

**CITY OF CIRCLE PINES, MINNESOTA
REGULAR CITY COUNCIL MEETING**

**Tuesday, July 26, 2016
7:00 p.m.**

1., 2. CALL TO ORDER / ROLL CALL

Mayor Bartholomay called the meeting to order at 7:00 p.m. Also present were Council Members Schweigert, Percy, Runbeck and O'Brien and City Administrator Keinath.

3. SETTING OF AGENDA

Fire Steering Committee was added as Item 5.b.

4. COMMENTS

a. Taxpayer Comments

There were no Taxpayer comments.

b. Council Member Comments

Council Member Runbeck commented that the city of Andover just released its police budget and they plan to join with Anoka County Sheriff's department for police coverage at a cost of \$85 per person. He said the cost of Circle Pines' police coverage is \$227 per person. He added that Andover has half the coverage of Circle Pines.

c. Mayor Comments

Mayor Bartholomay commented on the following:

- Special meeting to select city administrator
- State Little League tournament at Carl Eck Park

5. COMMITTEE REPORTS

a. Utilities Commission

Mayor Bartholomay reported the commission met July 20 and business included discussion of the possibility of a gas prepay, an idea that began seven or eight years ago. He said it is a financing vehicle that gets you a margin to obtain gas at a lower price and City Administrator Keinath is attending meetings to help decide whether it is worth it.

Keinath said basically the tax-exempt financing allows a savings of 15 to 20 cents per MMBTU as we buy it, so you pay whatever the price is, but you get a discount because of the financing.

Council Member O'Brien commented she remembers a past conversation about this and asked if it was ever followed up on. Keinath said the utility was about a month away from closing a \$500 million transaction just before the financial crisis hit and this is a very complicated financial process and so all the 'actors' went away because the ratings, etc. no longer worked.

Bartholomay said the commission will review this again in the future

b. Fire Steering Committee

Council Member Percy reported the committee met July 25 and reversed some changes made at the July 7 meeting regarding types of calls responded to and a cut in standby pay for volunteer firefighters. He said the action was in response to feedback from the council, fire chief and firefighters. Percy said the committee voted to keep cuts to low-priority calls and keep response to the high-priority calls and restore standby pay from 30 back to 60 minutes. It was noted the changes from July 7 were never implemented before the July 25 meeting.

6. COUNCIL BUSINESS

a. Consent Agenda

Items included:

1. Minutes: 07/12/16 Regular Council Meeting
2. Licenses
3. Fire Disbursements
4. General Fund Disbursements
5. Police Disbursements
6. Roseville IT Agreement

MOTION: O'Brien moved, seconded by Runbeck, to approve the Consent Agenda as presented. **Motion carried 5-0.**

b. Proposed Grant Application Iron Sand Filter

City Administrator Keinath reminded the council that the city applied for a grant last fall for the iron sand filter and some other items for improving the water quality in Golden Lake and that continues to be a priority, so we now have another opportunity that City Engineer Pete Willenbring from WSB and Associates will talk about.

Willenbring explained that an application was submitted a couple years ago for grant money designated for environmental projects, many of those lake

restoration and water quality improvement projects. He said there are a couple things that help increase chances of obtaining the grant money – submittal of a bi-annual budget request two years in advance, and also an application with plans demonstrating the proposed project.

Willenbring said the project is an iron sand filtration unit that would pump water out of Golden Lake or out of the wetland treatment system upstream of Golden Lake and treat the water through an iron sand filter that would take out phosphorus. He noted it is interesting that the Anoka Soil and Water Conservation District did a report a number of years ago that looked at iron sand filtration units in different parts of the county and they identified with this project in their report, so if we team up with them, we have a good chance of receiving funding for our project.

He described the proposed project and its location on Golden Lake. He noted the Anoka SWCD was reluctant to support the project if it included a significant amount of pumping out of Golden Lake as they would rather have it focus on only the external load. Willenbring said the proposed project, in terms of removal, has the ability to address much of the external load coming in, but could later be expanded to take internal loading. He mentioned the system should last 20 to 25 years. It was noted SWCD would administer the project and added that an agreement would be needed with both the Board of Water and Soil Resources and also the Soil and Water Conservation District.

Mayor Bartholomay asked how alum treatment works in a lake and how effective it is. Willenbring described the process and said results have indicated you may be able to see an effectiveness over a 10-year period, but it does not actually remove the phosphorus from the lake. He also mentioned the use of water drawdown as a method to reduce phosphorus in a lake, but said permits can be hard to obtain as well as residents' signatures.

Keinath asked if proposed alum treatment would be included in the grant application. Willenbring said they didn't necessarily say it couldn't be put in the grant application. He said the problem is they don't have an alum treatment in their BBR. He suggested that maybe with a one-time drawdown, we might be able to tie into that the alum treatment of water that is discharged.

Council Member Schweigert asked if future BBRs would include both an alum treatment and a drawdown. Keinath responded that the 2018 one does.

Council Member Percy commented he is in favor of a sand filter and said he has found Anoka Conservation District easy to work with and thinks they would be a great partner on this project. He asked how much space a lift station would take up if it were used in the project. Willenbring said it would be a submersible pump with a 48-inch to 60-inch manhole.

Percy asked if there isn't already a drawdown taking place, to some extent, with phosphorus removal for the current street project. Willenbring explained how the phosphorus removal process for the proposed grant project is different than the process for the street project.

Council Member Runbeck said the effect of reducing the phosphorus would be less weeds, and commented that pond weed is a nuisance.

Keinath asked for guidance on the possibility of including alum treatment in the grant proposal. Willenbring will look into the possibility of adding an element to the project that was not in the BBR.

Runbeck asked why a \$100,000 cost of an iron sand filter is a better approach than a \$35,000 drawdown similar to what was done recently on Peltier Lake. Keinath said they are two different problems – one is about removing phosphorus and the other is about disrupting weeds on the shoreline.

Bartholomay asked what costs would be for an alum treatment and also a drawdown. Willenbring estimated an alum treatment for the entire lake to be about \$100,000, and suggested a smaller test area be done first that would be \$50,000. He said a drawdown could be done in one or two ways, but both projects together would be about \$200,000. He suggested if the city wants to do a drawdown, it should first get a permit for it and then acquire funding.

Schweigert asked if the proposal includes one or two intakes and if it is one, would the project cost still be \$450,000. Willenbring said he believes it is one, but cost estimates will be reviewed.

MOTION: Runbeck moved, seconded by Percy, to authorize the city engineer to enter into an agreement with the Soil and Water Conservation District to submit a grant application for partial funding of an iron sand filter, and to the extent that it makes sense, add hypolimnion alum treatment. **Motion carried 5-0.**

c. West Road No Parking Baseball Games

Council Member Percy commented he has been in that area during baseball games and praised the neighbors for their patience and tolerance. He said it is a good idea to extend the No Parking areas.

MOTION: Percy moved, seconded by Schweigert, to approve No Parking restrictions for 54 through 58 West Road. **Motion carried 5-0.**

d. Pay Application No. 2 – 2016 Street Project

City Administrator Keinath confirmed city engineers have reviewed and recommended the requested payment.

MOTION: Schweigert moved, seconded by O'Brien, to approve Construction Pay Voucher No. 2 for the 2016 Street and Utility Improvement Project to LaTour Construction, Inc. in the amount of \$554,752.34. **Motion carried 5-0.**

e. Special Assessment Policy No. 53

City Administrator Keinath mentioned residents were told the exact amounts as listed in the proposed changes to the special assessment policy; \$4,380 for full reconstruction and \$1,500 for mill and overlay. Mayor Bartholomay asked what that percentage of the cost is. Keinath said the \$4,380 was based on the engineers' estimate and that was the typical percentage. He said the street portion of the bids actually came in higher, but we typically stay with the original number whether it is more or less. It was noted the amount is usually approved earlier, but the council wanted to wait to see bid amounts before making their decision.

Council Member Runbeck commented there is usually a variance of about 5 percent and asked if an analysis had been done on that yet. Keinath said sewer and water is where the project came in under bid and we're looking at just one piece of that – the street portion – because that's what people pay on – and utility rates pay the rest. Council Member O'Brien noted that overall, the cost is still 7 percent less.

Keinath also mentioned that the current policy does not speak to partial payments of existing assessments. He said the current policy says that within the 30-day window after the assessment is finalized owners have the option to do a partial payment, with the balance assessed to the property. He said we were informed by the county that there will be a \$110 charge to set up a new assessment roll if we allow partial payments on existing assessments. Therefore, he said staff is suggesting limiting payments to full payoff of amounts after the first 30 days of the project assessment period when they are allowed to pay all or part of their assessment. He said then once an amount has gone onto property taxes, the only way to pay it off would be in full. It was noted there is no cost for the city to take an amount off the tax roll, only a new charge of \$110 to add a new amount and recalculate payments.

MOTION: O'Brien moved, seconded by Percy, to adopt amendments to **Special Assessment Policy No. 53** to update pricing and change payoffs to full amounts past the first 30-day window. **Motion carried 5-0.**

f. Possible Home Occupation Ordinance Changes

Mayor Bartholomay explained this strengthens the city's ability to regulate problematic situations. City Administrator Keinath said the changes are suggested by the city attorney to make what is allowed in the ordinance more specific and controlled so that it's clear whether there is a violation or not. He said the attorneys do work for a number of cities and this is what they typically

see in other cities. He explained because this is part of the zoning code, it would have to have a hearing before the Planning Commission.

Council Member Runbeck expressed concern that a pending litigation would be affected by this change. Keinath said anything that comes out of the lawsuit would only affect one property and not the rest of the city. He said what we're really looking at is what might be the next instance and added that he asked the city attorney about moving this forward at this point and she didn't have concern.

MOTION: Runbeck moved, seconded by Schweigert, to request the Planning Commission call a public hearing on proposed changes to the Home Occupation Ordinance and make a recommendation to the council.

Council Member Schweigert asked if this is only for new home occupations or does it apply to existing home occupations. Keinath said it depends on how it's written and he will ask that question. Council Member Percy said he would like it to apply to all.

Schweigert asked if it applies to daycares also. Keinath said a daycare is a permitted use and not a home occupation, but he will check it.

Schweigert asked how the ordinance would apply to a private taxi such as Uber. Keinath said they wouldn't be doing the service at their house.

Motion carried 5-0.

7. ADJOURNMENT

MOTION: O'Brien moved, seconded by Percy, to adjourn the meeting at 8:28 p.m.
Motion carried 5-0.

Mayor

Clerk