

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council was held on December 3, 2018 at the Spring Lake Park Community Center, 1301 81st Avenue N.E., at 7:00 P.M.

1. Call to Order

Mayor Hansen called the meeting to order at 7:00 P.M.

2. Roll Call

Members Present: Councilmembers Nelson, Wendling, Delfs, Goodboe-Bisschoff and Mayor Hansen

Members Absent: None

Staff Present: Police Chief Ebeltoft; Public Works Director Randall; Building Official Brainard; City Engineer Gravel; Attorney Thames; Parks and Recreation Director Rygwall; Administrator Buchholtz and Executive Assistant Gooden

Visitors: Paddy Jones, Ham Lake
Ken Tolzmann, City Assessor
Doug and Lynn Eischens, 8220 6th Street NE
Elizabeth Bartlett, 548 82nd Avenue NE
Merrilee Town, 539 82nd Avenue NE

3. Pledge of Allegiance

4. Additions or Corrections to Agenda

Administrator Buchholtz asked that a Public Right of Way Application be added to the agenda as Item 6J.

5. Discussion From The Floor

Residents Elizabeth Bartlett and Merrilee Town expressed their concern with a neighboring property and the home becoming a charity home. They inquired as to what classifies a home a charity home and the ownership.

Building Official Brainard stated that he is not aware of a charity home and would follow up on the ownership as well as any permits that may have been applied for. He stated that is not aware of any definition of a charity home.

Ms. Town expressed her concern with a recent robbery on her block. Police Chief Ebeltoft explained that actions are being taken in the recent activity in her neighborhood and stated that it is a slow process to ensure everything is taken care of.

6. Consent Agenda:

Mayor Hansen reviewed the following Consent Agenda items:

- A. Approval of Minutes – November 19, 2018
- B. Budget to Date – (as of 10/31/18)
- C. 4th Quarter Billing for 2019 Payable 2020 Property Tax Assessment
- D. Authorize Closure of City Hall on Monday, December 31, 2018 (New Year's Eve)
- E. Approval of Drug and Alcohol Testing Services Contract – Trust In Us
- F. Resolution 18051, Resolution Establishing Precinct and Polling Locations for 2019 Election Year
- G. Contractor's Licenses
- H. Business Licenses – Used Cars, Cigarette, Intoxicating Liquor & Sunday Sales, Massage Therapy
- I. Correspondence
- J. Public Right of Way Application

Councilmember Wendling inquired on Item 6E, Approval of Drug and Alcohol Testing Services Contract, he questioned if the fee was \$250.00 per individual or if it was a group rate. Administrator Buchholtz stated \$250 fee was for the group.

Councilmember Nelson asked for explanation on a memo in regards to Finding of Fact, Conclusions of Law, And Order in reference to Councilmember Goodboe-Bisschoff. Councilmember Goodboe-Bisschoff explained that she had filled out her financial Campaign report incorrectly, which caused an error in the reporting. She stated that an amount of a check was not referenced properly.

MOTION BY COUNCILMEMBER WENDLING TO APPROVE THE CONSENT AGENDA. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

7. Public HearingA. Truth in Taxation Public Hearing – 2019 Budget and 2018/Pay 2019 Property Tax Levy

Mayor Hansen opened the public hearing at 7:18 PM to discuss the 2019 proposed budget and tax levy.

Administrator Buchholtz reviewed the following visuals:

- Graphs showing the 2018 to 2019 Revenue and Expenditure Comparisons
- Pie Chart for 2019 Revenues
- Pie Chart for 2019 Expenditures
- 2019 Budget Highlights

Administrator Buchholtz stated the proposed levy increase is 4.66%, of which the General Government levy will increase by 5.02%. He stated that overall General Fund spending is set to increase by 3.66%. He stated that the City's tax rate will decrease from 54.191% in 2018 to 45.785% in 2019. He reported that the City will be receiving Local Government Aid (LGA) for the sixth time in a row, after previously in 10 years and outlined how these funds will be used as follows: 1.) fund general fund expenditures; 2.) buy down debt service levy; 3.) purchase capital equipment; 4.) fund State/Federal storm water mandates; 5.) Radio Replacement Fund; 6.) Reduce severance liability and 7.) 2020 Election expenses.

Administrator Buchholtz reported that cost drivers for the 2019 budget included increases in wages and benefits for City staff, part time Code Enforcement position expenses, and increases in I.T. infrastructure cost for the City.

Mayor Hansen asked for comments from the floor. No comments were given.

Mayor Hansen closed the Public Hearing at 7:36 PM.

MOTION MADE BY MAYOR HANSEN TO CLOSE 2019 TRUTH IN TAXATION HEARING. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

8. Public Works Report

Public Works Director Randall reported that in the month of November, the Public Works Department continued to collect the garbage and recycling at the park; plowed twice in the month and started making ice at the ice rinks. He stated that the Public Works Department installed new signs and trees at the parking lot on Buchanan Street and patched the sidewalk on Osborne Road. He reported that all the sewers have been cleaned in the City and the fire hydrants have been drained for winter.

Mr. Randall reported the new sidewalk machine works very well and thanked the Council for allowing the purchase of it. He stated that the Public Works Department assisted with the set up and take down of the election equipment and installed the Christmas lights at the parks and city hall.

Councilmember Goodboe-Bisschoff thanked Mr. Randall and the Public Works Department for the repair to the Osborne Road trail.

9. Code Enforcement Report

Building Official Brainard stated that in October 2018, 29 building permits, 2 zoning, 7 mechanical, 9 plumbing permits were issued for a total of 47 permits compared to a total of 56 in 2017. He reported that the Code Enforcement Department conducted 159 inspections in the month of October.

Mr. Brainard stated that in November 2018, 24 building, 1 fire, 3 zoning, 11 mechanical, and 9 plumbing permits were issued for a total of 48 permits compared to a total of 42 in 2017. He reported that the Code Enforcement Department conducted 206 inspections in the month of November.

Mr. Brainard reported that in October, both the Public Storage interior climate control storage building and the structural shell for Hy-Vee building permits were issued.

Mr. Brainard reported that the October and November 2018 vacancy listings were provided in the packet. He reported that he did post one abandoned and/or vacant property notices in the month of October and November. He stated that in the months of October and November, the department issued seven administrative offense tickets all pertaining to nuisance violations.

Mr. Brainard reported that he attended the Council meetings on October 1 and 15; a Department Head meeting on October 2, the Planning Commission meeting on October 22, and the North Suburban Building Officials meeting on October 30.

Mr. Brainard reported that he attended the Council meeting on November 19; the North Suburban Code Officials meeting on November 13 and the North Suburban Building Officials meeting on November 27.

Mr. Brainard provided a handout regarding the use of Christmas trees in public locations

10. Ordinances and Resolutions

A. Ordinance 448, An Ordinance Amending Chapter 153 of the Spring Lake Park City Ordinance Relating to Zoning

Administrator Buchholtz reported that City Council requested that the Planning Commission consider an ordinance amendment to Chapter 153 of the Zoning Code.

He stated that the proposed ordinance would amend the use table in Appendix D, Section (B) as it relates to the C-3, Office Commercial District. He stated that three uses (assembly uses, schools and studios, and restaurants/night clubs) are considered conditional uses in the C-3 zoning district. He stated that Conditional uses are considered permitted with reasonable conditions. He stated that the City Council would like to prohibit these types of uses from the C-3 zoning district, finding that these assembly uses are not consistent with the general character of an office commercial zoning district. He stated that these assembly uses would continue to be allowed in the City's C-1, Shopping Center Commercial, and C-2, Neighborhood and Service Center Commercial, zoning districts.

Administrator Buchholtz reported that there are three parcels currently zoned C-3 within the City – 525 Osborne Road, 505 Osborne Road and 7701 Terrace Road NE. He stated that the effect of this proposed changes would be limited to these three parcels.

Administrator Buchholtz reported that the proposed ordinance would also codify the licensing setback for churches and schools from licensed liquor establishments. He stated that the ordinance would create 500-foot buffer between churches and schools and licensed liquor establishments. He reported that the City Council believes that there is a significant public policy interest in maintaining a separation between liquor establishments and schools/churches and this ordinance would achieve that objective.

Administrator Buchholtz reported that the City Attorney has reviewed the draft ordinance and staff recommends approval of the proposed ordinance.

MOTION MADE BY MAYOR HANSEN TO APPROVE ORDINANCE 448 AMENDING CHAPTER 153 OF THE SPRING LAKE PARK CITY ORDINANCE RELATING TO ZONING. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. Ordinance 449, An Ordinance Amending Chapter 111 of the City Code Regulating the Possession, Sale and Consumption of Intoxicating and 3.2 Percent Malt Liquor Within the City

Administrator Buchholtz reported that with the closure of the City's municipal liquor operation and Hy-Vee under construction, it is appropriate and timely for the City Council to amend the City's liquor ordinance.

Administrator Buchholtz reported that Section 1 of the proposed ordinance amends Section 111.06 to establish a limit of one off-sale intoxicating liquor license from the effective date of this ordinance until January 1, 2026. He stated that this provision provides a smooth transition from municipal off-sale liquor to private off-sale liquor. He stated that Hy-Vee has made application for an off-sale liquor licenses, approval of which is on hold

until the proposed ordinance is adopted.

Administrator Buchholtz stated that Section 2 establishes a new kind of liquor licenses, including

- 3.2% malt liquor off-sale license, which will allow gas stations/convenience stores to sell 3.2% malt liquor off-sale
- Off-sale intoxicating liquor license
- Brewer taproom license
- A cocktail room license (microdistillery)
- A microdistiller off-sale license
- A microdistiller temporary on-sale license

Section 2 also amends language for brewpub on-sale intoxicating liquor or 3.2% malt liquor license, brewer off-sale malt liquor licenses, and brewer temporary on-sale intoxicating liquor license. He stated that the proposed language for these licenses matches the LMC model liquor license ordinance.

Administrator Buchholtz explained that Section 3 corrects an omission to Section 111.17(F), clarifying that the 500-foot distance is measured from the closest side of the building to the closest side of the structure on the premises within which liquor is sold is the same for schools as well as churches.

Administrator Buchholtz reported that Section 4 repeals the City's municipal liquor ordinance. He stated that Section 5 amends the City's fee schedule to establish fees for the off-sale intoxicating and off-sale 3.2% liquor license. He stated that these fees are established under State Law.

Administrator Buchholtz stated that the City Attorney has reviewed the proposed ordinance and staff recommends approval of the liquor ordinance amendment.

MOTION MADE BY MAYOR HANSEN TO APPROVE ORDINANCE 449 AMENDING CHAPTER 111 OF SPRING LAKE PARK CITY CODE REGULATING THE POSSESSION, SALE AND CONSUMPTION OF INTOXICATING AND 3.2 PERCENT MALT LIQUOR WITHIN THE CITY OF SPRING LAKE PARK, MINNESOTA. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

C. Resolution 18-52, Resolution Approving Summary Publication of Ordinance 449

MOTION MADE BY MAYOR HANSEN TO APPROVE RESOLUTION 18-52 APPROVING SUMMARY PUBLICATION OF ORDINANCE 449. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

11. New Business

A. Approval of 3-year Assessor Contract with City Assessor Ken Tolzmann

Administrator Buchholtz reported that the City's assessing services expires on January 1, 2019. He stated that City Assessor Ken Tolzmann is proposing a new 3-year service to provide the City with assessing services.

Administrator Buchholtz reported that the fees under the proposed contract are slightly higher than in previous years. He provided the following proposed fee schedule.

- \$10.00 for each improved parcel of residential, seasonal recreational residential and agricultural type of property. This is an increase of \$1.00 per parcel from the previous contract
- \$2.30 for each unimproved parcel of residential, seasonal recreational residential and agricultural type of property. This is the same as the previous contract.
- \$55.00 for each improved and unimproved parcel of commercial, industrial, and public utility type of property. This is the same as the previous contract
- \$55.00 for each improved and unimproved parcel of apartment or mobile/manufactured home park type of property. This is the same as the previous contract.

Administrator Buchholtz reported that the proposed increase represents 5.7% increase over the 2018 assessment contract, or \$1,973. He stated that this is the first increase in six years. He stated that the City has the ability to terminate the agreement with six months written notice before the start of the following tax year (July 1).

Administrator Buchholtz stated that staff has been pleased with the service that City Assessor Tolzmann has provided the City over the past three years.

Mr. Tolzmann reported how he enjoys working with City staff and in the city. Councilmember Nelson stated how impressed he is with the presentations that Mr. Tolzmann provides as well as the excellent work he does for the City.

MOTION MADE BY COUNCILMEMBER NELSON TO APPROVE 3 YEAR ASSESSOR CONTRACT WITH CITY ASSESSOR KEN TOLZMANN. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. Approval of 2019 Agreement fir Residential Recycling Program with Anoka County

Administrator Buchholtz provided a copy of the 2019 Residential Recycling Agreement. He stated that the agreement must be signed and returned to Anoka County in order to receive the funding for 2019. He reported that the 2019 Municipal Reimbursement Funding Allocation calls for the county to pay the city a base of \$10,000, plus \$5.00 per household and options for other recycling opportunities.

Municipal Grant Funding (\$10.00 + \$5 per household):	\$23,010.00
Monthly Drop-off Center:	\$10,000.00
Organics Collections:	\$ 2,602.00
Recycling Enhancement Grant:	\$ 2,602.00

Administrator Buchholtz stated that the City applied for an additional \$20,000.00 and was awarded the amount. He stated that the base amount combined with the additional grant gives the City of Spring Lake Park's Recycling program a total contract award of \$54,214.00.

Administrator Buchholtz stated that staff recommends of approval of the agreement.

MOTION MADE BY MAYOR HANSEN TO APPROVE ANOKA COUNTY AGREEMENT FOR RESIDENTIAL RECYCLING PROGRAM 2019 (SCORE). ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

C. Authorize Plans and Bidding for 2019 Seal Coat Project

Engineer Gravel reported that as part of the ongoing street maintenances, the City completes an annual street maintenance project consisting of crack repair and seal coating. He stated that seal coating included placing bituminous emulsion and small aggregate on the street surface. He stated that he has reviewed the street system history with Public Works Director Randall to establish priority streets for crack seal and seal coat treatment.

Mr. Gravel stated that it is recommended to obtain bids for the planned 2019 construction area. He stated that the 2019 construction area is bounded by Sanburnol/Elm, Able Streets, 81st Avenue and Monroe Street. He stated that the streets north of Highway 10 and west of Laddie Lake area also in the 2019 construction area.

Mr. Gravel reported that the target streets to be completed under this recommended project are generally streets that the city repaved in 2004 and last seal coated in 2009. He stated that portions of Monroe and Able Streets are also proposed to be included. He reported that in addition, City parking lots in Able Park will also be included as an alternate bid.

Mr. Gravel reported that at this time, he requests the the City Council authorize preparation of plans/specifications and bidding for the 2019 Seal Coat and Crack Repair project.

MOTION MADE BY COUNCILMEMBER NELSON TO AUTHORIZE PLANS AND BIDDING FOR 2019 SEAL COAT PROJECT. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

D. Approval of 2019 Public Utilities Budget

Administrator Buchholtz presented the proposed 2019 Public Utilities budget. He reported that revenues are anticipated to be \$1,516,304, which is an increase from 3.9% from 2018. He reported that expenditures are anticipated to be \$1,516,304, which is an increase from 2.7% from 2018. He stated that the proposed 2019 budget is a balanced budget.

Administrator Buchholtz reported that the big cost drive is \$39,021 increase in the Metro Waste Control line item. He explained that these are the fees the City pays to Metropolitan Council Environmental Services (MCES) for the treatment of the City's wastewater. He stated the volume of water running through the flow meter increased in 2017. He stated that the fee the City pays to MCES to treat the water has increased.

Administrator Buchholtz reported that flows for 2018 (January through September) are nearly 19% lower than flows from the same period in 2017 and in line with the historical average. He stated that based on this information, staff is hopeful that the Metro Waste Control line items will stabilize for 2020.

Administrator Buchholtz stated that staff is proposing the keep water and sanitary sewer rates at current levels for 2019. He stated that the City has experienced revenue growth across its accounts, partially due to the elimination of the multi-family unit rate subsidy that was implemented in 2018. He stated that staff also anticipates revenue growth due to the occupancy of the Legends of Spring Lake Park and a partial year of operations for Hy-Vee.

Administrator Buchholtz thanked Accountant Anderson, Public Works Director Randall and Utility Billing Clerk Kelm for their work on putting the budget together.

Councilmember Nelson stated that the sewer lining and infiltration projects in the past have helped with future budgets. He stated that he thought it was a great idea to line the sewers and thanked Public Works Director Randall and Engineer Gravel for their work on the projects.

MOTION MADE BY COUNCILMEMBER DELFS TO APPROVE 2019 PUBLIC UTILITIES BUDGET. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

E. Authorize Release of RFP for Building Inspection and Related Services

Administrator Buchholtz reported that at the October 29, 2018, City Council work session, the City Council directed staff to draft a request for proposals (RFP) for building inspection services.

Administrator Buchholtz provide the Council with a draft copy of the RFP that will be issued the beginning of December. He stated that the RFP calls for proposals to be submitted no later than 3:00 PM on December 21, 2018. He stated that the RFP provides a summary of information about the community, outlines the scope of services the City is requesting, spells out the performance standards that will be specified within the agreement, specifies the information the City is looking for in the proposal, outlines the evaluation process, and specifies the anticipated term of contract.

Administrator Buchholtz stated that the proposal also allows the City the right to reject any or all proposals. He stated that should the City Council decide not to move forward with contracting out the service or wish to pursue a different direction; the proposal provides the City Council the freedom to do so.

Administrator Buchholtz stated that staff welcomes input from the City Council on the draft RFP. He stated that if the City Council finds the draft to be in order, the City Council would take action to authorize staff to release the RFP. He stated that the RFP will be published on the city's website, the League of Minnesota Cities (LMC) website, and sent to various contractors.

Mayor Hansen thanked Administrator Buchholtz for preparing the RFP.

Councilmember Delfs inquired if it is common to post the RFP on the website and share with other cities. Administrator Buchholtz stated that it is very common and especially helpful to post on the LMC website.

Councilmember Goodboe-Bisschoff inquired on the RFP process. Administrator Buchholtz stated that he would review the RFP's that are received and comply the results into a large matrix for comparison. He stated that the information along with the actual proposals would be shared with the City Council for their review.

MOTION MADE BY MAYOR HANSEN TO AUTHORIZE RELEASE OF REQUEST FOR PROPOSALS FOR BUILDING INSPECTION AND RELATED SERVICES. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

12. Engineer's Report

Engineer Gravel had no new items to report.

13. Attorney's Report

Attorney Thames had no new items to report.

14. ReportsA. Beyond the Yellow Ribbon Report

Councilmember Nelson reported that there would not be a pork chop dinner in the month of December because of the holiday. He stated that he met with the Military Family Services representative and reported that gas cards will be given out to the military families again this year. He reported that he met with members of the Purple Heart Organization on fund raising events.

14. Other

Councilmember Goodboe-Bisschoff proposed a Council workshop topic. She stated that she would like to see swimming beach in Lakeside Park available again. She reported that she has done research and believes that the lake could be swimmable again in the future.

15. Administrator Reports

Administrator Buchholtz reported that he attended several meetings including a meeting regarding the Arthur Street water plant. He stated that he and Engineer Gravel along with staff from the cities of Fridley and Blaine and Coon Creek Watershed staff met regarding the joint storm water pond south of Northtown.


Administrator Buchholtz reported that comments from the Metropolitan Council were received on the draft copy of the 2040 Comprehensive Plan and the suggestions will be incorporated in the plan for final approval.

16. Adjourn

MOTION BY COUNCILMEMBER WENDLING TO ADJOURN. VOICE VOTE: ALL AYES. MOTION CARRIED.

The meeting was adjourned at 8:29 P.M.

Attest:



Daniel R. Buchholtz, Administrator, Clerk/Treasurer


Cindy Hansen, Mayor