

**CITY OF BAYPORT  
CITY COUNCIL MEETING MINUTES  
COUNCIL CHAMBERS  
JUNE 7, 2010  
6:00 P.M.**

**CALL TO ORDER**

Pursuant to due call and notice, Mayor Nowaczek called the regular City Council meeting of June 7, 2010 to order at 6:00 p.m., and asked Councilmembers, staff and the audience to join in pledging allegiance to the American Flag.

**ROLL CALL**

Members Present: Mayor Jon Nowaczek, Councilmembers Connie Carlson, Dan Johnson, Torry Kraftson and Judy Seeberger

Members Absent: None

Others Present: Administrator Mitch Berg, Engineer Barry Peters, Assistant City Administrator/ Planner Sara Taylor, and Attorney Nick Vivian

**APPROVAL OF AGENDA**

Mayor Nowaczek noted that an application and request from the Lower St. Croix Management Commission-Partnership Team to use the Lakeside Park beach house on June 30, 2010, was inadvertently omitted from the agenda. They are requesting that the \$50.00 usage fee be waived. He recommended adding this item to the consent agenda.

It was moved by Councilmember Kraftson and seconded by Councilmember Carlson to approve the June 7, 2010 agenda, with the addition of the *Lower St. Croix Management Commission-Partnership Team Fee Waiver Request for Lakeside Park Beach House on June 30, 2010* to the consent agenda. Motion carried.

**PROCLAMATIONS/COMMENDATIONS/PETITIONS**

1. The May recycling award was given to Ryan Goldsmith.
2. Mayor Nowaczek announced that Library Board member Corey Mohan has moved out of Bayport and resigned from the board. He noted that applications for the position will be accepted in June, and anyone interested in applying should contact the library or City Hall for more information.
3. Mayor Nowaczek reported that the July City Council meeting would be held on Tuesday, July 6, 2010, due to the Independence Day holiday.

**OPEN FORUM** - None

**CONSENT AGENDA**

Mayor Nowaczek read items 1-11 on the amended consent agenda.

1. May 3, 2010 City Council regular meeting minutes
2. May payables and receipts
3. May building, plumbing and mechanical permit report
4. Special event application for BCAL ice cream social on Wednesday, June 16, 2010 at Lakeside Park
5. Appointment of election judges for 2010 primary and general elections
6. Special event application for tennis tournament on Sunday, July 25, 2010 at Perro Park
7. Designate 2010 surplus Allied Waste scholarship funds for purchase of city park waste receptacles
8. Authorization to dispose of obsolete city equipment

9. Accept donation of laptop computer from MN Chiefs of Police Association
10. Joint powers agreement with Washington County Sheriff's Office for state fuel contract
11. Lower St. Croix Management Commission-Partnership Team Fee Waiver Request for Lakeside Park Beach House on June 30, 2010

Councilmember Seeberger cautioned that the police scanner proposed for disposal in item #8 above may have confidential information on its hard drive that should be deleted prior to sale. Staff will check on this prior to disposal.

Councilmember Seeberger introduced the following amended resolution, and moved its adoption:

**Resolution 10-12**

**A RESOLUTION APPROVING AMENDED CONSENT AGENDA ITEMS 1-11 FROM THE  
JUNE 7, 2010 CITY COUNCIL AGENDA**

The motion for adopting the foregoing resolution was duly seconded by Councilmember Carlson and upon roll call being taken, the following voted via voice:

Jon Nowaczek – aye	Torry Kraftson – aye
Connie Carlson – aye	Judy Seeberger – aye
Dan Johnson – aye	

**COUNCIL LIAISON REPORTS**

Councilmember Seeberger reported on the May 17, 2010 Planning Commission, noting that the ordinance amendment and conditional use permit to allow a limited transit vehicle storage facility at 204 2<sup>nd</sup> Avenue South was recommended for approval to the City Council.

Councilmember Seeberger reported on the May meeting of the Community Advisory Committee (CAC), part of Andersen Corporation's Project XL. She noted that Bayport resident, Dan Goldston, was approved as a new member of the committee. Andersen Corporation VOC emissions are down, and another initiative resulted in a 40% reduction in the overall use of paper products throughout the company. The CAC will meet again on September 15, 2010.

Councilmember Kraftson reported on the May 13, 2010 Middle St. Croix Watershed Management Organization (MSCMWO) meeting. Storm water audits of residents living along Perro Creek went very well and also provided an opportunity for storm water education. The Washington Conservation District is applying for a grant through the Minnesota Pollution Control Agency that would help improve storm water quality along the St. Croix River. The next meeting is scheduled for Thursday, July 8, 2010, 7:00 p.m., at the Valley Ridge Mall. The June meeting was cancelled due to a lack of business.

Councilmember Johnson reported on the May 20, 2010 meeting of the Library Board. The annual author's luncheon realized a profit of \$4,588.52, and the author's presentation is being rebroadcast on Valley Access Channels. Master gardeners are donating time for outdoor projects and anyone interested in helping can contact the library director. Librarian Jody Bystrom has retired and additional summer help has been hired to assist with duties. Corey Mohan's resignation from the board was accepted, and Councilmember Johnson encouraged residents to apply for the open position. The next meeting is scheduled for Thursday, June 24, 2010, 6:00 p.m. at the library.

Councilmember Carlson reported that the next meeting of the Joint Cable Commission has not yet been scheduled.

## **RIVERFRONT ADVISORY COMMISSION REPORT**

Commissioner Siegfried recapped the May 18, 2010 meeting, noting guest speakers from Hudson and Stillwater discussed their city's riverfront development plans. The next meeting is scheduled for Tuesday, June 8, 2010 at 6:00 p.m. at Bayport City Hall. It was noted the commission meetings are open to the public and agenda information is posted on the city's website.

### **UNFINISHED BUSINESS**

Consider quotes to replace the roof at City Hall: Administrator Berg reviewed the five quotes received to replace the City Hall roof. Staff recommended awarding the quote to Fischer Company for an 80 mil thick vinyl membrane roof at a cost of \$21,560.00. The proposed roof would have energy-efficient qualities and a 25-year warranty. The roof replacement project would be completed this summer.

It was moved by Councilmember Kraftson and seconded by Councilmember Carlson to authorize the replacement of the City Hall roof with the 80 mil thick vinyl membrane product quoted by Fischer Company, at a cost of \$21,560.00. Motion carried.

Consider adopting a city purchasing policy: Administrator Berg reviewed the revised city purchasing policy that adds a section on employee wellness and recognition and recommended approval. Mayor Nowaczek noted a text error in the travel policy section and recommended approval of the policy, with the text correction.

It was moved by Councilmember Seeberger and seconded by Councilmember Johnson to adopt the city purchasing policy, with the correction of the minor text error. Administrator Berg noted that the proposed policy is an umbrella policy in that it combines multiple existing policies with several new policies. As such, he recommended the motion be amended to reflect that the new policy supersedes all existing policies that have been incorporated in the proposed purchasing policy. Councilmembers Seeberger and Johnson accepted the motion amendment as stated. Motion carried.

### **NEW BUSINESS**

Consider a request for an ordinance amendment to Appendix B – Zoning of the Bayport City Code to allow a limited transit vehicle storage facility as a conditional use in the B-1 Limited Business zoning district and a CUP to allow a limited transit vehicle storage facility at the property located at 204 2<sup>nd</sup> Avenue South: Assistant Administrator/Planner Taylor reviewed the conditional use permit (CUP) application to allow a limited transit vehicle storage facility at 204 2<sup>nd</sup> Avenue South and an ordinance amendment to the city's zoning code to allow this use in the B-1 Limited Business zoning district. A few months ago, the city became aware that the applicant was leasing the property and operating a limited transit vehicle storage facility, which is not a permitted use. If approved, the applicant intends to purchase the property and continue the use long-term. The proposed use, hours of business, and required and possible additional improvements were reviewed. Planner Taylor stated the business is contracting their "dial-a-ride" service with the Metropolitan Council for the East Metro area, primarily for Washington County residents. Engineer Peters noted the property currently has private sewer, and the applicant and property owner have been informed that the existing septic system may need to be abated, depending upon the required septic system inspection.

At the May 17, 2010 Planning Commission meeting, the applicant requested that light routine maintenance of the vehicles be allowed and added as part of the CUP. The maintenance would be performed inside the building during the hours of 8:00 a.m.-8:00 p.m. The Planning Commission recommended approval of the ordinance amendment and the CUP, including the maintenance request, but recommended the City Council allow additional public comment at tonight's meeting since the maintenance request was not part of the original application. The city received a subsequent suggestion from a resident to use a dust retardant on adjacent gravel streets, as the dust has increased substantially

with the recent business activity and is a nuisance to adjacent properties. Otherwise, the city has received only positive comments regarding the proposed use. Staff feels the proposed use would be compatible as a conditional use within the B-1 zoning district and recommended approval of the ordinance amendment and CUP, with the conditions listed in the staff report.

Discussion followed on improving unused portions of the property and the type of light maintenance that would be performed inside the building. Mayor Nowaczek questioned whether the amended CUP request should go back to the Planning Commission for additional public comment and to follow the proper procedures. Attorney Vivian recommended that the entire application be moved on at one time, and if it is sent back to the Planning Commission, an amended application could be considered for the specific issues identified by the City Council. He also recommended that a specific definition for a limited transit vehicle storage facility be added to the ordinance. Administrator Berg noted that if the City Council chose to defer the matter back to the Planning Commission, the motion should include language to extend the 60-day rule on the application. Mayor Nowaczek noted his support for the project but believes the city should adhere to its procedures and also incorporate the attorney's recommendations for the ordinance amendment. The applicant was not present at the City Council meeting and therefore was not available to comment on the application. Discussion followed on the process of sending the application back to the Planning Commission.

It was moved and amended by Councilmember Johnson and seconded by Councilmember Carlson to refer the matter for a conditional use permit for a limited transit storage facility for the property located at 204 2<sup>nd</sup> Avenue South back to the Planning Commission for the purpose of holding the necessary public hearing to obtain additional public comment on the application as amended by the applicant allowing light and routine maintenance on the limited transit vehicles, to make a recommendation to the City Council on the definition of a limited transit storage facility in the city's zoning code, to extend the application review period an additional 60 days as permitted by state statute, and to make a recommendation on what types of maintenance would be allowed.

Planning Commission liaison Seeberger believes the applicant did not know the maintenance issue would be a factor when submitting the original application, and the Planning Commission felt the best way to handle the amended request was to continue public comment at the City Council meeting. She also stated she would support the amended application. Discussion followed on providing adjacent property owners with the proper notification and clearly defining the intended use in the zoning code.

Motion carried.

Consider adopting a policy on the distribution of employee health insurance rates: Administrator Berg stated that the city is recommending unblending the rates for active and non-active employees, effective January 1, 2011. While non-active employees pay 100% of their health insurance costs, the city typically ends up subsidizing the non-active employees because of the blending of the insurance rates. The two union representatives support the unblending of the insurance rates as there is only one active employee that would see a rate increase with this action. Discussion followed on how this policy change would affect different segments of those insured, especially retirees.

It was moved by Councilmember Carlson and seconded by Councilmember Johnson to approve the unblending of active and non-active employee insurance rates effective January 1, 2011.

Consider adopting a policy and amending the fees for special event applications: Administrator Berg explained that the city has experienced an increased number of special event applicants requesting that the \$50.00 processing fee be waived. In addition to staff time to process the applications, additional city services, such as Public Works and Police Department support, are often requested. To help defer the

cost, staff is recommending a reduced \$15.00 special event application fee for nonprofit groups and local units of government. Mayor Nowaczek believes such action would streamline the application process, and Councilmember Johnson recommended reviewing the entire application process at this time as he anticipates issues arising with applications requesting multiple dates. Administrator Berg stated staff is developing a rental and fee policy for city ball fields, tennis courts, etc., which will also address certain special event application requests, and recommended tabling the current discussion to the July meeting.

It was moved by Councilmember Carlson and seconded by Councilmember Kraftson to table discussion on adopting a policy and amending fees for special event applications to the July meeting. Motion carried.

Consider a request to complete a Debt Service TIF District 1 and TIF District 2-1 fund financial analysis: Administrator Berg explained the city is investigating ways to manage its TIF funds to reduce the annual interest payment owed by the city on the debt or to possibly decertify the TIF district earlier than expected. Given the complexity of how the TIF districts were established and managed, staff is recommending that an outside analysis be done to help develop a plan to manage the TIF district and related debt. Staff recommends entering into an agreement with Northland Securities, for a cost not to exceed \$2,560.00. Councilmember Johnson questioned the need to engage Northland Securities instead of going directly to our bond counsel for direction. Mayor Nowaczek and Attorney Vivian indicated Northland Securities would provide the city with financial planning expertise and strategies for dealing with the balance of its bond obligations. Administrator Berg noted that funding for this agreement would come from the TIF fund itself.

It was moved by Councilmember Kraftson and seconded by Councilmember Seeberger to enter into an agreement for TIF planning services with Northland Securities, as specified in the letter to City Administrator Berg dated May 13, 2010, for a cost not to exceed \$2,560.00. Motion carried 4-1, with Councilmember Johnson voting nay.

## **COUNCIL ITEMS AND ANNOUNCEMENTS**

1. Councilmember Carlson announced that the Bayport American Legion would be hosting a flag burning ceremony for worn/retired flags on Flag Day, Monday, June 14, 2010, at 6:00 p.m. at Perro Creek Park. Residents should contact the Legion if they have a flag to dispose of.
2. Mayor Nowaczek recognized resident Ginny Peulen for her efforts in organizing the annual citywide garage sale held this past weekend.
3. Councilmember Kraftson noted that the grass in the outfield at Barker's Alps Park is very high and questioned whether a ceremony was being planned to recognize the Barker's Alps renovations. Administrator Berg indicated staff would check on the grass issue and the city will be scheduling an event to celebrate the park improvements.
4. Mayor Nowaczek announced that he would not be seeking reelection when his term expires at the end of this year. He noted that serving has been a very rewarding opportunity and thanked everyone for their support and encouragement during his years on the City Council. He indicated that anyone interested in learning more about the position could contact him.

## **CITY ADMINISTRATOR STAFF ITEMS AND ANNOUNCEMENTS**

City Administrator update: Administrator Berg noted the Minnesota Department of Transportation (MnDOT) indicated they would not change their stance on placement of an armed crossing on 10<sup>th</sup> Avenue North, due to the potential for blind spots and because the Federal Railroad Authority has already logged one accident at the crossing. A letter to Point Road residents detailing these discussions and other train-related issues will be sent out this week.

He stated a summary of the strategic planning session would be distributed to councilmembers in the near future.

**ADJOURNMENT**

It was moved by Councilmember Carlson and seconded by Councilmember Johnson to adjourn the meeting at 7:42 p.m. Motion carried.

---

City Administrator/Clerk