

**Sandstone City Council Meeting Minutes  
March 18, 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: Fire Chief Andy Spartz, Gary Koland

**PLEDGE OF ALLEGIANCE:**

Council, guests and staff recite pledge of allegiance.

**ADDITIONS OR CORRECTIONS TO THE AGENDA:**

**Motion Kester, second Palmer to approve the agenda as presented. Motion carried 5-0.**

**PETITIONS OR COMPLAINTS BY RESIDENTS AND/OR COUNCIL MEMBERS:**

The City received calls during the month of February regarding kids getting into the Rock and an icy ally (in early March). There were doors unsecured at a property in town. Staff followed up on these concerns. Grace Lutheran is disappointed that Quarry Days is later in the month – August 15 and 16 which is a decision that is made by the Chamber of Commerce. One Council Member was contacted regarding a house on Court Avenue - multiple vehicles, tires, bicycles and junk in the yard. Another Council Member reported that there is a home with a camper trailer on Washington Street that appears to have an extension cord running to it. Another Council Member received a call regarding whether the City will be working with the citizens who are laid and have difficulty paying their utility bills during the COVID-19 situation. They were told that the City has always been willing to work with the residents regarding utility bills.

**PUBLIC HEARING/ PRESENTATIONS:**

**Vacation of a Portion of Jay Street – continued from the February 19<sup>th</sup> Council meeting.**

No members of the public were present to continue the discussion. Administrator George stated that the City has met the Public Hearing requirement and could close the Public Hearing, but continue to discuss the details with the property owner. **Motion Kester, second Gaede to close the Public Hearing at 6:11 p.m. Motion carried 5-0.**

At the February 19th Council Meeting, staff was asked to get quotes for survey work because the Council is interested in acquiring a portion of lot 45.5576.001 in exchange for the vacation of part of Jay Street so that in the future, if Jay Street needed to be widened, this part of the required right-of-way would be secured. Two quotes were received to survey the two parcels (45.5576.001 and 45.5577.000) and locate the buildings: Straightline Surveying for \$1,000 and Kroschel Land Surveyors, Inc. for \$2,250.

The Council discussed at length with Koland how far around his building the street vacation would need to be. The question came up regarding a storm drain if the ditch is filled in. Another question came up regarding whether the City wants ownership or an easement of the portion of parcel 45.5576.001. An easement is all that the Council believes is necessary. Koland is in agreement that for a twenty-foot easement the City will vacate the property that his building is on. He is also willing to pay for half of the survey (total survey not to exceed \$1500). The City will pay attorney and filing fees. The next step will be to schedule the survey with Kester, George and Koland to meet with the surveyor on site.

## **CONSENT AGENDA:**

**Motion Riley, second Palmer to approve the following Consent Agenda items: approval of Regular City Council Meeting Minutes from February 19, 2020, and not to waive the monetary limits on municipal tort liability established by Minn. Stat. 466.04. Motion carried 5-0.**

## **OLD & CONTINUING BUSINESS:**

### City Hall Boiler Project

The original City Hall Boiler project is complete, except for the chimney work, which cannot be completed until the antenna is removed. City Staff is working on this, as a new radio system is being put into place for the Streets & Parks Department. Once the antenna is removed, Lundberg will be able to complete the removal of the chimney. The Contractor has submitted Payment Application Retainage #1 in the amount of \$8,359.83. This would leave \$5,573.22 in retainage until the chimney work is completed.

**Motion Palmer, second Spartz to approve Payment Application Retainage #1 from Lundberg Plumbing & Heating in the amount of \$8,359.83 for the City Hall Boiler project. Motion carried 5-0.**

The new roof-top unit has been ordered and is expected to arrive in six weeks. This is not part of the original boiler project.

## **NEW BUSINESS:**

### COVID-19 Response

On March 13, 2020, Governor Tim Walz issued Emergency Executive Order 20-01 declaring an emergency to address the COVID-19 pandemic in Minnesota. Administrator George shared a memo received from the City Attorney regarding telephonic meetings, meeting notice, and public hearings and the 60-day rule.

George reported that the City of Hinckley has closed their City Hall and it is unclear as to whether they are still working. The City of Finlayson and Pine City have closed the doors but are working inside. Same with the Sandstone City Hall. There is a notice on the door suggesting calling or emailing.

Utility shut off letters are going out this week. Staff is suggesting that the City waive the shutoff letter fee of \$10 and postpone utility shutoffs as the situation is evolving. **Motion Gaede, second Spartz to approve waiving the \$10 fee associated with the shut off letter and postpone utility shutoffs during the COVID-19 period. Motion carried 5-0.**

Other community updates were provided by George. There is one person who is not symptomatic but exposed in Pine County that is under quarantine. Gateway Clinic is worried about the shortage of supplies. The Hospital District is helping out East Central School District with transportation needs. They are also checking in with the food shelf and the nursing homes. The State Legislature is scaling back their activity with visitors allowed only by appointment.

Mayor Spartz stated that there could be an economic benefit in the City declaring a state of emergency because recovery money would be more readily available once the pandemic is over. A Proclamation Declaring a Local Emergency was contemplated; however, consensus of the Council was to hold off for now and continue evaluating the situation. Staff was directed to look into options for holding meetings electronically or via telephone.

George reported that she has received an application for a Conditional Use Permit. She will inform the application that the City is extending the process for an additional 60-days, as allowed by State Statute.

Council and George reviewed the list of upcoming meetings. Most will probably take place with emphasis on social distancing, while the situation continues to be monitored.

George suggested the Personnel Committee meet to create policies and procedures to address this continually evolving situation. She noted that these policies and procedures will be helpful in the future as well, for other situations that may arise.

#### Old School Arts Center – Contract for Services

The City received a request from OSAC President Cheryl Buena for a contract for services which they would like to enter into with the City of Sandstone. The contract is for OSAC to provide a venue for artists, specialty clubs, social gatherings, presentations and demonstrations, classes, and gallery space, attracting people to the City. This is an annual contract for services that the City has historically approved.

**Motion Palmer, second Gaede to approve renewing the Contract for Services with OSAC for \$1,000. Motion carried 5-0.**

#### 2020 Street Improvement Projects

At the February 13th Special Council Meeting, the Council approved moving forward with the following Street Improvement projects in 2020:

1. Minnesota Street from Grant Avenue to Pine Avenue (curb, gutter, bituminous paving, restoration of driveways with concrete aprons, turf restorations, and storm sewer at Pine; additionally, storm-water on Minnesota would be directed to Pine). Estimated project cost is \$245,000 including engineering and 10% contingency.
2. Court Avenue from 3rd Street to Minnesota Street (replacing 8-inch sanitary sewer with PVC, precast manholes, new PVC service lines, upgrading the 4-inch water main to 6-inch, new hydrants and service lines, replacing the existing storm sewer, new curb and driveway aprons). Estimated project cost is \$1,000,000 including engineering and 10% contingency.
3. 5th Street from Commercial Avenue to Park Avenue (new curb & gutter, street paving, replacing utility crossings). Estimated project cost is \$340,000 including engineering and 10% contingency.
4. New pavement with spot curb repair on Commercial Avenue between 3rd Street and 5th Street.
5. New pavement with spot curb repair on 6th Avenue between Court Avenue and the water tower.

The City has also been preparing for some work on Pine Avenue in conjunction with MN DOT's State Highway 123 project (replace sewer, a culvert, curb & gutter, address storm sewer, aggregate base and bituminous surface). The estimated project cost is \$350,000.

Administrator George explained that the City Engineer is suggesting that the Pine Avenue project be done at the same time as projects 1 through 5. The whole point of adding the Pine Avenue project to MN DOT's project was to take advantage of some economy of scale. Since the City is undertaking significant street projects, it makes sense to roll Pine Avenue into the City projects rather than tack it onto MN DOT's project. Council Members questioned where the City project would end and where the MN DOT project would begin, concerned with continuity between the two projects. These concerns will be shared with the City Engineer.

Anderson's team is still working on putting the plans and specifications together for projects 1 through 5. They plan to meet with City Staff once the plans are ready, in case Staff has any changes. Anderson would then like to advertise for bids right away, with bid opening on April 21st. The Council could hold a Special

Council Meeting on April 22nd at 5:30 (before the regularly scheduled EDA meeting) to review the bids and proceed accordingly.

The City Council agreed to fund all of these projects with a \$2,000,000 bond. Once the bids are in for this work, a public hearing will be held on the bond issue.

**Motion Spartz, second Riley to approve the Proposal for Engineering Services with SEH for five projects – survey work, plans, specifications and bidding for \$58,500. Motion carried 5-0.**

**Motion Spartz, second Palmer to schedule a Special Council meeting on April 22<sup>nd</sup> at 5:30 p.m. to review the bids received for the 2020 Street Improvement Projects. Motion carried 5-0.**

**Motion Spartz, second Gaede to pass Resolution No. 20200318-02 approving the plans and specifications for the five street improvement projects pending staff review and approval, and further ordering advertisement of bids. Motion carried 5-0.**

#### Engineer Updates

Administrator George reviewed updates with the Council, as the City Engineer was not present at the meeting:

Water Loop to Hospital: construction plans with the adjustment for Creekside Lane will be submitted to the Department of Health next week; the PFA loan agreement will also be submitted next week; the project will be ready to bid once the PFA loan agreement is complete; construction is anticipated for late summer/fall. In his memo, City Engineer Anderson reported that the new route adjustment required more surveying and some new plan sheets. He is requesting an amendment to the Engineering Services Agreement in the amount of \$4,500.

**Motion Palmer, second Spartz to approve Resolution No. 20200318-03 regarding the Public Facilities Authority loan agreement for the Water Loop Project. Motion carried 5-0.**

**Motion Palmer, second Kester to approve amending the Engineering Services Agreement for the Water Loop Project by adding \$4,500 to the total. Motion carried 5-0.**

Well Upgrades and 2<sup>nd</sup> Main to Water Tower: construction plans will be submitted to the Department of Health in April; grant funds are in place; the project will be bid with the water loop project, with construction anticipated for late summer/fall.

Sanitary Sewer Repair at Nursing Home – the quote packages will go out to local contractors next week; bids should be ready for approval at the April Council Meeting.

#### (New) City Code 117 – Administrative Citations

The Rental Appeals Board recommended that the City Council consider adopting an Administrative Citations ordinance. If adopted, Administrative Citations can be used as an alternative method of enforcing the City Code (not just the Rental Ordinance) instead of going to court.

The DRAFT City Code 117 was presented for discussion purposes. If acceptable, a notice will be posted on the City Bulletin Board, as required, and approval of the new City Code 117 will be placed on the April Council Meeting Agenda.

Administrator George reviewed comments that were received by the City Attorney, which modify the draft that was included in the Council Agenda packet. There were questions regarding appeals and the fees. George will e-mail out the revised Draft document so that Council Members can review it prior to the April Council Meeting.

## **REPORTS:**

### Sheriff's Deputy Report

The report was included in the Council Agenda packet. There were 155 calls in February. There was a question regarding a parking problem mentioned on 3<sup>rd</sup> street which is a state highway.

### Fire Department – February, 2020

Chief Spartz reported that the department had two calls in February, one was a building fire in Finlayson and one was a motor vehicle accident with injuries. There was a fire recently in the kitchen of the Sandstone Health Care Center. It was extensive enough that the kitchen had to be inspected before it could be used again. Training for February covered HAZMAT and EMS.

Pine County Mutual Aid Agreement – This was discussed at the MN Chiefs Association meeting February 20th. There has not been an Agreement in the County for several years. The language used in the document presented for approval is from the League of Minnesota Cities. The term of the Agreement is 5 years.

Pine County Preplanned Automatic Mutual Aid Agreement – This Agreement is made pursuant to Minnesota Statutes, Section 471.59 which authorizes the joint and cooperative exercise of powers common to contracting parties. The intent of this Agreement is to make equipment, personnel and other resources available to governmental units from other governmental units. The term of the Agreement is 5 years.

Mutual Aid Agreement with Mora – This document is similar to the Pine County Mutual Aid Agreement, but it allows for recovering costs after 8 hours. It also spans 10 years and is due to expire in April.

Spartz reported that the Insurance Services Office (ISO) representative is coming for an inspection on March 30th. The ladder truck will help improve the department's score. If the ISO number improves, some residential and commercial property insurance costs will decrease.

Spartz further reported that the Fire Department has applied for two FEMA grants to replace the airpacks (\$75,000) and to finish the tender project (\$200,000). There is a 5% local matching requirement. There is also a county-wide fire assistance grant application to replace the radios county wide.

Chief Spartz then asked about training events during the COVID-19 situation. Consensus of the Council was to continue training if the meetings involve 10 or less people.

**Motion Riley, second Gaede to approve the Pine County Mutual Aid Agreement, the Pine County Preplanned Automatic Mutual Aid Agreement, and the Mutual Aid Agreement with Mora. Motion carried 5-0.**

### Library Report – February, 2020

The Library closed yesterday until further notice; wi-fi is still accessible outside the door. Librarian Coffey attended a meeting with the EDA and the Community Housing Development Corporation regarding the ROCK as well as a meeting with representatives from the Library Board, OSAC and the Sandstone History and Art Center. There was some great input for space use at the ROCK. FCI Sandstone met with Coffey,

the Resource Librarian, the Director, and Assistant Director of East Central Regional Library for a half day training session. Two book clubs met and there were four story time sessions with a total of 34 kids attending. The Library staff served 1,365 patrons and answered 326 reference questions.

#### EDA Meeting – February 26, 2020

The business breakfast date was set. Pricing of the business park lots was discussed. An update was provided on the Day Care Center. The EDA agreed to cover some of the work that is being done in the John Wright Building for the Day Care Center; it will be considered a loan.

#### Rental Inspection Report – February, 2020

There are 15 open corrections orders and 11 non-registration citations (issued to two landlords). One landlord has been Court ordered to register his property within 60 days. A Court date is being scheduled for the properties owned by the second landlord. Due to COVID-19 concerns, communications will continue with the property owners regarding registration, code questions, etc. However, all inspections are being suspended unless an imminent life safety concern is present and will be evaluated in 30 days.

#### Building Inspection Report – February, 2020

The Serenity Court Assisted Living has paid their permit fee and intends to begin construction in April. There were two building and one maintenance permits issued in February. There are currently three on-going building projects and three on-going Right of Way projects.

#### Streets & Parks Supervisor Report – February, 2020

Snow was cleared and plowed as well as salt and salt spread as needed. The fall banners were taken down and new ones will need to be acquired soon. The new Christmas light decorations are being ordered. Garbage was collected around the City. The John Wright building is being readied for remodeling. What is not needed will be offered for sale on public auction. The 1986 Ford 8000 will also be offered for sale on public auction once the tires are changed out. The crew secured the door at the Rock but there are windows that need to be secured. There was a question regarding the selling of trailers being sold that were acquired when cleaning up properties. The City is required to keep the property for at least 60 days before said sale can take place.

#### PeopleService Report – February, 2020

There were two properties that had breaks in their water lines, that had to have their water turned off. George made note regarding the water usage by the FCI-Sandstone. There was also a service line broken on a property with a River Bluff address. Because of the River Bluff Project, there is a meeting to observe and discuss what is found that George and others will attend.

#### Financial Reports

The Council reviewed the Cash Balance, Revenue & Expenditure Report and the A/P Clerk Claims – February, 2020. There was a question on the antique street light that had to be replaced and whether insurance covered that.

**Motion Palmer, second Spartz to approve the Cash Balance, Revenue & Expenditure Report and pay claims for February. Motion carried 5-0.**

#### **WRITTEN NOTICES AND COMMUNICATIONS:**

The City received a thank-you note from East Central High School for the discussion held during a visit of a group of teachers to City Hall.

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

**Office Furniture**

- ❖ The Deputy Clerks have designed new, more efficient work stations
- ❖ Quotes were solicited
- ❖ We are moving forward with a purchase from Henricksen for \$10,953.23, which includes two mirroring work stations: desk, credenza with hutch storage, partition around desk with glass on top of the front, monitor arms and CPU mounts, two 3-drawer lateral cabinets with countertop
- ❖ The office area will also be painted
- ❖ We have budgeted \$20,000 for furniture/fixtures at City Hall

**Street Department – Crack Sealer**

- ❖ Hiler has received 2 quotes for new crack sealer equipment – the City does not currently own similar equipment
- ❖ Crack sealing is a maintenance item that helps to prolong the life of bituminous pavement
- ❖ Quotes are \$35,092.00 (LP system) or \$43,284.00 (Diesel system)
- ❖ We have \$148,688 available for equipment purchases

**Public Surplus Auction**

- ❖ 4 items recently sold on public auction
  - 16x8 trailer for \$26
  - 8x6 trailer for \$26
  - 8x6x6 enclosed trailer for \$51
  - Emergency/work truck light bar for \$5
- ❖ The 3 trailers were obtained through property clean up abatement; amounts collected will be applied to the property owners bill
- ❖ The minimum bid required for the skid-steer snow blower and sweeper attachments was not reached; these items will be offered again in the fall

**This Town Documentary – PBS North**

- ❖ Sandstone is one of the featured towns
- ❖ Check it out at [pbs.org](http://pbs.org) if you haven't seen it yet

**506 River Bluff Ave**

- ❖ Collapsed sewer service line about 10 feet from the sewer main on 5<sup>th</sup> Street
- ❖ Repair is scheduled for Thursday, March 19<sup>th</sup>
- ❖ Staff and the City Engineer will be on hand; the River Bluff Project contractor has been invited

**Pam Lewis – Ice Castle Dealership**

- ❖ Lewis is applying for an auto dealership license
- ❖ City Code allows for office, but not RV-type dealerships
- ❖ Lewis has agreed to display one unit and see how things go; if business takes off, she will relocate to another property

**Sandstone Lanes – Wine & Strong Beer License**

- ❖ Alcohol & Gambling investigator reviewed the site
- ❖ Upgrades to the kitchen are required in order to obtain the wine license

**Arrowhead Transit – Dial-a-Ride Meeting**

- ❖ 3 potential routes were explored

- ❖ Annual costs range from \$30,940 to \$34,580
- ❖ Participants will be surveyed regarding their choice of routes
- ❖ Group is discussing how to secure funds so that the route chosen can be run consistently for 2 years, letting people get used to it and, therefore, increase ridership

### **SCDP - Opportunity**

- ❖ We have a house in town that is in need of extensive work: roofing, siding, soffit/fascia, windows, doors, electrical, floor repair/covering, walls/ceiling repair, bathroom repairs, foundation/exterior wall repairs – estimated cost \$61,900
- ❖ The SCDP program will cover \$16,000 – this is the remaining balance available
- ❖ MHFA could provide up to \$27,000 – approval pending
- ❖ Balance \$18,900 – consider covering the expense and assessing it against the property and let it be paid out over 10 years?

The property is valued at \$31,500. Council Members were not opposed to the arrangement, which would leverage outside funds to fix up an existing house in town. They suggested setting up a fund that the City could use for cases such as this.

### **Department of Ag**

- ❖ They are looking at removal of trees on the Slama property to make soil sampling easier. George discussed the tire issue.

### **KREEC SITE**

The old dam/Turbine structure has been removed by Anderson Recycling.

### **Transformer and Electrical Pole**

MN Power has been asked by the Sandstone Health Care Center to remove the transformer and pole in the boulevard, as it will interfere with the new assisted living project.

### **ADJOURN**

**Motion Kester, second Riley to adjourn at 8:35 p.m. Motion carried 5-0.**

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Peter Spartz, Mayor

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Kathy George, Administrator