hearing re Vacation of Right-of-Way on Jay Street

Over the years, the City has been approached about the fact that a portion of Jan & Gary's restaurant building is actually located on City right-of-way (parcel 45.5577.000). This has been one of the barriers to selling the property because banks won't finance the purchase until the issue is resolved. The owner of Jan & Gary's has been told that the City is not opposed to vacating the right-of-way; however, he will need to have the property surveyed and a new legal description created in order to properly clear up the matter. It has recently been learned that if the City vacates the right-of-way, the County will make the vacation changes – a survey is not necessary.

With regard to vacating any right-of-way, either the City Council can begin the process by adopting a resolution that must be adopted by a four-fifths vote of all council members. Otherwise, a majority of landowners abutting the right-of-way to be vacated can initiate the process by petition. Administrator George asked if the City Council is interested in calling for a public hearing on the matter.

Council members discussed making a further change to allow more right-of-way, or obtain an easement, along the north side of the road in case there is a need to widen the road in the future. This can be further discussed at the public hearing.

Motion Palmer, second Gaede to adopt Resolution No. 20200115-02 setting a public hearing regarding vacation of right-of-way on Jay Street for the February 19th City Council Meeting. Motion carried 5-0.

Resolution No. 20200115-03 – Adopt 2020 Fee Schedule

The City Council annually approves the Fee Schedule. Administrator George stated that there are no major changes being proposed from the Fee Schedule that was adopted by the City Council on February 20, 2019. Mayor Spartz questioned the dog impound fees. The City no longer impounds dogs, because of the lack of facilities and staff to care for the dogs.

Motion Spartz, second Palmer to remove the four dog impound fees from the 2020 Fee Schedule. Motion carried 5-0.

Motion Palmer, second Spartz to adopt the 2020 Fee Schedule as amended. Motion carried 5-0.

Resolution No. 20200115-04 – Approving Health Care Facilities Refunding Revenue Bonds on behalf of Essentia Health

The City was contacted by Attorney Christopher Virta with the Fryberger, Buchanan, Smith & Frederick law office on behalf of Essentia Health Sandstone. Virta is asking for a resolution consenting to the issuance of bonds by the Duluth Economic Development Authority to refund bonds issued by the Minnesota Agricultural and Economic Development Board. In order for Essentia Health to be able to refinance the debt, communities where the bond proceeds were originally spent must provide consent in the form of a short resolution, which is a procedural requirement under Minnesota law. In Sandstone, bond proceeds were spent on equipment used at the old Essentia Health clinic location.

Motion Spartz, second Riley to approve Resolution No. 20200115-04 – Approving Health Care Facilities Refunding Revenue Bonds on behalf of Essentia Health. Motion carried 5-0.

Pay Equity Report

The Local Government Pay Equity Act, M.S. 471.991-471.999 and Minnesota Rules, Chapter 3920 require local government jurisdictions to submit a pay equity report to the State of Minnesota every three years. Sandstone's report is due January 31, 2020. This report must show data in place as of December 31, 2019. Jurisdictions who do not submit a report on or before the deadline will be out of compliance.

The Personnel Committee met on Tuesday, January 14th, to review the data for the report. The City uses the State Job Match system to assign points to the applicable positions. Once the report is filed, the State will review the data and determine whether or not the City is in compliance with the Act.

Motion Riley, second Spartz to approve the Pay Equity Report as presented. Motion carried 5-0.

REPORTS:

Sheriff's Deputy Report – December 2019

There were 177 calls in December. The Council made note of the passing of Deputy Neel and wanted the

family to know that they are thinking of them.

Fire Department – December 2019

The department received six calls in December: three medical assists, one alarm, and two for a building fire. The training was annual planning and gear inspection.

Library Report – December 2019

Jeanne Coffey reported that besides the four Storytime sessions during the month, the Storytime Christmas party was a big hit. The Book Club and the Friends of the Library had their Christmas gatherings. A kids' bookmark design contest is being planned for January and February. A puppet theater has been added to the kid's area. Library staff answered 165 reference questions and served 1334 patrons.

Sandstone History and Art Center – 2019

Art Olstead gave a report on his project - the history of the early businesses in Sandstone from 1890 until 1930. There were suggestions from the members on ways to obtain more information through the Sandstone citizens. Olstead is being put forward to be a judge in the History Day National Event that East Central School is participating in. The next meeting is April 6.

EDA Meeting – January 6, 2020

The purpose of the work session was to review the proposals received from developers for the redevelopment of The Rock (the historic high school building) and to prepare for the interview of the developers, which took place on Friday, January 10. EDA members are invited to a brown bag lunch gathering at Members Co-operative Credit Union at noon on January 22nd. This will give members a chance to digest all of the information received during the interview process, in preparation for the EDA meeting later that evening. There is also a webinar by Minnesota Housing at 1:30 p.m. This meeting is posted and open to the public as well.

Planning Commission Meeting – January 8, 2020

Commissioners reviewed the City's Subdivision Regulations, making changes and updates as desired. Administrator George stated that an Ordinance was passed in 1997 to allow for the provision of minor subdivisions; however, it was never added into the full City Code. Commissioners reviewed this language and agreed to add it into the Code. It was also reported that construction on the Sandstone Health Care Center assisted living project will begin in the spring.

Park & Rec Commission Meeting – January 10, 2019

Commission appointments, the Banning State Park Friends Group, the City Skate & Slide, Robinson Park and the KREEC Site redevelopment were discussed. Ice Fest took place January 3-5 with about 320 attendees. Commissioners are not comfortable with the process of the feasibility study on a potential ATV Training/Obstacle Course. They have been invited to the EDA meeting and are drafting a letter to the City Council and EDA.

Rental Inspection Report – December 2019

There were no units that underwent first time inspections or that were brought within compliance via re-inspection – only one re-inspection was done. There were, as of December, 286 total unit registrations. Two property owners that have not registered their properties have been referred to the court system. One case has been delayed until March and the County Attorney dismissed the other case. Staff is following up with the County on this dismissal. Council Members voiced their frustration with the court system that does not support the council's efforts to improve the condition of rental properties.

Contract Renewal – The 2-year contract with Pine City for Rental Inspection services is up for renewal. There are no proposed language changes. The hourly rate will be \$42.50 in 2020 (same as the 2019 rate) and \$43.00 in 2021. **Motion Palmer, second Spartz to approve the Rental Inspector contract with Pine City for the years 2020 and 2021. Motion carried 5-0.**

The Rental Appeals Board met January 13, 2020. They went over proposed changes to the Rental Code. These will come to the City Council for approval in February. The Board discussed adopting an ordinance that would allow the City to implement administrative fines. This would allow an option for enforcing City ordinances wherein people could choose to accept the administrative fine or to proceed with a citation through the court process. Staff will work on the ordinance and present it to the Council for approval. Susan Wright has agreed to serve on the Board as the renter representative. The Board decided to hold quarterly meetings.

Building Inspection Report – December 2019

The Occupancy permit for the new Essentia ambulance garage and offices has been issued. The Building Official is waiting for the permit fee to be paid for the Dollar General building project. There were 5 building permits, 5 maintenance permits, 1 Right-of-Way permit, and 3 demolition permits issued in December. The total permit fees collection in December is \$1,333.80 and \$30,001.97 for 2019.

Safety Committee Report – December 2019

There is a mandatory City Employee Safety Training on January 21st in Hinckley. There is a Safety Committee Meeting the same day 11:30-12:30 p.m. The City of Braham has joined the regional safety group.

Streets & Parks Supervisor Report – December 2019

There was plowing and clearing of snow along with salt & sanding being done throughout December. A collapsed storm sewer was repaired at the corner of Court Ave and 2nd St. A new alarm dialer was installed by Advantage Systems Inc. and Viking Sprinkler installed a new air compressor and put the sprinkler system back online in the John Wright building. New flags will replace the old ones that were removed from Main St. Maintenance was performed on the City backhoe and vehicles. The abandoned trailers and the snow attachments for the skid-steer will be offered for sale on the Public Surplus auction site.

PeopleService Report – December 2019

The written report was reviewed. A 40' line blew out at the water treatment plant overnight, leaving a big mess for the following day. Contractor Leger took care of it and everything is now in working order. In responding to a citizen's call to the City regarding an open hole in the road on Court, Leger discovered the storm sewer that collapsed. He contacted Streets & Parks Supervisor Hiler, who then contacted Mike Johnson to make the emergency repair.

Financial Reports

The Council reviewed the Cash Balance, Revenue & Expenditure Report for and the A/P Clerk Claims for December 2019.

Motion Kester, second Riley to approve the Cash Balance, Revenue & Expenditure Report and the A/P Clerk Claims for December in the total amount of \$255,996.05. Motion carried 5-0.

WRITTEN NOTICES AND COMMUNICATIONS: None

ADMINISTRATOR'S REPORT: The Administrator reported on the following items:

Property Clean Up – 717 Commercial Ave

- ❖ Efforts were made today to clean up this property (again)
- ❖ The property owner had some assistance and started cleaning up the yard
- ❖ Staff will keep an eye on the property and take appropriate action if the nuisance continues

Sewer Lining Project – Washington, Court, Minnesota

- ❖ Work on the 4 sections has been completed
- ❖ 2 sections cannot be slip lined: the section near the foundation of the nursing home and another section in Minnesota Street – SEH Engineer Greg Anderson is putting together a quote package

City Hall Boiler Project

- ❖ Staff is still working with the contractor to figure out the balancing / temperature controls
- ❖ A roofing contractor is looking at options to move the antenna on the roof so that the chimney can be cut down/eliminated
- ❖ The roof top unit needs to be replaced – it is unable to maintain the required pressure, and it was found that the Freon level is not maintained. The contractor has been asked for pricing.

Street Improvement Projects

- ❖ Craige has been working with the City Engineer to evaluate the streets in town
- ❖ Council planned a work session to review all of the information and make plans for projects on Thursday, February 13th, 6:00 p.m.

Community Relations Board Meeting – January 9

- ❖ Good meeting out at FCI
- ❖ FCI has been able to hire several new employees from the area

Board of Appeal and Equalization Training

- ❖ Spartz, Riley and Gaede have all completed the training
- ❖ Palmer plans to complete it on January 21

Fire Department 2021 Budget / Meeting with Township

- ❖ Special Meeting for Monday, February 3rd at 7:00 p.m. at the Fire Hall

John Wright Building

- ❖ Flood Damage Repair: 1 quote from ServiceMaster Restore; met with Troy Haug for a 2nd quote
- ❖ Commercial Kitchen: Setting up meeting with State to inspect
- ❖ Overall Building: Set up meeting with Lundberg's, Troy Haug, Spartz, Kester, Hiler, Drotning and the Architect to make plans for remodel work

ADJOURN

Motion Riley, second Palmer to adjourn at 7:44 p.m. Motion carried 5-0.

Peter Spartz, Mayor

Kathy George, Administrator