

**Sandstone City Council Meeting Minutes
November 15, 2017**

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: SEH Engineer Greg Anderson

PLEDGE OF ALLEGIANCE:

Council, guests and staff recite pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

Motion Franklin, second Kester to approve the agenda with the addition of Old Government Road washout to New Business. Motion carried 5-0.

SPECIAL ITEMS OF BUSINESS: none

PETITIONS OR COMPLAINTS BY RESIDENTS AND/OR COUNCIL MEMBERS:

The Lundorff Road bridge was slippery with the freezing temps.

PUBLIC HEARING:

Assessments for Unpaid Charges

A notice has been published in the Pine County Press.

The public hearing was opened at 6:05 p.m.

Motion Devlin, second Franklin to close the public hearings at 7:30. Motion carried 5-0.

Motion Franklin, second Devlin to adopt Resolution 20171115-02 – Assessment for Unpaid Charges to parcels 45.5224.000, 45.5358.000, 45.5351.000 and 45.5358.00 totaling \$497.36. Motion carried 5-0.

Assessment for Unpaid Utility Bills

A notice has been published in the Pine County Press.

The public hearing was opened at 6:07 p.m.

Motion Devlin, second Palmer to adopt Resolution 20171115-03 – Assessment for Unpaid Utility Bills totaling \$6,536.67. Motion carried 5-0.

CONSENT AGENDA:

Motion Franklin, second Palmer to accept the November 1, 2017 Regular Council Meeting minutes.

Motion carried 5-0.

OLD & CONTINUING BUSINESS:

SCDP – Contract with Lakes and Pines

Lakes and Pines is the agency that is administering the City's Small Cities Development Grant. The program allows for compensation for administration purposes. The City has been awarded \$588,800 in grant funds to be used in owner occupied housing rehab, commercial rehab and general administration.

The proposed contract is a “not to exceed” amount of \$102,800 which is comprised of \$76,000 for Lakes and Pines and \$26,000 in-kind services from the City.

Motion Palmer, second Franklin to approve the proposed contract with Lakes and Pines. Motion carried 5-0.

Midwest Properties of Sandstone, LLC – Release of Letter of Credit

The City is holding a Letter of Credit on the Golden Horizons project in the amount of \$125,000. The last item to clear is the storm water retention pond. SEH Engineer Greg Anderson inspected the pond earlier this fall and is comfortable with releasing the Letter of Credit.

Motion Devlin, second Palmer to approve releasing the Midwest Properties of Sandstone, LLC letter of credit. Motion carried 5-0.

Greg Anderson, SEH Updates

Anderson discussed Lundorff Drive. Repairs were made yesterday. The EDA can only make one final draw on the grant. That draw cannot be made until final payment is made to the contractor.

MN DOT Wage Decision

A letter was received from the Minnesota Department of Transportation outlining restitution owed to 21 employees due to the project being funded with state funds rather than federal funds and therefore being subject to the State Highway and Heavy wage decision for region 1. The increased amount of \$5,415.10 will be presented to the Council as a Change Order in the future.

River Bluff Project – Neighborhood Meeting

One of the three projects that the City plans to do next year is the River Bluff project. The survey will be done this next week. Anderson can come back to a council the second meeting in January with plans. This will give the citizens a good idea of what is being done and allow them an opportunity to provide input regarding the design details. The staff investigated the City’s previous procedures regarding assessing work such as this.

2018 Water Extension Projects

Anderson brought information on the 569 Grant Program through the Corp of Engineers which is for city water and sewer improvements. Pine City is participating now and Anderson talked to the person who oversees the program. The application is short and the percentage can be significant (Pine City is receiving 75% of their project costs). The Corp of Engineers will be taking applications for the 2019 fiscal year soon. Anderson and the administrator will work together to submit an application as soon as possible.

NEW BUSINESS:

City Hall Roof

Due to a roof leak, the ceiling in the DMV office, CIP office and CIP break room has been damaged. Several contractors and been engaged for repair and cleanup. Bids have been obtained for a complete reroof versus a repair. The Administrator has compared the materials that each company would be using for the new roof as well as the possible start dates and warranties. The interior work, which is covered by insurance, cannot be started until the exterior is finished. Bids received were as follows:

Contractor	Entire Roof	Repair Only	Options	Timeline
Twin Construction, LLC – Princeton, MN	60 mil PVC Roof \$39,800.00 using existing flashing	\$11,875.00	With new sheet metal flashing: \$42,700.00	Immediately
Miller’s Roofing & Siding – Pine City, MN	Rubber Roof \$48,300.00 includes new flashing	\$17,345.00		Spring
All Elements, Inc. – Monticello, MN	Duro-Last 50 mil Roof \$31,716.00 using existing flashing	\$28,932.00		January

The Administrator recommends Twin Construction doing the whole roof using the current flashing for the “not to exceed” amount of \$39,800.00. The money would come from the capital improvement fund which has about \$30,000 for City buildings, plus any insurance reimbursement. The suggestion was made to use the rental income derived from the various offices to help fund the building repair fund in the future.

Motion Franklin, second Devlin to approve the bid from Twin Construction to replace the roofing material for \$39,800.00. Motion carried 5-0.

Resolution 20171115-01 Supporting Local Decision Making Authority

The League of MN Cities (LMC) has been encouraging cities to pass a resolution supporting local decision making authority. Several bills were introduced in the 2017 legislative session that undermine Minnesota’s city-state partnership such as constraining local law enforcement authority, restricting cities’ ability to set ordinances, allowing certain businesses unfettered access to public rights of way, and restricting cities’ ability to set fee structures. If passed, the resolution will be sent to the local legislators and the LMC.

Motion Palmer, second Spartz to approve Resolution 20171115-01 – Supporting local decision making authority. Motion carried 5-0.

Special Event Permit Application – Boy Scout Troop 3327

Troop 3327 from Waconia, MN plan to camp at Robinson Park July 13-15, 2018 and go white water rafting. The Park Commission considered the request and is in favor of the plan with some restrictions regarding fires, not cutting trees for fires, and parking.

Motion Franklin, second Devlin to approve the Special Event Permit Application with the aforementioned stipulations. Motion carried 5-0.

Assessment for Sanitary Sewer Connection Charges – 111 Commercial Ave. S

The City received a Petition and Waiver Agreement from Jack Antolik and Marianne Morrell (Antolik) because their sewer connection line had collapsed. The project was completed by MPJ Enterprises, LLC and totaled \$4,450.00. The proposed term of the assessment is 10 years, at 6.5% interest – which is 2% over prime. The owners have been kept apprised of the work and the associated costs. There is a neighboring property with work being done that will not be closed out until next spring.

Motion Devlin, second Franklin to approve Resolution 20171115-04 – assessing the owners of 111 Commercial Ave. S with the costs of sewer repair with it being paid over a 10-year period with 6.5% interest. Motion carried 5-0.

Timber Sale Contract

Approximately 10 years ago, the City had logging and replanting work done on the Kettle River Environmental Education Center (KREEC) property. The Council recently suggested taking a look at

additional opportunities for logging. Staff met with Forester Eric Eggen who created a Forest Management Plan for KREEC in 2016. Any work will not take place until spring. The Administrator brought up the fact that the KREEC has trails through it and an uncompleted bridge. With the natural beauty of the area, it would not prove too difficult to promote it for ATV's and hiking. There were comments regarding whether other companies should have had the chance to bid. The administrator was directed to keep the Park & Rec Commission informed of the project.

Motion Spartz, second Devlin to approve the proposed Timber Sale Contract with Erik Eggen of Timberlane Forestry for the estimated value of \$19,100.00. Motion carried 5-0.

Old Government Road Washout

The apron of the culvert has come off and the water has washed away the edge of the road. The City does not have a road maintenance agreement with the township in this area so the repair of this washout will be the City's responsibility. There was discussion regarding the lack of ditches to funnel the water off the road. MPJ Enterprises, LLC had a look at it and submitted an estimate for \$3,767.00 and it might be able to be done next week.

Motion Franklin, second to Devlin to approve the estimate from MPJ Enterprises, LLC for repair of Old Government Road. Motion carried 5-0. Staff was further directed to get a cost for MPJ to create the necessary and appropriate ditches for this stretch of road. The money for this project can come from the City's Stormwater Fund.

REPORTS

Library Report – October

Librarian Jeanne Coffey put together a report detailing October activity in the Sandstone library including the visitors (1,642), story times, book clubs, silent auction, and the annual staff training day. The Friends of the Library are working on raising funds for a new reference desk.

Planning Commission Meeting – November 8th

The Administrator reported on the joint meeting between the Planning Commission members and the City Council members to review and discuss the draft Comprehensive Plan. The council thanked Essentia for hosting the meeting due to the roof damage at City Hall. The Administrator asked that the Draft Comp Plan be discussed at the November 20th Council Work Session.

Heliport Ordinance – Public Hearing Continued to December 13

Essentia Health petitioned the City to adopt a heliport ordinance. The City is not required to adopt an ordinance; however, the hospital's license for the heliport is conditioned upon certain licensing standards which do include lack of obstructions and other issues related to the land surrounding the heliport. Unfortunately, the draft ordinance was not available for the November public hearing; therefore, the hearing has been continued to December 13th.

Interim Ordinance – Moratorium on Adult Establishments

The planning commission recommended that the council approve the ordinance.

Motion Palmer, second Franklin to adopt the proposed Interim Ordinance – 20171115-01 establishing a moratorium on adult establishments in all zoning districts for one year. Motion carried 5-0.

Motion Franklin, second Palmer to approve Ordinance 20171115-02 allowing for summary publication of the ordinance.

Rescind City Code 610 – Premises Conducive to High Risk Sexual Conduct

The Administrator reported that this section of City Code seems to be unnecessary. The Planning Commission reviewed City Code 610 at the October 11th meeting and directed staff to have the section reviewed by the City Attorney and pursue the process of rescinding it. The City Attorney has reviewed the code and agrees that it is not necessary and can be rescinded. Rescinding an ordinance requires a public hearing which was held November 8th. There were no comments from the public received at the public hearing.

Motion Palmer, second Kester to adopt the proposed Ordinance 20171115-03 Rescinding City Code Section 610 Premises Conducive to High Risk Sexual Conduct. Motion carried 5-0.

The Planning Commission is considering a chicken ordinance. They were presented with a draft and factors that they will take up at the next Planning Commission Meeting.

Park & Rec Commission – November 9th Meetings

New Commission Member Eric Sturtz

The Park & Rec Commission recommended that the Council appoint Eric Sturtz to the Commission. With this appointment, the Commission will have a full slate of members.

Motion Franklin, second Devlin to approve Eric Sturtz for appointment to the Park and Rec Commission. Motion carried 5-0.

Chamber Request – Santa at Lions’ Hill

Rose Spencer, Executive Director of the Sandstone Area Chamber of Commerce, has requested the use of the warming house at Lions’ Hill on Saturday, December 2 from 1-3 p.m. They would like to have Santa there handing out candy and providing photo opportunities.

Motion Franklin, second Palmer to approve the Chamber of Commerce request to use the warming house on Saturday, December 2 from 1-3 p.m. Motion carried 5-0.

The Park & Rec Commission is working on the Legacy grant that had previously been submitted and turned down. The Commission is focusing more on playground, bridging into the lower part of the park and the sewer and water work that needs to be done. Applications are due in July.

Special Council Meeting – November 15th Meeting

City Administrator Performance Evaluation

Spartz reported on the Administrator’s performance review in which it was noted that her work exceeds expectations.

PeopleService, Inc. – September Report

Motion Spartz, second Franklin to accept the September People Service, Inc. report. Motion carried 5-0.

Financial Reports

Motion Devlin, second Palmer to accept and pay A/P Clerk Claims. Motion carried 4-1 with Devlin dissenting.

WRITTEN NOTICES AND COMMUNICATIONS: none

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

Steve Brown – Sandstone History & Art Centre Assessment

Mailed letter/bill to Red Wing address. It was returned indicating a forwarding address and so the bill was resent.

Pine County Historical Society – County Contribution

The Council had brought up the question as to how much Pine County contributes to the Historical Society and it is \$20,000 for 2017 and 2018.

Digital Display Speed Signs

They arrived today and the crew will get to work putting them up next week.

Old Military Road/Airport Road – Change Order

When the Council was closing the project out at the last meeting, it was noted that there was a change order that increased the final project cost by almost \$10,000. The administrator contacted Engineer Greg Anderson and it was determined that there was no formal change order – it was approved by the previous administrator. It was communicated that going forward, formal change orders will be used.

East Central Regional Development Commission

There is an opening on the Revolving Loan Fund Board. The members must reside and/or be employee in Pine County. If anyone is interested, contact the City.

East Central Housing Organization (ECHO) – November 2

Attended with Leah Jackson and Val Palmer and brought up the possibility of using the old elementary school as a housing project. The advantage of these meetings is that it exposes our ideas to other entities that might be interested in participating.

Sandstone Township Meeting – November 2

The administrator attended and discussed the annexation of three parcels. There are four pieces of land that lie along the industrial park boundaries. The fourth one, however, is part of a 92-acre parcel on the other side of the highway which the City is not pursuing. The Township is reviewing the City's request with their attorney.

Law Enforcement Meeting – November 9

Pete Spartz, Tim Franklin and the administrator attended this meeting. The council encouraged the officers to be more visible in the community during the day time. They also discussed the location of additional cameras downtown.

History Center Meeting – November 13

The administrator informed them about the Council's ideas regarding the old elementary school and they are excited about that.

Old Highway 61 Meeting – November 15

The City has received their Old Hwy 61 sign. The committee is discussing a brochure with a map for mass marketing efforts.

NLX Meeting – November 15

Sandstone is one of two possible locations for a maintenance facility or a layover station. Originally, Sandstone was not under consideration. It was a presentation done by a former administrator – Sam Griffin that caused them change their minds. The administrator asked the MN DOT representative how the final decisions would be made and was informed that most likely it will come down to politics. She matched MN DOT up with the Northspan Group representatives so they could put some marketing/lobbying materials together to convey to legislative members. The administrator was invited to be on the Technical Advisory Committee.

CGMC Conference – November 16 & 17

The administrator will attend this meeting.

ADJOURN

Motion Franklin, second Devlin to adjourn at 7:45 p.m. Motion carried 5-0.

Peter Spartz, Mayor

Kathy George, Administrator