

Sandstone City Council Meeting Minutes
April 17, 2019

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Kester, Franklin, Spartz, Devlin and Palmer

Members absent: None

Staff present: Administrator George and Recording Secretary Nelson

Others present: Fire Chief Spartz, Firefighter Chaz Mann, Troy Haug

PLEDGE OF ALLEGIANCE:

Council, guests and staff recite pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

Motion Franklin, second Devlin to approve the agenda with the addition of Larry Volk as summer helper and moving the discussion regarding the John Wright Building to the end of the meeting.

Motion carried 5-0.

PETITIONS OR COMPLAINTS BY RESIDENTS AND/OR COUNCIL MEMBERS:

The potholes on Grant street are horrible.

PUBLIC HEARING: None

CONSENT AGENDA:

Motion Franklin, second Devlin to approve the following Consent Agenda items:

- **March 20, 2019 Regular Council meeting minutes**
- **April 9, 2019 Board of Appeal & Equalization meeting minutes**
- **Hiring Larry Volk as a summer helper.**

Motion carried 5-0.

OLD & CONTINUING BUSINESS:

John Wright Building

Motion Franklin, second Devlin to close the public meeting in accordance with M.S. 13D.05 subdivision 3. Motion carried 5-0.

The City has been considering the possibility of purchasing the John Wright Building from the County. An offer was presented to County Administrator David Minke. Minke has relayed a counter offer for consideration. Council directed Administrator George to negotiate further with the County.

Motion Franklin, second Spartz to open the public meeting. Motion carried 5-0.

NEW BUSINESS:

Historic Commission Discussion

Council Member Franklin has been taking a history class at the University of MN – Duluth. He talked to the Council about the process of creating a Historical Commission. Franklin discussed the Rock and trying to get historic recognition for it. He discussed his pursuit of a National Historical District designation.

There are 19 buildings built with sandstone from the City's quarry that are on the National Historical Register. The Administrator brought up the Minnesota Main Street program and believes it would be a great way to bring the business owners together.

League of MN Cities 2019 Annual Conference

The LMC Annual Conference is coming up June 26-28 in Duluth. Administrator George urged Council Members to attend, along with her. Early registration deadline is April 30th. Pricing options:

Regular Attendee: \$400 (\$450 after 4/30)

First-Time Attendee: \$150 (\$450 after 4/30)

Lodging would not be necessary – attendees could carpool back and forth. Councilors will check their schedules and get back to the Administrator by the April 26th.

Motion Franklin, second Devlin to approve attendance of Council Members and the Administrator at the LMC Annual Conference June 26-28 in Duluth. Motion carried 5-0.

City Hall and Fire Hall Improvements Project

Staff has been working with LHB Engineers to design a project to replace the current boiler system and for various improvements at the Fire Hall. There have been items added to the “base” projects. The current project scope is outline below.

City Hall:

- replace boiler
- new gas line/connections
- replace ceiling tile as necessary; salvage as much as possible
- demolish chimney & cap off
- new rooftop HVAC units
- demolish heating water piping; abandon in place portions under slab
- demolish fin tube radiation
- replace VAV terminal unit & controls (zone control)
- replace water heater
- new duct work, tubing, and associated items
- remove existing overhead electric service lines
- extra costs are anticipated from the electric company for moving the lines
- Alternate Work: Library – in floor heat & new ceiling tile

Fire Hall:

- enlarge middle garage door for new ladder truck
- replace 6 pedestrian doors
- replace 6 windows
- demo and replace sidewalk on south side of building
- add new metal coping
- add new canopy/soffit/brackets
- repoint open joints in walls
- install air barrier, insulation and siding at various locations
- power wash & coat remaining exterior wall surfaces
- replace heating ductwork with cooling coil; new ductwork and makeup air unit
- new thermostat
- new concrete equipment pad
- new compressed air system
- new CO/NO system
- keyless entry system
- Alternate Work: the canopy was bid as an alternate

If the alternate bids are not approved, Haug Construction is the apparent low bidder at \$774,000. If either one or both of the alternates are approved, Riihiluoma is the low bidder. Administrator George believes the bid for the work at City Hall is too high and she would not recommend the City proceed with the City Hall boiler project for these numbers. The bid documents did not allow for the City to proceed with one project and not the other. Additionally, with the range of bids, it appears that the contractors are perhaps more comfortable with one project but not the other. After reviewing this information with the City Attorney and with Engineer Mike Fischer, George believes it best to reject all bids and to rebid the projects separately.

The City has been working with Mike Bubany of David Drown & Associates on financing these projects. The City has been pursuing a MIDI Loan through MN Rural Water Association. Bubany provided the details for funding both projects based on the bids received. In short, the annual debt service payment would be about \$45,000 for the City Hall project and about \$43,000 for the Fire Hall project. However, George is hoping that the City will receive more palatable bids if the projects are separated. No matter which of the projects are ultimately decided on, a public hearing will be necessary for the MIDI Loan process. If the public hearing is held and the Council decides not to proceed, nothing will have been lost and time will not have been wasted.

The Council asked about the timing of the project if the bids are pushed out. George stated that the best case scenario would be that the projects are bid out next week, with bid opening on May 10th. Then the Council would make a decision at the May 15th Council Meeting. Alternatively, a Special Council Meeting could be called if needed.

Troy Haug with Haug Construction relayed his reactions to the bidding process. He felt that there is room in the specifications for cost reducing measures.

Motion Palmer, second Spartz to approve the staff recommendation of rejecting all the bids, to authorize LHB to rebid the projects separately, to adopt Resolution 20190419-02 Calling for a Public Hearing and to authorize staff to submit a loan application to MN Rural Water Association. Motion carried 5-0.

REPORTS:

Sheriff's Deputy Report – March 2019

The Council discussed the report on the activity for March. There is a hearing regarding 422 Court Ave on April 24 that Administrator George plans to attend.

Fire Department Report – March 2019

Firefighter Chaz Mann gave the report. The Department had 9 calls during March; 2 false alarms, 5 medical assists, 1 motor vehicle accident, and 1 vehicle fire. Councilors asked about power lines that had come down due to high winds. The Department provided scene security.

Training on the new ladder truck began on Monday. A firefighter from St. Cloud who had been a crew member on the truck helped with the training.

The sign out front of the fire hall that advertised the need of volunteers rotted and has been torn down. The firefighters are discussing options. Administrator George brought up the possibility of having a digital display sign that could also have community messages on it.

Library Report – March 2019

Librarian Coffey reported that there were 35 participants for the winter Hot Reads program. The Garden Club held a panel discussion at the Library, which was very much appreciated. There were 22 participants

between the two book clubs. 34 children attended three sessions of story time. The library staff answered 273 reference questions and the Library had 1,520 patron visits in March.

EDA Meetings – March 19, 2019 and March 27, 2019

The EDA met on March 19 to discuss the rail layout plan. The conceptual plan which depicts three potential building sites has been approved by BNSF. The Northspan Group will do some research to help the EDA determine what the potential need for rail is in the area.

The regular EDA meeting was on March 27. The EDA met with Steve Michel regarding his proposal to market the Wild River Townhomes property for sale. The EDA also met with representatives from Minnesota Housing Partnership regarding Technical / Capacity Building Assistance for redevelopment of The Rock. The EDA also created a new revolving loan program, continued to discuss an ordinance regulating Mobile Food Units, approved providing Habitat for Humanity with two of the tax-forfeited lots for redevelopment, and approved a proposal from The Northspan Group with some modifications.

Park & Rec Commission Meeting – April 12, 2019

The Park Commission has been trying to work with the DNR regarding the dam remnants located in Robinson Park which are a safety hazard. A member of the DNR attended the meeting and has begun the process of looking in to it.

There is a bill in the legislature which includes renaming the St. Croix State Park. The County Board passed a resolution asking the language be removed from the bill, allowing for a public comment process. The Park Commission approved a similar resolution and recommends the City Council approve Resolution 20190417-01.

The Park Commission is also planning the Arts in the Park events, which will take place on Tuesdays in June at Train Park. They set May 18 for Spring cleanup in the parks. They are considering a request from the MN Climbers Association to move the Hydrant Shed and to bring electricity to the shed. They finished discussing the 2020 Park Fund Budget. And they discussed needed improvements to the chalet at Lions Hill.

The Commission also recommends the City Council approve the Special Event Permit Application for the Farmers Market. It was noted that the Park Commission has decided to fund a stationary port-a-potty in Train Park from June through October, rather than having one delivered each week specifically for the Farmers Market. They also decided to provide a budget of \$150 for advertising for the Farmers Market this year; however, they will no longer offer that service going forward. This spurred discussion about the Flea Market that has been taking place by the Fire Hall. The City has been providing a port-a-potty for this event also. At this point, Administrator George stated that the City has not been approached for a Special Event Permit for the Flea Market.

Administrator George reported that she has asked the group looking at the KREEC site to consider motorized uses. There will be a stake holders meeting on Monday, April 22 at 4 p.m. Representatives from the DNR, the County, and the snowmobile club have been invited, as well as Council Members and Park Commission Members.

George reported that the DNR is holding a meeting on April 30th, 9:00 a.m. to talk about DNR priorities in the region. She is planning to attend.

Motion Palmer, second Spartz to approve Resolution 20190417-01 asking the legislature to remove the renaming of St Croix State Park from their bill to allow for a public process. Motion carried 5-0.

Motion Franklin, second Palmer to approve the special event permit for the Farmer's Market at Train Park July 13th through October 26th. Motion carried 5-0.

Rental Inspection Report – March, 2019

As of March, there are 283 total unit registrations. Nine units are in non-compliance. Twenty-nine properties were sent letters about non-compliance regarding registration. As of April 12, sixteen properties have still not registered and the City has asked for citations to be issued to them. The Council would like more information on the monthly report regarding the non-compliance issues.

Building Inspection Report – March, 2019

Six building permits were issued in March, along with two right-of-way permits. Administrator George asked staff to make sure the inspector is aware of the new heater at the Lion's Hill Chalet.

Streets & Parks Supervisor Report – March, 2019

There was a great deal of snow removal in the month of March. A leak in the roof at City Hall was repaired. The City is replacing the pothole patch trailer, which will cost about \$18,000. Councilors asked about street sweeping, which will take place soon. Administrator George asked the Streets & Parks staff to check on the debris at the Birch St. house, which was burned down by the Fire Department for training. The ground is too soft to get in there and clean up the site; however, staff will put up snowfencing for the time being. Mike Johnson may be needed in order to remove the concrete foundation.

PeopleService Report – March, 2019

Staff addressed several frozen water lines during the month. Administrator George approved the replacement of a manhole on Aspen Street for a cost of \$8,000. The manhole is shot and there were several attempts to patch / fix it in the past. Visu-Sewer televised a sewer line on State Highway 123 that had previously been reported as "unknown" whether it was in service or not. Visu-Sewer marked out all of the services on the line and they believe the line is in use. Councilors questioned the amount of water that was pumped during March. George stated it is likely the result of people running their water to avoid frozen lines. It was also noted that the amount of wastewater pumped is more than double the amount of water pumped. This is likely due to the prison, which pumps directly into the City's sewer system but they are not on City water.

Financial Reports

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

Motion Franklin, second Palmer to accept the March Financial Reports and to approve A/P Clerk Claims for March. Motion carried 5-0.

WRITTEN NOTICES AND COMMUNICATIONS:

Pine County Certified Tax Capacity Extension Rates Payable 2019

2019 Payable Certified Taxable Market

2019 Payable Certified Net Tax Capacity Values

2019 Payable Certified School District Net Tax Capacity, Taxable Market Value, Referendum Market Value

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

CW Technology – Upgrades needed: In 2020, Microsoft will no longer support Server 2008 – this means that the server needs to be replaced by the end of the year. Also in 2020, Microsoft will no longer support Windows 2007 – this means that 5 workstations need to be replaced by the end of the year (unless Microsoft comes out with a support package – but so far, nothing has come down the line). Quotes are being received and the Administrator hopes to have more information in the next 2 weeks.

Pine County Transportation Advisory Commission – March 28th: Staff are looking at ways to utilize Arrowhead Transit in Sandstone. The City could purchase vouchers and let residents use them – first come/first served; this would help determine the need/demand for services. Councilors reported that when ride services were offered in the past, it was underutilized. Councilor Palmer agreed to work with the Administrator to research possibilities.

Petition for Union Unit Clarification regarding the Streets & Parks Supervisor position: The hearing was held on April 10th; briefs from both sides are due in 30 days; then we wait for Mediator’s decision.

Quarry Days Meeting – April 16th: Jodi Irlbeck, Cassie Petersen & Rose Spencer are heading the planning efforts. Plans are coming along well. The next meeting is May 13th. The owners of the 61 Motel would like to have their open house during Quarry Days as well.

ADJOURN

Motion Franklin, second Devlin to adjourn at 7:58 p.m. Motion carried 5-0.

Peter Spartz, Mayor

Kathy George, Administrator