

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
December 15, 2014**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on December 15, 2014.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Wickstrom and Withhart.

APPROVAL OF AGENDA

Mayor Martin noted the revised motion sheet for item No. 20 on the agenda.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Withhart to approve the December 15, 2014 agenda as submitted.

VOTE: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

Mayor Martin recognized Councilmember Ben Withhart who is retiring from the City Council. Mayor Martin stated that Councilmember Withhart's public service record is remarkable. It began with serving on the Mound City Council. When he came to Shoreview, he became involved in the following:

- Shoreview City Council 1990 to 1996
- Served on the Planning Commission
- Appointed to the City Council in 2007, then re-elected in 2008 and 2010
- Executive Director and CEO of Senior and Community Services since 1981
- Member of Shoreview Community Foundation Board
- Co-Chaired the Vote Yes Committee for building the City trail system, Community Center and upgrading neighborhood parks.
- Ramsey County Parks and Trails Council
- Minnesota Master Plan Committee for the State Park System
- United Way Board
- President of the Council of Agency Executives

Chairman of the Board of Elder Care Partners
621 Foundation
Board of Directors for the Gillespie Center
North Metro Football Coach
Assistant Scout Master
Minnesota Leadership Council
Metropolitan Area Agency on Aging
Board of Directors for Management Assistance for Non-Profits
Served as the only non-Mayor Chair of the Municipal Legislative Commission
Lake Johanna Fire Department Board
Metropolitan Meals on Wheels as Treasurer of the Board of Directors

Mayor Martin stated that every decision Councilmember Withhart has made has been because he believed it was good for the community. Those are the kind of leaders we need.

Councilmember Withhart thanked Mayor Martin. He stated that he admired the courage of the Mayor of Mound and then had the joy to work with Dick Wedell who was one of the most visionary Mayors he has known. Then he served with Jim Chalmers and now Sandy Martin. Mayor Martin embodies all the qualities of all the mayors he has had the privilege to work with. He has also worked with two County Commissioners--Dick Wedell and Blake Huffman. He introduced Commissioner Blake Huffman, Peg Wedell and Barb Wegleitner, a good friend and neighbor.

There are two major accomplishments he is proud of from working on the Council. One is hiring City Manager Terry Schwerm who has done a marvelous job of hiring excellent staff. It has been fun to be part of this Council and work with City staff who continue to be forward thinking and put Shoreview on the map with the AAA bond rating, and 5-year budget plan. These achievements are unheard of at the local government level. Secondly, Shoreview also has one of the premier trail systems in the state. He is very proud to be part of Shoreview.

Councilmember Wickstrom stated that she is always amazed at Councilmember Withhart's understanding of public policy and the reasons he gives to be for or against different issues. She thanked him for all he has done for Shoreview.

Councilmember Quigley stated that as President of the Economic Development Authority (EDA), Councilmember Withhart has faced difficult issues of redevelopment. He has had the vision to look at areas the EDA should be involved in, and there have been significant successes. He has been a good leader in finding financing for redevelopment.

Councilmember Johnson thanked Councilmember Withhart for being so welcoming to her as a new Councilmember. She has appreciated working with him on the Council, EDA and Shoreview Community Foundation. She thanked him personally and professionally for his great investment in this community.

Presentation by North Oaks Mayor John Schaff

Mayor Martin recognized Mayor John Schaff from North Oaks who was present at the meeting.

Mayor Schaff stated that he is also retiring and introduced his successor, Mayor-Elect Mike Egelston.

Mayor Schaff recognized the City of Shoreview for its neighborly friendship, collegial respect and dedication to the communities surrounding Shoreview. Specifically, he thanked the Council and staff for the friendship extended to himself, the North Oaks City Council, City Administrator Mike Robertson and residents of North Oaks. Although the Shoreview Council and staff are committed to the City, there is an impact from the many seamless gifts given to the communities around Shoreview. The City is a gift in kindness and assistance to neighboring communities. When he thinks of City government that represents residents' best interests, he thinks of Shoreview. When he thinks of City government in broad terms, also focused on neighbors and their best interests, he also thinks of Shoreview. Shoreview is a shining example of local government to admire and follow. To the citizens of Shoreview, their government officials, elected and career, actively participate to provide leadership by working with other cities and counties in areas of police protection, fire service and municipal services, environmental protection, zoning, cable TV, emergency services and human resources. To the City Council and appointed Commissioners, he suspects residents do not know that the volunteer job is 24 hours a day, 7 days a week, 365 days a year. He has participated with Shoreview officials in late meetings, weekend events, fire scenes, traffic accidents, flag raisings and civic celebrations. City officials are 24/7/365 for the community of Shoreview. He has also noted the pain when unfounded negative comments have been pointed at Shoreview. The unacceptable is quietly accepted with dignity. You manage the personal hurt by taking a collective deep breath and then pressing on. For all of you are truly focused on the greater good of the community of Shoreview.

He thanked Mayor Martin for her friendship, help and guidance over the years, stating that she is truly a mayor's mayor. He wished Councilmember Withhart the best in the years ahead and thanked him for all he has done over the years. Perhaps in retirement they can get together and chase all the pesky deer back to Lino Lakes. He thanked Councilmembers Quigley, Johnson and Wickstrom for their friendship, guidance and help. They are devoted public servants and examples for all to follow. To City staff, Terry, Tom, Rebecca, Terri, Kathleen, Rob, Mark, Tom W., Kevin, Mike and Dan and to all City staff, thank you for being great neighbors.

City Manager Terry Schwerm has always been there to help when help was requested. He is a tireless public servant who represents the best in his career field. Thank you for being there. He stated his personal wish for each this holiday season is that moving throughout Shoreview each take a moment to reflect the many contributions that each has made to make Shoreview the great community that it is. Thank you from all of us, your grateful neighbors in North Oaks. We wish you a very, very happy holiday and Merry Christmas.

Mayor Martin stated when Mayor Schaff was elected, he ushered in a new era of collaboration and partnership with the city of North Oaks. The things he stated are a tribute to Mayor Schaff as well. He has brought a new era of working together and solving problems for both

communities. It has made all the difference in the world. She thanked Mayor Egelston for attending and stated that she looks forward to working with him in the future. While the two cities are very different, both have wonderful people.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Councilmember Wickstrom:

Because of inclement weather, ice rinks are closed. A re-evaluation will take place Friday to determine when they will re-open.

The Community Center is looking for volunteers (high school or college students) to help with the family New Year's Eve party from 5:30 to 8:00 p.m. Anyone interested should call 490-4734.

Wishing everyone a happy season's greetings to everyone.

Councilmember Withhart:

Wishing all Councilmembers, Mayor and City staff and everyone a very Happy Solstice and Merry Christmas and the best in the coming years.

CONSENT AGENDA

MOTION: by Councilmember Withhart, seconded by Councilmember Johnson to adopt the Consent Agenda for December 15, 2014, and all relevant resolutions for item Nos. 1 through 17:

1. December 1, 2014 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes:
 - Parks and Recreation Commission, October 23, 2014
 - Planning Commission, November 18, 2014
 - Bikeways and Trails Committee, December 4, 2014
3. Monthly Reports:
 - Administration
 - Community Development
 - Finance
 - Public Works
 - Parks and Recreation
4. Verified Claims in the Amount of \$1,368,941.15
5. Purchases
6. License Applications

Minnesota Statute 161.164 requires municipal consent through a public hearing. An Informational Open House was held on December 4, 2014, with 30 residents and business representatives in attendance. Questions focused on noise walls and the construction schedule.

City Attorney Kelly stated that the notice of the public hearing was properly published.

Mayor Martin opened the public hearing.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to close the public hearing at 7:37 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin stated that businesses, residents and the City's legislative delegation have all worked hard to bring this project forward.

Councilmember Withhart noted that at Lexington, I-694 will go down to two lanes again until I-35W. He asked if the congestion is just being moved. **Mr. Mark Lindeberg**, Mn/DOT, responded that based on current traffic volume projections, a third lane is not warranted between Highway 10 and I-35W, due to the large amount of traffic that diverts to Highway 10. A third lane could be put in, but projection volumes do not warrant that work at this time.

Mayor Martin requested that if there is any way the Rice Street bridge could be included in this project, it would make sense rather than having to tear up the area again to do the bridge.

MOTION: by Councilmember Johnson, seconded by Councilmember Quigley to adopt Resolution No. 14-130 approving final layout No. 1A for State Project 6285-143, I-694 3rd Lane Improvements from Lexington Avenue to Rice Street.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin
Nays: None

GENERAL BUSINESS

ITEMS RELATED TO THE BUDGET AND 2015 TAX LEVY

- A. AMEND 2015 DEBT LEVIES**
- B. ADOPT 2015 TAX LEVY (CITY, HRA, AND EDA)**
- C. AMEND 2015 BUDGET**
- D. AMEND CAPITAL IMPROVEMENT PROGRAM FOR 2015 THROUGH 2019**
- E. ADOPT ORDINANCE ESTABLISHING 2015 UTILITY RATES**

Presentation by Finance Director Fred Espe

Amend 2015 Debt Levies: Levies are established with the issuance of debt and recorded at Ramsey County. Changes can only be made by Council approval. The levies are adjusted each year according to the needs of each separate debt issue. This year staff is recommending a debt

levy of \$752,000, which is \$756,974 less than the scheduled levies filed at the county. Adoption of the resolution is necessary to reduce the debt levies to the recommended amount.

Adopt Tax Levy: Staff is recommending a tax levy of \$10,267,918 for the City and \$95,000 for HRA in 2015. These levies are the same as presented at the public hearing on December 1, 2015.

Ramsey County shows a 10.2% increase in value to the median valued home in Shoreview, from \$224,500 in 2014 to \$247,500 in 2015. That would result in an increase in City tax of \$31.71 for a median valued home. The HRA increase would be \$0.33.

Adopt 2015 Budget Amendments: This is the second year of the City's biennial budget. State law requires the City to legally adopt budgets for the General Fund and Special Revenue Funds. The City also adopts budgets for debt service, internal service and proprietary funds, which are monitoring tools. Part of the budget includes benefit adjustments. A wage increase for staff is recommended at 2% for the first half of the year and a 0.5% increase the second half of the year. Job title changes are recommended to better reflect duties. Also a \$20 increase in the City's contribution to health insurance is recommended.

Interfund transfers are part of the budget amendments and are used when resources are accumulated in one fund and support costs in another fund. Transfers are a routine part of the budget process and are reviewed as part of the year-end audit process.

Amend Capital Improvement Program (CIP): The CIP is a planning document that establishes capital improvement projects for five years. Approval of the amendments do not authorize projects; separate Council approval is required for any capital cost over \$25,000.

Adopt Ordinance Establishing 2015 Utility Rates: The proposed rates are to maintain sufficient cash balances in the utility funds (water, sewer, surface water and street light) for supporting operating costs, debt payments and providing for repairs and replacements. Rates are calculated using a base year of usage rather than letting rates jump up and down depending on one year of high or low usage. Proposed water rates range from an increase of 5.1% for average use to an increase of 6% for high usage. The average customer will see an increase of \$8.38 on a residential utility bill for all utilities.

Minnesota law requires adoption of the budget and tax levy by December 29, 2014, with certification to the County by that date. Staff recommends approval of the resolutions presented.

MOTION: by Councilmember Quigley, seconded by Councilmember Withhart to adopt resolution number 14-120 reducing debt levies for fiscal year 2015 per Minnesota Statutes.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Johnson, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt proposed resolution number 14-121 adopting a City tax levy of \$10,267,918 and an HRA tax levy of \$95,000 for taxes payable in 2015.

ROLL CALL: Ayes: Wickstrom, Withhart, Johnson, Quigley, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Councilmember Johnson to adopt resolution number 14-122 approving the 2015 budget amendments, transfers between funds, job classification and pay plan and benefit changes as detailed on the attached pages.

ROLL CALL: Ayes: Withhart, Johnson, Quigley, Wickstrom, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Withhart to adopt resolution number 14-123 amending the capital improvement program for the years 2015 through 2019 as detailed on the attached pages.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt the attached ordinance number 925 establishing a utility fee schedule effective January 1, 2015.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Johnson, Martin

**MINOR SUBDIVISION - 444 LAKE WABASSO COURT/3244 CHANDLER ROAD,
SANDRA MARTIN/DONALD ZIBELL**

Mayor Martin recused herself from taking part in this action and turned the meeting over to Acting Mayor Wickstrom.

Presentation by City Planner Kathleen Castle

This request for a minor subdivision is to adjust the common lot line between the two properties, which are both lake lots on Lake Wabasso. The portion of land affected is upland area consisting of approximately 9,600 square feet. The properties are zoned R1, Detached Residential and Shoreland Overlay for Lake Wabasso. There is a tennis accessory structure on the property impacted. A minimum setback of 5 feet is required from the side property line for any accessory structure. Drainage and utility easements are required along property lines and over drainage ways.

Both parcels exceed the minimum parcel size standards for the R1 District and the Shoreland District. Both are improved with single-family homes, driveways and accessory structures. The topography of the properties slopes west to east. Vegetation varies from open lawn to woodland. The tennis court is located in the proposed subdivision area as well as drainage and utility infrastructure. The utility easement is associated with the Wabasso Shores Plat. The properties are surrounded by single-family development to the north, west and south and Lake Wabasso to the east.

The existing homes will remain. As the subdivision would bisect the tennis court, the tennis court must be removed to comply with Code. As a result of the subdivision, there must be a reduction of accessory structures on the Zibell property. Removal of the tennis court and accessory structures is addressed in the Subdivision Agreement. A grading permit is required for the tennis court removal, and additional drainage easement is needed in the area of the tennis court. Shoreland mitigation is required and addressed in the Subdivision Agreement.

Property owners within 350 feet were notified of the proposal. One written comment was received with no concerns. One phone call was received inquiring about further subdivision potential. One written comment was received opposing the proposal due to public road frontage. Both parcels have required public road frontage. Subdivided Parcel B will be combined with 3422 Chandler Road.

The Planning Commission reviewed the proposal and recommend approval on a 6 to 0 vote. Discussion focused on removal of accessory structures, placement of future homes if further subdivided, and storm water management. Two residents spoke about storm water concerns. Staff is recommending approval, as the subdivision complies with the Development and Subdivision Code. A revised motion is presented with an amended condition No. 6.

MOTION: by Councilmember Withhart, seconded by Councilmember Quigley to approve the minor subdivision request submitted by Donald Zibell on behalf of Sandra Martin to divide the property at 444 Lake Wabasso Court into two parcels, and to authorize execution of the Subdivision Agreement, subject to the following conditions:

1. The minor subdivision shall be in accordance with the plans submitted.
2. Public drainage and utility easements with a width of 5-feet on each side of the new common property line shall be conveyed to the City. The applicant shall be responsible for providing legal descriptions for all required easements. The easements shall be conveyed before the City will endorse deeds for recording.
3. The applicant shall enter into a Subdivision Agreement with the City. This agreement shall be executed before the City will endorse deeds for recording.
4. Resulting Parcel B shall be combined with the existing property at 3422 Chandler Road for tax purposes, creating a single lot.
5. Removal of the tennis court and accessory structures shall be addressed in the Subdivision Agreement provided however that removal must occur within one year of City approval of the minor subdivision. This work is also subject to the permitting requirements of the Ramsey Washington Metro Watershed District (RWMWD).

6. An erosion control and grading plan shall be submitted and approved by the City Engineer prior to issuance of a grading permit application for removal of the tennis court. City staff will further review drainage needs in the area, and, if needed, additional drainage easements shall be conveyed by the owners of 444 Lake Wabasso Court and 3422 Chandler Road prior to the City endorsing deeds for recording with Ramsey County.
7. A Mitigation Affidavit is required for both parcels. These Affidavits shall be executed prior to the City's release of the deed for recording.
8. This approval shall expire after one year if the subdivision has not been recorded with Ramsey County.

This approval is based on the following findings:

1. The subdivision is consistent with the policies of the Comprehensive Plan and in compliance with the regulations of the Development Code.
2. The proposed lots conform to the adopted City standards for the R-1 and Shoreland Overlay Districts.

Discussion:

Councilmember Wickstrom noted that there is no park dedication fee. Should Mr. Zibell further subdivide property, a park dedication fee shall be required.

ROLL CALL: Ayes: Withhart, Johnson, Quigley, Wickstrom
 Nays: None

Mayor Martin returned to the meeting.

ACCEPT BASE BID AND AUTHORIZE MAYOR AND CITY MANAGER TO EXECUTE CONSTRUCTION CONTRACT FOR SANITARY SEWER IMPROVEMENTS - HIGHWAY 96 LIFT STATION, CP 14-07

Presentation by Public Works Director Mark Maloney

When Ramsey County did paving work on Highway 96 last year, the City looked at sewer infrastructure in the area just east of Dale Street because of a long history of sewage backups. The soils in this area were so bad when sewer was installed, it was placed on piling. The piling has eroded and settled. It was determined that it would not be feasible to replace the piling on its original alignment. The cost just to replace the piling would be in excess of \$250,000. A new lift station is proposed that would have capacity to handle current needs as well as any future redevelopment.

Bids were opened on December 11, 2014. Bids ranged from \$183,800 to \$415,500. The low bidder at \$183,800 is Forest Lake Contracting, Inc. This is significantly below the Engineer's Estimate of \$300,000. Forest Lake Contracting has performed a significant amount of work for the City in the past and worked last summer to inspect this portion of sanitary sewer. The funding source for the project is from the Sewer Fund.

Staff is recommending acceptance of the base bid from Forest Lake Contracting, Inc. for the sanitary sewer improvements, Highway 96 Lift Station, CP 14-07 and authorize the Mayor and City Manager to execute a construction contract in the amount of \$183,800.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to adopt Resolution No. 14-128, which accepts the base bid from Forest Lake Contracting, Inc., for the Sanitary System Improvements - Highway 96 Lift Station, City Project 14-07 and authorize the Mayor and City Manager to execute a construction contract in the amount of \$183,800.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin
Nays: None

APPOINTMENTS/REAPPOINTMENTS OF PLANNING COMMISSION MEMBERS

City Manager Schwerm stated that the City's policy with respect to appointments to the Planning Commission is that members who have served two full three-year terms must re-apply. Members who have served only one term may indicate their interest and be reappointed. One motion is to reappoint two Commissioners who have served one term. Interviews were conducted for a third vacancy.

MOTION: by Councilmember Johnson, seconded by Councilmember Withhart to reappoint Elizabeth Thompson and Brian McCool to the Planning Commission for terms expiring January 31, 2018.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Johnson, Martin
Nays: None

Ballots were distributed to vote on the appointment from the interviews. City Manager Schwerm reported that the candidate with the most votes is John Doan.

Mayor Martin stated that three excellent candidates applied for the position. One was current Commissioner Proud who has served on the Commission the last 17 years and done an excellent job. This process of reapplication was instituted after two terms in order to provide some turnover on the Planning Commission.

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to appoint John Doan to the Planning Commission for a term expiring January 31, 2018.

Discussion:

Councilmember Wickstrom expressed her appreciation to Commissioner Curt Proud for his wonderful service on the Planning Commission. Her only concern regarding reappointment is his attendance due to his job.

Councilmember Withhart echoed Councilmember Wickstrom's appreciation for Commissioner Proud and also stated that John Doan is an impressive newcomer to the Planning Commission.

ROLL CALL: Ayes: Wickstrom, Withhart, Johnson, Quigley, Martin
 Nays: None

ADJOURNMENT

MOTION: by Councilmember Withhart, seconded by Councilmember Johnson to adjourn the meeting at 8:20 p.m.

Mayor Martin again expressed her appreciation to Councilmember Withhart and wished everyone a Happy Holiday.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 5th DAY OF JANUARY 2015.

Terry Schwerm
City Manager