

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council was held on July 17, 2017 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; Engineer Gravel; Parks and Recreation Director Rygwall; Attorney Thames; Administrator Buchholtz and Executive Assistant Gooden

Visitors: Troy Olsen, North Metro Mayors Association
Peter Allen, Stantec
Matthew Cromer, 8071 Van Buren Street NE
Paddy Jones, Ham Lake
Reed Richerson, United States Solar Corporation
Representative Connie Bernardy
Senator Carolyn Laine

3. Pledge of Allegiance

4. Additions or Corrections to Agenda

Administrator Buchholtz asked that Troy Olsen from North Metro Mayors Association be added to the agenda as Presentation Item 9B. He also asked that a Public Right of Way application from Xcel Energy be added to the Consent Agenda at Item 6H.

5. Discussion From The Floor- None

6. Consent Agenda:

Mayor Hansen reviewed the following Consent Agenda items:

- A. Approval of Minutes – June 19, 2017
- B. Disbursements
 - 1. General Fund Disbursement Claim No. 17-11 -- \$227,001.25
 - 2. Liquor Fund Disbursement Claim No. 17-12--\$249,350.13
- C. Public Right of Way Applications – Centerpoint Energy
- D. Sign Permit
- E. Contractor's Licenses
- F. Correspondence
- G. Budget to Date – June 2017
- H. Public Right of Way Applications – Xcel Energy

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

7. Police Report

Police Chief Ebeltoft reviewed the June 2017 department statistics. He provided an overview of cases of interest that Investigator Baker has been working on and reported that School Officer Chlebeck will be returning to the city streets on patrol until the start of the 2017-2018 school year.

Chief Ebeltoft reported that the Police Department responded to six hundred seventeen calls for service for the month of June 2017 compared to four hundred ninety calls for service in June 2016.

Chief Ebeltoft reported, in addition to addressing the day-to-day operations of the Department, he attended numerous meetings throughout the month representing Spring Lake Park Police Department and the City of Spring Lake Park. He that he assisted the Police Department staff with overseeing/orchestrating the first "Muslim Prayer Event" in celebration with "Ramadan", the event was held at the high school.

8. Parks and Recreation Report

Parks and Recreation Director Rygwall reported that the Parks and Recreation Commission met and discussed their involvement in the Tower Days Celebration. She noted that the Commission assisted with the carnival games and participated in the parade.

Ms. Rygwall reviewed the department statistics and reported that staff has been preparing for Tower Days events. She reported that the softball program will be ending for the season and staff has been busy preparing the tournaments and the concessions. She stated that the summer program for school age children has been well attended at the various parks.

9. Presentations

A. State Representative Connie Bernardy and State Senator Carolyn Laine

Representative Bernardy provided a recap of the legislative session. She expressed her concern with many missed opportunities during the session. She stated that transportation needs are very important to Spring Lake Park and reported that only half of what was needed to assist with transportation in the City was funded.

State Senator Laine explained how she worked closely to help pass the issuance of the Real ID for the state. She explained that the Real ID will be available in October 2018 in Minnesota. She stated that the Real ID will provide more proof of identification much like a passport and information will be able to be shared across the state lines.

Senator Laine stated that she supported that new rules and regulations for the election process. She stated that dates have been set for when special elections can take place and how much candidates can spend on election materials as well as assuring there are balanced political parties with the election judges at polling locations.

Senator Laine reported that she worked diligently to pass new standards for regulations on cell towers especially with the 5G expansion into the cellular circuit. She stated that the regulations will limit the places the new towers can be placed and the usage of Right of Way. She stated that many providers could be allowed up to five in one area, all in site of each other.

Mayor Hansen thanked Senator Laine for her hard work on the 5G cellular towers as she can see it will affect the City in time. Administrator Buchholtz expressed his appreciation for the work on the bill and hopes that it will be revised for collaboration with other local government agencies.

Councilmember Goodboe-Bisschoff offered her congratulations to Senator Laine and Representative Bernardy for the establishment of the Department of Motor Vehicle Registrar at the City of New Brighton.

B. North Metro Mayors Association – Troy Olsen

Troy Olsen reported that he is a representative for the North Metro Mayors Association, which is made up of collectively of 15 metro cities. He stated that the organization is a voice for the region on legislative issues that affect the cities.

Mr. Olsen reported that many of the projects that the organization supported was the development of a new Department of Motor Vehicle office in the city of New Brighton; worked closely with the Minnesota Department of Transportation to secure increased transportation funding; and supported efforts to build a Trunk Highway 65 and Highway 10 coalition.

C. MS4 Annual Report

Mayor Hansen opened the public hearing at 7:40 PM.

Peter Allen from Stantec presented the 2017 MS4 Annual review. He addressed the Council and provided a slide presentation that showed what an MS4 Permit consists of, as well as who is involved with the Storm Water Management Regulation in Spring Lake Park. He stated that three groups regulate it: the State of Minnesota, Federal Programs and local watershed management organizations.

Mr. Allen explained the Storm Water Regulatory Documents that impact municipal operations, which include: the NPDES MS4 Permit, Local Surface Water Management Plans and Watershed Management Plans and Rules.

Mr. Allen reviewed the basic components of the MS4 Permit, known as “Best Management Practices”, or BMP’s. He stated that each BMP addresses one or more of the six main elements of the permit referred to as “Minimum Control Measures” which include public education and outreach; public participation and involvement; illicit discharge detection and elimination; construction site storm water runoff control; post construction storm water management and pollution prevention and good housekeeping for municipal operations.

Mr. Allen reported on how Spring Lake Park is currently in compliance with the MS4 Permit. He stated that the City has formed partnerships with the Watershed Districts and other MS4’s, created City Ordinances and LWMP requirements, created Storm Sewer System Maps along with related brochures and articles, performed inspections on illicit discharge, construction and MS4 system, performed street sweeping, staff training; conducted a Facilities Inventory Assessment, Pond Assessment and completed the MS4 Annual reports to submit to the Minnesota Pollution Control Agency.

Councilmember Nelson inquired if any unfunded mandates are going to take place. Mr. Allen stated that the EPA has been working on a new application and permitting process but at this time, it is not ready for cities to use. He stated that he is not aware of the costs associated with the new application.

Engineer Gravel noted that many of the projects have been implemented by city staff to keep costs down.

Mayor Hansen asked for public comment. Hearing no further public comments, Mayor Hansen closed the public hearing at 7:51 PM.

10. Ordinances and/or Resolutions

A. Ordinance 437 Amending Chapter 51 Relating to Garbage; Solid Waste

Administrator Buchholtz reported that at the City Council workshop session in May, the City Council discussed and provided feedback to possible amendments to the City's solid waste ordinance. He stated that the amendments have been reviewed by the City Attorney and are included in the proposed Ordinance.

Administrator Buchholtz stated that the biggest change contemplated by the proposed Ordinance is to establish a cap on the number of the solid waste hauler licenses in the City. He stated that currently, the City has eight licensed solid waste haulers serving the City. He explained that the proposed ordinance would limit the number of licensed haulers to no more than four. He stated that the reduction is not immediate and would be achieved through attrition. He stated that when haulers consolidate or decline to renew their license, the number of licensees would drop until there are not more than four licensed haulers in the City. Staff has received feedback from residents and Councilmembers over the years concerned about the wear and tear on the City's streets caused by the significant number of garbage trucks driving through the city each week. He stated that staff believes this ordinance will maintain a level of competition to keep collection process low while at the same time protect the City's infrastructure investment and provide for the health, safety and welfare of the residents.

Administrator Buchholtz stated that the proposed ordinances update a number of other provisions within the Code. He provided a summary of the provisions.

- Updates definitions
- Require licensed haulers to use equipment that prevents solid waste materials from leaking or spilling during transport, to keep their equipment clean and free from offensive odors, and to ensure collection site is left free of litter.
- Requires solid waste containers to be watertight with a tight fitting lid and are impervious to insects, rodents, vermin and the absorption of moisture
- Requires solid waste haulers that service non-residential structures to offer recycling services to those non-residential customers.
- Amends the start of collection from 6:00 AM to 7:00 AM.
- Establishes a suspension and revocation process for licensees that fail to comply with the provisions of the code
- Formally establishes the City's residential recycling program. He noted that these provisions mirror the city's current practice.

Councilmember Nelson stated that he give credit to the Council and staff for working together to prepare the proposed ordinance. He stated that he is not in favor of organized collection and he feels that this is a good solution.

MOTION MADE BY MAYOR HANSEN TO APPROVE ORDINANCE 437 AMENDING CHAPTER 51, SPRING LAKE PARK CODE OF ORDINANCE, RELATING TO GARBAGE; SOLID WASTE. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. Resolution 17-17 Approving Summary Publication of Ordinance 437

MOTION MADE BY MAYOR HANSEN TO APPROVE RESOLUTION 17-17 AUTHORIZING SUMMARY PUBLICATION OF ORDINANCE 437, AN ORDINANCE AMENDING CHAPTER 51 OF THE SPRING LAKE PARK CODE OF ORDINANCE RELATING TO GARBAGE, SOLID WASTE. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

C. Resolution 17-18 Approving a Variance to Allow a Driveway Expansion at 8071 Van Buren Street NE

Administrator Buchholtz provided an overview of the variance request from Matthew Comer to allow a variance for a driveway expansion. He reported that the Planning Commission has reviewed the application and held a Public Hearing on June 26, 2017.

Administrator Buchholtz stated that the property is zoned R-1, Single Family Residential. He noted that the lot is 80 feet by 130 feet. He reported the house and attached garage and the current asphalt driveway, which is currently, 10 feet from the property line at its closest point, and would be replaced. He stated that the property owner is seeking to expand his driveway to be 2.5 feet from the property line to accommodate the camper that is currently parked in the front of the driveway.

Administrator Buchholtz reported that Section 153.224 of the Spring Lake Park City Code allows the City to grant a variance in instances where the strict enforcement of the zoning ordinance would cause practical difficulties in complying with the ordinance because of circumstances unique to the individual property under consideration and when it is demonstrated that the variance is in harmony with the general purposes and intent of the zoning code and the Comprehensive Plan.

Administrator Buchholtz reported that the State Legislature amended the zoning law to create practical difficulties test. He stated that there are three factors:

1. *The property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance.* Staff believes this test is met as a number of other properties, including this property, have a driveway that has a setback less than 2.5 feet.
2. *The plight of the landowner is due to circumstances unique to the property not created by the landowner.* The proposed driveway will accommodate the parking of a camper on an approved parking surface and will reduce the landowner's difficulty in backing out of his property.
3. *The variance, if granted, will not alter the essential character of the locality.* The neighborhood consists of a number of properties with driveway setbacks less than five feet in width.

Administrator Buchholtz reported that the Planning Commission recommended the variance be granted with the following conditions:

- Applicant must reestablish turf on any areas disturbed by the construction of the driveway.
- Any modifications to the driveway must be constructed pursuant to the standards set forth by the City of Spring Lake Park. Applicant must secure a zoning permit from the Code Enforcement Director for the expanded driveway.

- Drainage must be handled in such a way as to not deposit storm water onto a neighboring property.
- Certificate of occupancy will not be granted unless all conditions of a variance are met.

Councilmember Goodboe-Bischoff stated that she has concerns with the large tree that is not on the property but on the neighboring property. She stated that she is concerned with the tree root system should the expansion of the driveway occur.

Mayor Hansen and Administrator Buchholtz both noted that the July 26, 2017 Planning Commission meeting minutes state that the tree root issues are noted and the neighbor did not have an issue with the expansion or any concerns with the tree roots.

MOTION MADE BY COUNCILMEMBER NELSON TO APPROVE A VARIANCE TO ALLOW A DRIVEWAY EXPANSION AT 8071 VAN BUREN STREET NE. ROLL CALL VOTE: COUNCILMEMBERS NELSON, WENDLING, DELFS AND MAYOR HANSEN – ALL AYES. COUNCILMEMBER GOODBOE-BISSCHOFF – NAY. MOTION CARRIED.

10. New Business

A. Approval of 2018 North Metro Telecommunications Commission Budget

Administrator Buchholtz reported that North Metro Telecommunications Commission submitted their 2018 proposed operating budget. He stated that the Commission's proposed budget is \$1,292,053 which represents a \$71,589 increase over last year's operating budget. He stated that the increase is due entirely to franchise renewal related expenses. He stated that a reduction in personnel costs was balanced out by an increase in video streaming bandwidth expenses.

Administrator Buchholtz stated that budgeted capital costs for 2017 are \$409,127 and the majority of this amount is dedicated to the HD bond payment of \$229,215. He stated that the remainder is for Makito X signal transport systems, video streaming servers, field equipment, office computers, software, software licenses, and annual system maintenance contracts.

Administrator Buchholtz explained that franchise fees paid back to the Member Cities are budgeted at \$400,000, which is \$55,000 more than last year's franchise fee payment.

MOTION MADE BY COUNCILMEMBER NELSON TO APPROVE 2018 NORTH METRO TELECOMMUNICATIONS COMMISSION BUDGET. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. US Solar – Community Solar Garden Approval

Administrator Buchholtz reported that the City Council, at its June 19 meeting, authorized staff to invite a representative from US Solar to give a presentation on a "Sunscription" proposal for a new community solar garden being proposed for construction.

Administrator Buchholtz provided an overview of the possible savings by purchasing credits from US Solar to be applied on the City's Xcel utility bill. He noted that staff is seeking direction from the City Council on how to proceed.

Reed Richerson, US Solar, presented to the City Council the background information of US Solar and how the company is different than other solar companies and proposals. He reported that US Solar is a solar developer and owner/operator that specialize in community solar markets including our primary market of Minnesota.

Mr. Richerson explained that a Sunsubscription is an agreement with US Solar designed to provide the City with a significant and long-term savings through the City's Xcel Energy bill. He stated that Xcel Energy credits the subscriber's bills for supporting renewable energy. He reported that subscribers pay a subscription rate to US Solar in order to receive those bill credits. He stated that as long as the bill credit is larger than the subscription rate, Spring Lake Park saves money.

Mr. Richerson reviewed the savings to the solar garden would have to the City. He reported that there could be an expected savings of \$1,331,682 over the next 25 years, with year one savings expected to be \$4,304. He stated that there are no upfront costs and the project carry very low risk to the City.

Administrator Buchholtz inquired that if Xcel's rate stayed flat over 25 years, is there the possibility of saving \$101,000. Mr. Richerson agreed and noted that credits could be banked.

Councilmember Wendling stated that he was happy to see that US Solar was not listed in any material he had read regarding any lawsuits. He voiced his concern with the previous offer of solar garden with a different vendor. Mr. Richerson stated that US Solar operates much differently than the previous vendor who offered services. He stated that US Solar is a local company with roots in Minnesota.

Administrator Buchholtz stated that the previous vendor (SunShare) left the state after the Public Utility Commission (PUC) clarified their solar garden rules. He stated that US Solar appears to be in good standing and has standards in place to comply with the PUC.

Councilmember Wendling inquired if there are any environmental concerns with the sites that have been chosen for the other solar gardens that are in place. Mr. Richerson stated that the gardens tend to be smaller project plots and they work diligently with the site selection. He stated that US Solar prepares any permit applications that are necessary for the site locations.

Councilmember Goodboe-Bisschoff inquired as to how long the rate that is being proposed will be honored for. Mr. Richerson stated that the rate quoted to the City is a flat rate for 20 years. He stated that it will be honored until the portfolio is completely subscribed. He stated that there are many agreements that are being processed and the portfolio will likely be full by December.

Mayor Hansen inquired if Attorney Thames has reviewed the agreement that is before the Council. Attorney Thames stated that he has reviewed the contract and have spoken to US Solar representatives. He stated that there were a few concerns but they had been worked out and the new agreement is in order and complete.

Administrator Buchholtz stated that this agreement with US Solar carries a much lower risk than the previous agreement from SunShare. He stated that this one is more conservative and their does not appear to be a hedging situation like before.

Councilmember Wendling inquired if residents of Spring Lake Park can sign up to take part in the savings provided from the solar garden. Mr. Richerson stated that there are currently three proposed portfolios and the first two portfolios are being marketed to cities, schools and businesses. He stated that the third portfolio will be a majority of residents however; it will need a lot of residents to fill the portfolio.

Councilmember Nelson inquired if the business expands to include residents will the current agreement stand and would it allow for additional coverage for those interested. Attorney Thames stated that the agreement that is before the Council is for the City's participation in the portfolio.

Councilmember Nelson stated that he is in full support of the solar power and hoped a program for residents to participate would be available in the future.

Councilmember Goodboe-Bisschoff inquired if there is any way the City can lose money by signing up with US Solar. She inquired if there were any consequences should the City decide to drop out of the agreement. Attorney Thames stated that the only way the City would lose money is if energy prices were to drop significantly over time. He stated that there are stipulations built into the agreement should the City need to drop out of the agreement.

Councilmember Goodboe-Bisschoff inquired as to what other cities that Attorney Thames is familiar with who are currently holding an agreement with US Solar. Attorney Thames reported that his law has worked with the City of Rogers in reviewing their agreement with US Solar.

Administrator Buchholtz inquired as to when the solar garden would go online should the City agree to sign on with US Solar. Mr. Richerson stated that the portfolio will be full soon and construction would be in early spring of 2018.

Councilmember Goodboe-Bisschoff inquired if there is any interested in solar ponds at this time. Mr. Richerson stated that there is no interest.

MOTION MADE BY COUNCILMEMBER NELSON TO APPROVE COMMUNITY SOLAR GARDEN AGREEMENT WITH US SOLAR. ROLL CALL VOTE – ALL AYES. MOTION CARRIED.

C. Laddie Lake Pub Lease Agreement Request

Administrator Buchholtz reported that the City has received a request from the Laddie Lake Pub, 8466 Highway 65 NE, for a lease modification.

MOTION MADE BY MAYOR HANSEN TO CLOSE REGULAR COUNCIL MEETING TO ENTER INTO CLOSED SESSION. ROLL CALL VOTE: ALL AYES. MOTION CARRIED

Mayor Hansen closed the regular Council meeting at 8:50 PM.

Mayor Hansen reconvened the regular Council meeting at 9:16 PM.

Administrator Buchholtz reported that the regular Council meeting was closed to discuss a real estate transaction and to discuss an amendment to the proposed lease agreement. He stated that due to a cash flow problem at Laddie Lake Pub, they have requested that their monthly rent payment be changed to \$4,000 from \$5,200 effective on August 1, 2017. The proposed amount would be effective until July 31, 2018 and increase to \$5,200 from August 31, 2018 through January 31, 2019. He stated that starting on February 1, 2019 until the end of the lease, January 1, 2020; the remaining rent payment would be \$6,400/month. He explained that the City would receive the same total amount however; it is deferring a total of \$1,200/month to the back end of the lease.

MOTION MADE BY COUNCILMEMBER NELSON TO AMEND LADDIE LAKE PUB LEASE AGREEMENT. ROLL CALL VOTE- ALL AYES. MOTION CARRIED.

12. Engineer's Report

Engineer Gravel reported that staff continues to do research as part of the background research for updating the local surface water management plan including stormwater modeling. He reported that work on the sanitary sewer lining project will begin in a few weeks and the contractor will be starting to make crack repairs in the next few week for preparation to the start of the seal coat project.

Mr. Gravel provided handouts from a recent meeting with Anoka County on projects currently being worked on by the county.

13. Attorney's Report- None

14. Reports

A. Administrator Reports

Administrator Buchholtz reported that the funding notes for the senior housing project closed on July 11, 2017. He stated that the Bond Counsel worked very hard to prepare everything in 71 days, which normally would take 100 days.

Administrator Buchholtz stated that letters have been sent out the the liquor establishments in the city to inquire if there is any interest in staying open to 4:00 AM for the 2018 Super Bowl. He stated that recent legislature took place to allow establishments to apply for a permit to stay open past the normal closing time. He reported that at this time, there has not been any interest from the establishments.

15. Other - None

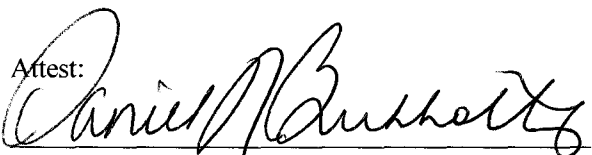
16. Adjourn

MOTION BY MAYOR HANSEN TO ADJOURN. VOICE VOTE: ALL AYES. MOTION CARRIED.

The meeting was adjourned at 9:30 PM.



Cindy Hansen, Mayor

Attest:


Daniel R. Buchholtz, Administrator, Clerk/Treasurer