

**Sandstone City Council Meeting Minutes
January 3, 2018**

CALL TO ORDER: 6:00 p.m.

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

Members absent: none

Staff present: Administrator George

Others present: Deputy Workman, Deputy M. Anderson

PLEDGE OF ALLEGIANCE:

Council, guests and staff recite pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

Motion Devlin, second Franklin, to approve the agenda with the addition of Sheriff's Deputy Report.

Motion carried 5-0.

SPECIAL ITEMS OF BUSINESS:

Sheriff's Deputy Report

Deputy Workman and Deputy Anderson were present to report on December activity, noting that it was a busy and cold month. Call summary included 12 suspicious activity, 7 disturbances, 12 alarm calls, 5 thefts, 1 assault, 1 domestic. There was 4-5 pages of calls, including civil matters.

Workman asked about the City Ordinance for snowmobiles and ATVs. Council Members stated that there are travel paths that are to be followed in and out of town. The Administrator will provide the deputies with the ordinance and map of travel paths.

Anderson reported on an incident at Arlen Kranz Ford where he was able to follow fresh tracks in the snow to find a person hiding in the back of one of the pickup trucks. The person was issued a citation.

The deputies have been watching an increase in foot and vehicle traffic at the laundromat. The owner of the business asked the deputies to kick people out if they are not actually doing laundry.

Approximately \$200-worth of items were stolen from the Family Dollar store; three parties were arrested.

Recently, a suspect was arrested and a lot of mail was found inside his vehicle; officers are investigating the matter further to see if it is related to previous thefts that occurred at the City's drop box, the Sandstone Post Office, and the Askov Post Office.

The Deputies have been giving out warning tickets for winter parking violations; they have noticed that people are moving their vehicles after receiving the warning. If a vehicle is not moved, Workman stated that he will notify the City because the Sheriff's Department does not tow; the City will have to do that.

Council Members asked the Deputies to check on semi trucks that are parking on 123 in front of Family Dollar to unload. This practice is causing a safety concern, creating a visual hazard.

PETITIONS OR COMPLAINTS BY RESIDENTS AND/OR COUNCIL MEMBERS:

Council Members have heard from hockey enthusiasts who are happy to see the hockey rink getting flooded. They also noticed that the street lights downtown are all in working order.

PUBLIC HEARING: None

CONSENT AGENDA:

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

- a. **Approval of Meeting Minutes: December 20, 2017**
- b. **Adopt Resolution 20180103-01 – Designate official polling place**
- c. **Adopt Resolution 20180103-02 – Designate official depositories**
- d. **Designate City Council meeting dates for 2018**
- e. **Designate City pound**
- f. **Designate Building Official to administer Building Code**
- g. **Appoint Administrator as GPS 45:93, NLX, ECHO, and Old Hwy. 61 representative**

Motion carried 5-0.

Motion Palmer, second Devlin, to designate the official newspaper as the *Pine County Courier*. Motion passed 4-0, with Franklin abstaining because he is the owner of the newspaper.

Mayor Spartz asked for discussion about the content of the minutes that are published in the newspaper. Currently, just the motions are published – no discussion or additional details. There is a statement that the complete document is available at City Hall. Staff will add a statement that they are also available on the City’s website.

OLD & CONTINUING BUSINESS: None

NEW BUSINESS:

Appoint or Affirm Board, Commission, Committee Members for 2018

The Council reviewed the list of current members on various Boards, Commissions & Committees.

Motion by Franklin, second by Devlin, to reappoint Andrew Spartz to the Planning Commission for a 3-year term and Council Member Phillip Kester as Deputy Mayor for 2018. Motion passed 5-0.

The Council discussed whether or not some of the committees that have been established over the years are still necessary. After discussion, **motion by Franklin, second by Palmer, to dissolve the following committees:**

- * **Development Committee**
 - Community Development Advisory Commission**
- * **Kettle River Center Advisory Board**
- * **Golf Course Advisory Board**
- * **Community Festival Advisory Commission**
- * **Intergovernmental Committee**
- * **Rail Committee**
- * **Wild River**
- * **Loan**

Motion passed 4-0, with Devlin opposed stating that he would like to see some oversight through the “Loan Committee” of the recent City practice to perform sewer or water connection work for property owners and then assess the costs onto their property taxes. This practice will be addressed in the Special Assessment Policy that the Administrator is working on.

The following existing appointments were affirmed:

Economic Development Authority

Phillip Kester, President
Val Palmer, Vice-President
Peter Spartz, Treasurer
Brandon Devlin
Tim Franklin
Brian Warner
Kris LaBounty
Kathy George, Executive Director
Kara Nelson, Recording Secretary

Planning Commission

Randy Riley, Chair
Rene Stadin, Vice-Chair
Reese Frederickson
Andrew Spartz
Steve Palmer
Cassie Gaede
Cassandra Linder
Peter Spartz, Council Liaison

Park & Rec Advisory Commission

Dave Barsness, Chair
Dorothy Dybvig
Mary Franklin
Karry White
Tony Vavricka
Eric Sturtz
VACANCY
Tim Franklin, Council Liaison

Fee Dispute Resolution Committee

Tim Franklin
Eric Spartz

Finance Committee

Val Palmer
Peter Spartz

Library Board

Peter Spartz, Council liaison

Fire & Rescue Committee

Peter Spartz
Brandon Devlin

Negotiation Committee

Peter Spartz
Brandon Devlin

Personnel Committee

Peter Spartz
Phillip Kester

Rental Appeal Board

Val Palmer

Consider Resolution 20180103-03 – Adopt 2018 Fee Schedule

The Council reviewed the Fee Schedule with the Administrator. The proposed 2018 Fee Schedule has been updated to include various fees that are established in City Codes but were not previously listed on the Fee Schedule. Through the review process, the following changes were made:

- (1) City Code Section 1160.13 – Lawful Gambling – Contributions to City can be rescinded.
- (2) Late Payment Fee was changed from 12% to 10%, which is what is stated in City Code.
- (3) The Park & Rec Advisory Commission will be asked to consider adding a section in City Code to regulate Commercial Use of all City Parks, not just Robinson Park.
- (4) City Code Section 911.03, Subd 2 – Animal Control - Dog Registration Required, can be rescinded.
- (5) Staff will follow up to see if the City still issues Burning Permits or if this is only done by the DNR now.
- (6) The Water Rate per Gallon is increasing from 5.30 to 5.35/1000 gallons.

- (7) The Water Base Fee is increasing from 13.63 to 14.13.
- (8) The Sewer Rate per Gallon is increasing from 4.15 to 4.30/1000 gallons.

Motion Franklin, second Spartz, to approve the 2018 Fee Schedule as recommended by Staff with the noted additional changes. Motion passed 5-0.

Northern Lights Express (NLX) Alliance – Request for Participation

The City has been involved with the Northern Lights Express (NLX) Alliance for a number of years. In 2017, the City included \$1,500 for the NLX in the EDA budget. This line item is also included in the 2018 EDA budget.

The City received a letter from the Alliance requesting financial support. In exchange for the \$1,500 amount, the City would earn a voting position on the Alliance’s Technical Advisory Committee. This committee meets monthly and advises the Alliance Board on specific issues, working on various projects and tasks as assigned by the Board.

Motion Spartz, second Palmer, to approve the payment of \$1,500 to the NLX Alliance from the EDA budget as requested. Motion passed 4-0 with Devlin opposed.

Proposed Staff Changes

Assistant Deputy Clerk Tesla Chester has resigned her position. Her last day was Friday, December 29th. The main duties of the Assistant Deputy Clerk include processing the mail, filing, answering the phone, accounts receivable/accounts payable, Fire Formula billing, Rental Inspection documentation.

The City Administrator proposed the following:

- (1) Eliminate the Assistant Deputy Clerk position
- (2) Change the Utility Billing position to Deputy Clerk / Utility Billing
- (3) Increase the base pay of the Deputy Clerk and Deputy Clerk / Utility Billing positions to \$22.00/hour
 - * The current base pay for the Deputy Clerk is \$20.72/hour
 - * The current base pay for the Utility Billing Clerk is \$17.54/hour
- (4) Eliminate the “Tech Hours” in the budget
- (5) The Assistant Deputy Clerk duties would be absorbed by the two Deputy Clerks
- (6) Move the Deputy Clerk / Utility Billing desk to the front office
- (7) The two Deputy Clerks would work in tandem – covering for each other, backing each other up, cross training on their respective duties

The effect of this change increases the 2018 payroll expense by \$1,201; however, the Administrator stated that she is comfortable with that increase and feels that there is some “wobble room” in the budget.

Council Members questioned which Deputy Clerk would be the back up when the City Administrator is absent. The Administrator stated that they would both work together to handle whatever situation arises. They questioned how these changes affect the Union contract. The Administrator will communicate with the Union representative. There was discussion about how these changes might affect the Pay Equity Report that is due every three years. The Administrator stated that Pay Equity is concerned with measuring differences between male-dominated positions and female-dominated positions to ensure that female-dominated positions are not disadvantaged.

Motion Palmer, second Devlin, to approve the City Administrator’s proposal as presented. Motion passed 5-0.

Consider Ordinance 20180103-01 Rescinding City Code 620 Steam Baths; Public Restrooms

The Administrator recommended rescinding City Code 620 because it is obsolete and no longer relevant. The Code addresses construction requirements, ventilation, sanitation, materials, plumbing, gas and electrical installation, maintenance of facilities, health and disease control, personal cleanliness, linens, and requires such establishments to be licensed. Most of these items are all addressed in the Building Codes.

Motion Franklin, second Palmer, to adopt Ordinance 20180103-01 Rescinding City Code 620 Steam Baths; Public Restrooms. Motion passed 5-0.

REPORTS:

EDA – December 27, 2017 Meeting

The EDA recommends the City Council appoint Kris LaBounty of Members Co-Operative Credit Union to fill the vacant seat. **Motion Palmer, second Franklin, to appoint LaBounty to the EDA. Motion passed 5-0.**

The EDA also:

- (1) approved two Purchase Agreements with Sandstone Development LLC for two lots at the Industrial Park. This approval starts a 90-day due diligence period, after which the EDA will hold a Public Hearing;
- (2) created a Task Force to look into options for attracting visitors to Sandstone during the 2018 MN Governor’s Deer Hunting Opener that will take place in the Hinckley area;
- (3) approved a proposal from Community Partners Research for a Housing Study at a cost of \$10,900;
- (4) authorized an EDA Business Breakfast, which will take place in March or April;
- (5) received updates on various issues: childcare, NLX, the Ford Dealership, etc.

PeopleService, Inc.

November reports were provided. The City also received a proposed rate increase for the 2018 Contract. In accordance with the contract, the maintenance/repair expenditure amount and monthly compensation are to be adjusted each year, January 1st, based on the change in the Consumer Price Index for All Urban Consumers.

Effective January 1, 2018, the following changes will occur:

- (1) Increase the annual maintenance/repair expenditure amount from \$9,736 to \$9,950 (a 2.2% increase) – this amount is included in the overall contract price, it merely sets aside this amount for maintenance/repair expenditures. If the operator exceeds this amount, the City has to reimburse PeopleService. Any unused monies will be refunded to the City.
- (2) Increase the monthly compensation from \$9,581 to \$9,792 (a 2.2% increase). This equates to an annual amount of \$117,504, plus meter reads which are currently at \$6,258.24, for a total of \$123,762.24. The 2018 budget allows for a total of \$129,650.

Motion Franklin, second Devlin, to authorize the Mayor to sign the acknowledgement. Motion passed 5-0.

Financial Reports

The Council reviewed the Vendor Approval Summary Report – December 20, 2017 (Paid Claims) and the A/P Clerk Claims – December 21, 2017 through January 3, 2018 (Unpaid Claims). **Motion Devlin, second Palmer, to approve payment of claims as presented. Motion passed 5-0.**

WRITTEN NOTICES AND COMMUNICATIONS: The Council received an invitation to the Pine County Local Government Officials Meeting that will take place on January 30th at the Pine County Government Center. Pine County Sheriff Jeff Nelson and Pine County Attorney Reese Frederickson will be speaking on public safety.

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

Hockey Rink – The Fire Department and volunteers worked on flooding the rink on December 30th, laying out the new liner. The Fire Department will continue with flooding. A 12-foot gash/tear was discovered in the liner as it was unrolled. The Administrator will contact the vendor.

Lions Hill Skating Rink – The Fire Department has been working on flooding this rink as well. No applications have been received for Warming House Attendant. Council Members authorized the Administrator to work with a local civic organization that might be interested in covering the hours in exchange for a donation to their organization.

Small Cities Development Program – Two dates have now been set up for appointments to meet with homeowners and help them fill out the application materials. Ten appointments have been made so far.

NLX – A presentation was made before the Pine County Board to update them on the progress being made with the NLX project. The City of Sandstone still has a chance to have a maintenance facility in town. Potential jobs include 4 management positions, 16 electro-mechanic positions, and 12 support staff for an annual payroll, plus benefits, of about \$5 million.

Ice Fest – Ice Fest is this weekend. Staff has been doing extra plowing at Robinson Park and other things getting ready for the weekend.

2018 Governor’s Deer Opener – The Administrator has reached out to the Hinckley Convention & Visitors Bureau.

Fire Formula – The Administrator is working on the 2018 formula. Council Members stated that a meeting with the Townships typically takes place in February. They suggested the Administrator first meet with some of the individual Township members prior to that meeting.

Highway 23 – FY2022 Project – MN DOT is planning a mill & overlay project in FY2022 on Highway 23 from Oriole Street west to Askov. They are asking the City if there are any concerns with this stretch of roadway that could be addressed during the project. Council Members stated that there are flooding issues in this area from Oriole Street to Robin Street. They also questioned the status of the bike trail. The Administrator will follow up with the MN DOT representative.

Highway 123 – FY2021 Project – MN DOT is also planning a project on Highway 123 in FY2021. They plan to meet with the City on January 18th at 10:00 a.m. Street & Park Supervisor Mikrot will be included in the meeting, as well as Mike Johnson. Fire Department access should be discussed at the meeting, as well as fixing the curb cut for the Fire Hall.

City Hall Roof – The DMV office is back upstairs. Some coving work needs to be finished and the CIP conference room carpet still needs to be cleaned.

River Bluff Project – Neighborhood Meeting – The Council had talked about having a neighborhood meeting with the property owners that will be affected by the River Bluff Project. The meeting will take place at 7:00 p.m. on Wednesday, January 17th, following the Regular City Council Meeting.

T-Mobile Lease Renewal – The City has been contacted by the T-Mobile representative. They would like to start working on a renewal lease agreement. The current lease goes through 2019.

ADJOURN

Motion Franklin, second Kester, to adjourn at 8:45 p.m. Motion carried 5-0.

Peter Spartz, Mayor

Kathy George, Administrator