

**Sandstone City Council Meeting Minutes
June 15, 2022**

CALL TO ORDER: 6:09 p.m.

ROLL CALL: Val Palmer, Peter Spartz, Julena Rahier, Cassie Gaede

Members absent: Randy Riley

Staff present: Administrator Kathy George, Community Service Partner Sirena Samuelson

Others present: Sandstone Fire Chief Chaz Mann, SEH Engineer Greg Anderson, Deputy Nick Solomon

Mayor Spartz attended the meeting remotely due to medical reasons. He left the meeting at 7:20 p.m. due to technical difficulties.

PLEDGE OF ALLEGIANCE

ADDITIONS OR CORRECTIONS TO THE AGENDA:

Motion Riley, second Palmer to approve the Agenda with the addition of Summer Helper. Motion carried 4-0.

PETITIONS, COMPLAINTS, OR COMMENTS BY RESIDENTS AND/OR COUNCIL

MEMBERS: Staff responded to complaints regarding a culvert, the detour through town, roads needing grading, a loose handrail at Ace Hardware, and potholes. Council Members received positive comments regarding Arts in the Park; although, some people prefer the bands use the gazebo rather than the bandshell. Council Members also noted concerns with the MN DOT TH123 project detour.

PUBLIC HEARING/ PRESENTATIONS: None

CONSENT AGENDA:

Motion Palmer, second Rahier to approve minutes from the May 18, 2022 Regular Council Meeting. Motion carried 4-0.

NEW BUSINESS:

Resolution No. 20220615-01 – Accept Donations: Panther Park

Motion Gaede, second Palmer to adopt Resolution No. 20220615-01 accepting donations for Panther Park in the total amount of \$75.00. Motion carried 4-0.

Resolution No. 20220615-02 – Amend Annual Designation

The *Pine County Courier* has consolidated the Askov American, Hinckley News, and Pine County Courier into the *North Pine County News*.

Motion Palmer, second Rahier to adopt Resolution No. 20220615-02 to designate the *North Pine County News* as the official newspaper for the City of Sandstone. Motion carried 4-0.

Temporary Liquor License Application – Old School Arts Center

OSAC is holding an event on June 17th at 214 Eagle Drive and have applied for a 1-4 Day Temporary On-Sale Liquor License. **Motion Palmer, second Rahier to approve the 1-4 Day Temporary On-Sale Liquor License for OSAC's June 17th event. Motion carried 4-0.**

Fee Schedule Updates

The Fee Schedule is updated and adopted on an annual basis. The current Fee Schedule was adopted January 19, 2022. Mid-year updates are proposed regarding fees for various animal services and an increase in the winter cremains fee. **Motion Palmer, second Gaede to adopt Ordinance No. 20220615-01 Amending Appendix II – License Fees and Permits of the Sandstone City Code. Motion carried 4-0.**

Appoint Election Judges

The City Council must appoint election judges and designate head judges for the upcoming elections. 2022 Election Judge recommendations are as follows: Mary Ellen Dewey, Pete Spartz, Dorothy Dybvig, Steve D’Alessio, Becky Gaede, Alyssa Dykstra, Diane Seymour, Marilyn Juhl, Alana Tyson (Head Judge), Leah Jackson, and Kathy George (Head Judge). **Motion Palmer, second Rahier to appoint the 2022 Election Judges as recommended. Motion carried 4-0.**

Quarry Days Requests

Motion Raher, Second Gaede to approve the Quarry Days Requests as presented:

- **Block off Main Street from TH 123/3rd Street to 5th Street (Gas Light/Colonial to Amy’s Café) from 12:00 p.m. on Friday, August 12th through 7:00 a.m. on Sunday, August 14th;**
- **Approve the parade route and proposed detour;**
- **Request temporary road closure from MN DOT on Saturday, August 13th, from 7:00 a.m. until 12:30 p.m.;**
- **Approve the 5K route;**
- **Request the Sheriff’s mounted patrol and additional patrol and traffic control support over the two-day event;**
- **Authorize City Staff to be on hand throughout the two-day event;**
- **Waive the noise ordinance requirements for Friday through Saturday; entertainment will be provided until 12:00 a.m./midnight on both Friday and Saturday nights;**
- **Approve fireworks planned for Friday night; approve the proposed detour route**
- **Approve Bingo permit;**
- **Approve Lions Beer Garden permit (upon receipt of all applicable fees and documents).**

Motion carried 4-0.

Summer Helper

The City advertised for the temporary Summer Helper Position. One application was received. Upon interviewing that individual, it was discovered that the individual was not qualified for the position. The position has been advertised again, with applications due May 27th. No applications were received. At the May 18th Council Meeting, last year’s Summer Helper, Gerald Erickson, was hired to work Wednesdays and Saturdays at the Compost Site. He has now expressed interest in the full position. **Motion Gaede, second Palmer, to hire Gerald Erickson to fill the temporary Summer Helper position for \$14.00/hour. Motion carried 4-0.**

OLD & CONTINUING BUSINESS:

Detachment Petition: Sack's LLC

In April, the City received a copy of a Petition for Detachment from attorney Chelsie Troth representing Sack's LLC, owned by John and Derek Sack. Sacks are seeking detachment of parcel 45.0140.200, Quality Home & Sports. The attorney requested a resolution of support from the City. At the April 20th Council Meeting, the Council voted to decline adopting a resolution of support.

The Petition has now been filed with the Minnesota Office of Administrative Hearings. At the May 15th Council Meeting, the Council adopted a resolution opposing the detachment. Therefore, a hearing is required, which has been scheduled for July 7th.

A mediation session between the parties is required prior to the hearing. The mediation session took place on June 8th, with Mayor Spartz and Administrator George in attendance. After 4 hours of mediation, the following settlement was reached:

- Petitioner will withdraw their Petition for Detachment
- City will not charge any special assessments if and when the City sewer and water mains and associated infrastructure improvements are installed
- City will waive SAC and WAC fees if and when services are provided for the property
- City will not force the property owner(s) to hook on to City sewer and water, should the City extend service
- The agreement shall run with the land, regardless of ownership

Motion Palmer, second Rahier, to adopt Resolution No. 20220615-03 Approving Settlement Agreement between the City and Sack's LLC. Motion passed 4-0.

I-35 Infrastructure Project

The City Council has been reviewing and discussing the possibility of finishing the 1978 project to extend City sewer and water across the I-35 interchange to service the area occupied by Quality Home and Sports. The forcemain pipe was televised and updated cost estimates were provided by SEH Engineer Greg Anderson. It is estimated to cost \$195,000 to provide water service to the west side of I-35 with a new hydrant on the west and sewer service to a couple of homes or the Quality Home parcel via a small grinder station and a small diameter forcemain installed inside the existing 6-inch forcemain. The estimate for expanding the project to serve the broader area is \$595,000. It still needs to be determined if the existing pipes will pass a standard leakage test, which will not be known until and unless a project is completed and the pipes can be tested.

Ownership of the existing pipes was a concern, as the project was never completed and it is believed that the contractor was never paid. However, City Staff came across a resolution that was adopted in 2002 declaring the utility facilities constructed in 1978 abandoned and the City accepted ownership of them.

Administrator George suggested redirecting the American Rescue Plan Act (ARPA) funds (\$288,394.70) that were going to be used to off-set the PFA Loan for the Water Loop Project (which came in under budget), and move forward with the I-35 Infrastructure Project to service Quality Home and Sports (the \$195,000 project, plus engineering fees).

During discussion on the item, Council Members noted the long history of the various attempts to complete this infrastructure expansion project. Consensus was that finishing the project makes sense and is seen as a long-term investment that could spur potential economic development growth in the area. **Motion Palmer, second Gaede to redirect ARPA funds from the Water Loop Project to the I-35 Infrastructure**

Project and ask the City Engineer to provide an Agreement for Professional Services. Motion passed 4-0.

City Engineer Updates

2021 Water System Project: Application for Payment No. 1 – SEH Engineer Anderson submitted Application for Payment No. 1 for payment to Magney Construction in the amount of \$22,135.00. This amount represents 12% of the work completed and material on hand, with 5% held for retainage. **Motion Palmer, second Gaede to approve Application for Payment No. 1 to Magney Construction in the amount of \$22,135.00 for the 2021 Water System Improvements project. Motion passed 4-0.**

Anderson reported that the well subcontractor has televised and pump tested well #1. The pump test revealed that the well, due to its artesian nature, will not support a pump in the future – not enough water makes its way through the rock to the well shaft to support a pump. The existing artesian flow is consistent and sufficient for the City’s needs. The pitless adaptor has been ordered, which is the connecting piece needed for the raised wellhead. It is expected to arrive in mid-August.

2021 Water System Project: Change Order No. 1 – Due to the delay in the delivery of the new generator for the project, Anderson presented Change Order No. 1 to adjust the contract completion date from July 1, 2022 to June 1, 2023. The generator is anticipated to be delivered in February, 2023. The City has requested and received approval of an extension of the DEED grant to September of 2023 as well. **Motion Palmer, second Rahier to approve Change Order No. 1 for the 2021 Water System Improvement Project to extend the final completion date to June 1, 2023. Motion passed 4-0.**

Forcemain to Wastewater Ponds – Anderson reported that City and SEH staff met with Federal Correctional Institution staff earlier this month to discuss their flow and phosphorus loading. Gate valves on the forcemain between the City pump station and the FCI connection will be exercised and the forcemain pipes under the Kettle River will be tested once the contractor is in town working on the 2021 Water System Project. He will provide an update on testing and air relief valves at the July meeting. Administrator George noted that the contract between the City and FCI needs to be updated. Staff are attempting to locate the last contract, believed to have been approved in 2004. The contract is to be updated every 10 years.

Wastewater Pond Phosphorus Treatment Improvements – Anderson reported that plans for the proposed improvements are due to the MN Pollution Control Agency (MPCA) by June 30, 2022. A site visit has been completed. Currently, Anderson and City staff are exploring the possibility of treating for phosphorus at the plants – FCI’s plant and the City’s plant, which will affect the plan submitted to the MPCA.

REPORTS:

Community Service Partner – Sirena Samuelson reported the following:

- Rental work is tapering off with a few registrations still needed; she has about 25 inspections left and will have to go around and knock on doors since she doesn’t have contact information for them
- Grass/junk yard inspections are underway; people have been stopping in and calling in response to letters that have been sent out

- She is coordinating with Deputy Clerk Tyson to establish a usable system to track letters and inspections
- A property owner requested a fire inspection; she is coordinating with Dave Hill for that
- A list has been started of residents interested in the Neighborhood Watch program; she would like to invite Deputy Solomon and other Deputies to attend meetings
- She responded to and/or is working on the following general complaints:
 - A vacant house that needs to be secured
 - Beekeeping and a temporary storage unit at one residential property
 - A fence “blight” issue
 - A business encroaching on a residential property
 - Dogs barking at one property
 - Miscellaneous grass/junk property complaints

Samuelson noted that she has completed her six-month probation period. Administrator George expressed gratitude and appreciation for the work Samuelson is doing.

Sheriff’s Deputy Report – May, 2022

The Sheriff’s Department logged 202 calls in Sandstone during May. Sheriff Nelson and Deputy Solomon met with CSP Samuelson and City Administrator George last week. Solomon reported that he will be assigned to Sandstone through October. He has been making traffic stops along the MN DOT TH123 detour route, reminding people to slow down and watch for pedestrians. He stated that some drugs and paraphernalia were found in the port-a-potty in Johnson Park. Both he and Samuelson will keep a closer watch on that park. Solomon has been paying more attention to the known drug houses in town, which has been noticed by Council Members and appreciated. He made one traffic stop and recovered some methamphetamine. In response to ATV and mini-bike complaints, he has talked with parents, educating them about City ordinances. Solomon stopped at Ace Hardware due to some shoplifting problems. He was able to recover some items and issued a citation to an individual. There was a homeless person sleeping in people’s yards who has now apparently left the area. In advance of the Memorial Day holiday, Solomon was proactive to inform people of the City’s noise ordinance. Council Members expressed appreciation for the work Solomon has been doing in town, they have noticed.

Fire Department – May, 2022

Firefighter Chaz Mann presented his report. The Department has had 15 calls lately: 3 medical, 5 power line (storm related), 1 gas spill at Casey’s, a structure fire in Hinckley (mutual aid), 3 cancelled en route, a false alarm at Harvest Christian School. Department members are working well together, offering new ideas and input. Attendance at meetings and trainings has increased. Members toured the Wild River Senior Apartments for familiarity, and are setting up a time to tour the Wildcat Sanctuary. A training burn was held in Hinckley and one of the Sandstone Firefighters was able to fulfill their certification. An application has been received from a person who already has Fire Fighter 1 certification.

Mann reported that the roof is leaking in the area over the office. It appears there isn’t any flashing in that area. Public Works Director Hiler will be asked to follow up on that. Mann also noted that the generator needs “Schedule A” maintenance. Hiler will be asked to check on this as well.

Mann stated that, due to OSHA regulations, firefighters can’t be on top of the apparatus without fall protection. This affects the overhead fill stations. He is exploring solutions; such as, ground fill stations or adding a harness system.

Mann reported that an SDS (safety data sheets) book was ordered. The Department would like to coordinate the chemicals they use for cleaning, etc., so that they are using the same things the City uses. He would also like to have a Mock OSHA inspection at the Fire Hall so that they can make a plan to address any deficiencies.

Mann commended the Public Works staff and PeopleService for assistance provided earlier this week when the water tank drained down, leaving the town without water for a while. He also met with MN DOT contractors regarding work they plan to do in front of the Fire Hall. They will do the work in 2 phases so that access to the Fire Hall/apparatus bay is always open.

Library Report – May, 2022

Librarian Josh Menter reported that there were 613 visitors and 327 reference questions answered. 5 children attended programming and 15 take and make kits were distributed. Adult and Teen D&D continues. Storytimes are underway. Menter is looking forward to the Summer Discovery Program. He plans to have in-person D&D sessions, take and make kits, storytimes, and a tent at Arts in the Park.

Bids on the library project are in. A meeting has been scheduled for Friday, June 17th, with committee members to discuss options and next steps.

EDA Meeting – May 25, 2022

At the May 25th meeting, the EDA agreed to sell some right-of-way to MN DOT as part of the TH 123 project, moved forward with Sandstone Development LLC holding a public hearing for the purchase of Lot 2 Block 1 Grant Knowles Addition, heard that Quarry Kids Child Care Center was opening on May 31st, and received updates on The Rock, Pine County Transportation and Logistics Study, Northern Lights Express, and the True Value property purchase.

Building Inspection Report – May, 2022

2 building permits, 3 maintenance permits, and 4 right-of-way permits were issued in May. There are currently fourteen on-going building projects and five on-going right-of-way projects in town.

Public Works Director Report – May, 2022

In addition to routine operations, the crew facilitated the Mondays in May clean up efforts, cleared downed trees due to storm damage throughout town and at the Cemetery, worked with MN DOT on the TH123 project, started to remove gravel from the former hockey rink site in Angle Park and are getting quotes to move the warming house, getting quotes to move/reposition the bandshell at Train Park, coordinated the installation of the new flag pole at City Hall, started cleaning out 310 Main (True Value), coordinated moving the large dirt pile at the Business Park, removed junk from a property in town, replaced a fire hydrant on 2nd and Main, replaced a manhole on 3rd Street between Court and Park, coordinated televising the sewer lines under the I-35 Interchange.

Erik Olson Resignation

Erik Olson accepted the Streets & Parks Maintenance Worker position in November, 2021.

Unfortunately, he has resigned with June 10th being his last day. **Motion Gaede, second Rahier to accept the resignation of Erik Olson. Motion passed 3-0.** Mayor Spartz had left the meeting by this point.

Personnel Committee Report: Hire Joshua Curl

The Personnel Committee held interviews last fall for the Streets & Parks Maintenance Worker position, which was offered to Erik Olson. With Olson's resignation, the Personnel Committee reached out to a candidate who was equally impressive, Joshua Curl. Curl is available and able to start on June 20th, upon completion of all background checks and physical. Starting wage is \$25.11/hour. A 0.50 increase will apply after the satisfactory completion of the probationary period; December 20th the wage will increase to \$25.61/hour. The contracted wage increase takes effect on January 1, 2023, bringing Curl's wage to \$26.39. The full union wage is required after one year of employment, which will be \$26.89.

Motion Palmer, second Gaede to hire Joshua Curl for the Streets & Parks Maintenance Worker position effective June 20, 2022 with the reported wage scale. Motion passed 3-0.

PeopleService Report – May, 2022

PeopleService contractor Matt Wold provided a written report. The sewer ponds were discharged, with a total of 17.75 million gallons discharged. A sewer backup at 405 Park was determined to be in the service line. The sewer service line at 517 Hoover collapsed and required emergency repair. The televising report for the I-35 interchange lines indicate that there are no stress cracks, tree roots, etc.

Minnesota Pollution Control Agency Notice of Violation – In May, the City received a Notice of Violation regarding the Wastewater Treatment Plant, alleging violations of permit limits and missed sampling events. PeopleService Regional Manager Paul Christensen continues to work with the PCA on his response on behalf of the City.

Financial Reports

Motion Palmer, second Rahier to approve the May financial reports: Cash Balance, Revenue & Expenditure Report; the Total Residual Income/Loss Report; and A/P Clerk Claims in the total amount of \$244,634.45. Motion carried 3-0.

WRITTEN NOTICES AND COMMUNICATIONS:

League of MN Cities Letter re 2022-2023 Dues: a 3.5% increase is anticipated.

East Central Regional Development Commission: Public Hearing Notice for June 27, 2022 at 5:45 p.m. at their office in Mora; a 3% levy increase is proposed.

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

Liquor Licenses Available

- The City is allowed to issue up to 5 on-sale intoxicating liquor licenses
- To increase this number, authorization would be needed from the voters at a general or special election
- The following are excluded from the limit of 5: restaurants, bowling centers (and others, but those are the relevant ones for Sandstone)
- The City Ordinance allows up to 4 off-sale licenses
- Current Licenses:
 - Sandstone Area Golf Course
 - Sandstone Lanes (excluded from limit)
 - Rich's Bar

- El Mexico Bar & Grill (excluded from limit)
- SandRocks (excluded from limit)

Vehicle Speed Feedback Sign

- MN DOT will relocate the speed sign that was previously located by Casey's
- The new speed sign will be located on TH 123 eastbound (heading towards Sandstone) just east of the bridge (where the 30 mph sign is)

Accord – City Lease

- Accord/CIP has now moved out
- The City advertised office space for lease
- DMV will move into Room 202 (the large break room)
 - The City will make some modifications to accommodate the DMV
- Two office spaces have been leased – Alissia Kreger (realty office), Central MN Jobs & Training
- Space can be made available for drop-in work sites

Storm Sewer Projects

- Catch basin replacements on 8th Street and on 4th Street (\$22,335.95)
- Storm Sewer at 4th and Park (\$63,259.40)
- Reset castings on 2 catch basins on 7th Street (\$2,570.50)
- Various culverts and catch basins throughout town (\$29,834.00)
- TOTAL Storm Sewer Projects: \$117,999.85
- Funds available: \$277,516.00

May 30th Storm Damage

- County is declaring an emergency
- Public Works and Fire Department hours/expenses are being collected
- Data will be provided to Pine County Emergency Management

Capital Improvement / Financial Plan

- First meeting was held with Shannon Sweeney, David Drown, and City staff on June 9th

ADJOURN

Motion Palmer, second Rahier to adjourn at 8:05 p.m. Motion carried 3-0.

Peter Spartz, Mayor

Kathy George, Administrator