

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBER
DECEMBER 3, 2007
6:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor Nowaczek called the regular City Council meeting of December 3, 2007 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 Sharon Ridgway

Members Absent: None

Others Present: Administrator Mike McGuire, Planning Consultant Mike Darrow, Police Chief Laura Eastman, Finance Officer Wanda Madsen, Engineer Barry Peters, Assistant Administrator/Planner Sara Taylor, and Attorney Mark Vierling

PROCLAMATIONS/COMMENDATIONS/PETITIONS

1. The recycling award for November went to Dennis Dickinson.
2. Mayor Nowaczek read a proclamation recognizing Carroll "Hap" Jenson for his many civic-minded efforts, including his service on the Bayport Public Library Board.

OPEN FORUM

1. Corey Mohan, 380 4th Street South, requested the City Council consider amending the city's zoning ordinances regarding farm animals, to allow limited and responsible pet hen ownership. He cited examples from other cities that permit up to four hens in residential areas. Staff was directed to bring this matter to the Planning Commission.

PRESENTATION OF POTENTIAL BUILDING SITE FOR ST. CROIX PREPARATORY ACADEMY

Ed Kodet, Kodet Architectural Group, Ltd., presented information on a proposed K-12 school for 975 students on approximately 50 acres in Baytown Township, across from the Inspiration development. St. Croix Preparatory Academy requested that the City Council consider revising its Joint Powers Agreement with the Town of Baytown in order to provide water and sanitary sewer service to the proposed school. In connection with this request, authorization was also requested for a feasibility study to be completed to extend the public utilities to the proposed location. John Guiterras, superintendent for the academy, stated that the school has a letter of intent with Andersen Corporation to purchase the property and is actively working on finalizing a purchase agreement, based on approval processes with the appropriate local governments. They anticipate construction starting next summer. Engineer Peters explained that there is an existing water main that crosses Stagecoach Trail, but the sanitary sewer line ends in Inspiration. He believes the city will be able to provide the requested utilities to the site.

Consider revising the Joint Powers Agreement (JPA) to provide public utilities to Baytown Township:

It was noted that the original JPA did not include the extension of municipal sewer service into Baytown Township.

It was moved by Councilmember Johnson and seconded by Councilmember Carlson to revise the Joint Powers Agreement with the Town of Baytown, as specified in Addendum No. 2, which would extend Bayport's municipal sewer and water to the proposed St. Croix Preparatory Academy. Motion carried.

Consider authorizing a feasibility study to be completed for public utility extension to the proposed location of St. Croix Preparatory Academy:

It was moved by Councilmember Johnson and seconded by Councilmember Carlson to authorize a feasibility study to be completed for the public utility extension to the proposed location of the St. Croix Preparatory Academy. Motion carried.

CONSENT AGENDA

Mayor Nowaczek read items 1-16 on the consent agenda.

Councilmember Kraftson introduced the following resolution and moved its adoption:

Resolution 07-29

RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, APPROVING CONSENT AGENDA ITEMS 1-16 FROM THE DECEMBER 3, 2007 CITY COUNCIL AGENDA

1. November 5, 2007 City Council regular meeting minutes
2. November payables and receipts
3. November building, plumbing and mechanical permits
4. Tobacco license renewals for 2008
5. Liquor license renewals for 2008
6. Certification of past due water bills to 2007 property taxes
7. Certification of past due waste collection bills to 2007 property taxes
8. Designating January 7, 2008 as the next City Council meeting date
9. Middle St. Croix River Watershed Management Organization funding for 2008
10. Special event application for Holiday at the Village Green
11. Annual adjustment to the city employee salary step schedule
12. Sale of the 1986 Fire Department pumper truck
13. Accepting a matching grant from the DNR for the Fire Department
14. Renewal of employee dental insurance policy
15. Towing and storage lease agreement for drug forfeiture vehicles
16. Special event application for Polebender Outdoors fishing tournament weigh-in at Lakeside Park

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

Jon Nowaczek – aye	Torry Kraftson – aye
Connie Carlson – aye	Sharon Ridgway – aye
Dan Johnson – aye	

TRUTH IN TAXATION HEARING

Administrator McGuire introduced Wanda Madsen, the city's new finance officer. He noted that the preliminary 2008 budget and capital improvement plan (CIP) were approved at the September 10, 2007 meeting. The proposed 2008 tax levy of \$985,470.00 was also approved, which is an increase of \$55,079.00 from 2007 (5.6%). No impact on city taxes is anticipated. Mr. McGuire reviewed the proposed final budget, 2008 and 2009-2012 CIPs, and levy in detail.

Patrick and Angelina Corbett, owners of La Cosinita Restaurant, 338 5th Avenue North, stated the city portion of their commercial property taxes nearly doubled last year, with their total tax increasing by 71%, after a property re-evaluation by Washington County. It was recommended that the Corbett's contact Mr. McGuire and then follow-up with Washington County regarding appeal of the new valuation.

It was moved by Councilmember Johnson and seconded by Councilmember Carlson to close the truth in taxation hearing. Motion carried.

As a result of the discussion and action at tonight's truth in taxation hearing, the December 10, 2007 follow-up meeting for the truth in taxation hearing and levy certification will be cancelled.

Discuss and consider adoption of 2008 budget:

Councilmember Kraftson introduced the following resolution and moved its adoption:

Resolution 07-30

RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ADOPTING BUDGETS FOR THE GENERAL FUND, SPECIAL LIBRARY FUND, DRUG FORFEITURE FUND, WATER FUND, SEWER FUND, TRUNK WATER AND TRUNK SEWER UTILITY CAPITAL IMPROVEMENT FUND, FIRE EQUIPMENT REPLACEMENT FUND, PUBLIC WORKS EQUIPMENT REPLACEMENT FUND, TAX STABILIZATION FUND, RECREATION CAPITAL EQUIPMENT MAINTENANCE FUND, AND PARK IMPROVEMENT FUND FOR THE YEAR 2008

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

Jon Nowaczek – aye	Torry Kraftson – aye
Connie Carlson – aye	Sharon Ridgway – aye
Dan Johnson – aye	

Discuss and consider adoption of 2008-2012 capital improvement plan (CIP):

Councilmember Kraftson introduced the following resolution and moved its adoption:

Resolution 07-31

RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ADOPTING THE 2008-2012 CAPITAL IMPROVEMENT PLAN

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

Jon Nowaczek – aye	Torry Kraftson – aye
Connie Carlson – aye	Sharon Ridgway – aye
Dan Johnson – aye	

Discuss and consider adoption of 2008 tax levy:

Councilmember Kraftson introduced the following resolution and moved its adoption:

Resolution 07-32

RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, CERTIFYING THE CITY OF BAYPORT'S LEVY TO WASHINGTON COUNTY FOR THE YEAR 2008 BUDGET AT \$985,470.00

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	Sharon Ridgway – aye
Dan Johnson – aye	

Discuss and consider creating new budget fund accounts:

Councilmember Kraftson introduced the following resolution and moved its adoption:

Resolution 07-33

**RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
ESTABLISHING A CEMETERY CAPITAL IMPROVEMENT FUND, A POLICE EQUIP-
MENT REPLACEMENT FUND, A MUNICIPAL BUILDINGS MAINTENANCE FUND, AND
AN OFFICE AUTOMATION FUND, EFFECTIVE JANUARY 1, 2008**

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	Sharon Ridgway – aye
Dan Johnson – aye	

Discuss and consider funding request by Belwin Athletics for the Lucy Winton Bell Athletic Field by contributing \$8.00 per child for 5 years: This item was continued from the October meeting when Belwin Athletics requested a contribution for athletic fields in Afton, used by Stillwater area school students. With an estimated 300 school age children in Bayport, the organization has requested an annual contribution of \$2,400.00, with a 5-year pledge. Administrator McGuire stated this expense has not been budgeted, however it could be taken out of the contingency fund or park dedication fees. He noted park dedication fees have slowed considerably and feels it may be difficult to make a 5-year commitment. Councilmember Carlson reported three communities have pledged and would like the City of Bayport to support the program. Councilmembers voiced their general support for the athletics program, however were concerned with making a long-term pledge. Mayor Nowaczek voiced concern with using public funds for a program that is not open to the public, when the city has plans in place to improve its public parks.

It was moved by Commissioner Kraftson and seconded by Commissioner Carlson to contribute \$2,400.00 from the city's contingency fund to Belwin Athletics for the Lucy Winton Bell Athletic Field for 2008, and to review the request for budget year 2009. Motion carried 4-1, with Mayor Nowaczek opposed.

UNFINISHED BUSINESS – None

NEW BUSINESS

Consider a draft of the updates to the city's comprehensive plan and authorization to forward the draft to surrounding communities and the public school district for comment: Planning consultant Mike Darrow noted that a public open house was held November 7, 2007, to present the city's comprehensive plan draft update, and a public hearing was held at the Planning Commission meeting on November 19, 2007. Mr. Darrow provided an overview of the proposed update changes, including those recommended by the Planning Commission. Discussion followed on challenging population and traffic forecasts projected by the Metropolitan Council, incorporating information from the recent community survey, readability of the maps, text errors, adding language regarding support of light rail opportunities, impact of a new St. Croix River bridge, adding specific bicycle and pedestrian trail goals, adding all sidewalks to the trails and park map, adding language regarding upgrading our public water mains, adding language explaining why the city has extended water service into Baytown Township, reworking wording regarding the city's surface water management plan, modifying the future land use map, and how to designate lots owned by Xcel Energy. The City Council requested that the changes discussed be incorporated into the document and brought back for further action at the January meeting.

Revisions to employee health insurance policy: Administrator McGuire explained that the city's insurance consultant recommended that the city switch from a traditional health insurance plan to a pre-tax, high-deductible Health Savings Account (HSA) plan. The premium rates for both plans were reviewed, as well as the projected savings for the city and benefits for employees. Discussion followed on the pros and cons of switching to an HSA plan. Staff recommended switching to the new plan.

It was moved by Councilmember Kraftson and seconded by Councilmember Johnson to approve the city's switch from its current traditional health insurance plan to a high-deductible Health Savings Account plan, with an increase of 8.7% for 2008. Motion carried.

Consider safety consulting services and training for city employees for 2008: Administrator McGuire reviewed the city's safety committee function, noting that a new safety manual is being prepared. The safety committee and its safety consultant recently decided to part ways. Staff interviewed three potential consulting firms and recommended entering into a two year agreement with Complete Health, Environmental and Safety Services (CHESS), Inc., at a cost of \$6,000.00 for the first year and \$4,500.00 for the second year. Mr. McGuire reviewed the scope of services that would be provided. He indicated the city will pursue sharing training costs with nearby cities. It was recommended that a termination clause be part of the contract.

It was moved by Commissioner Kraftson and seconded by Commissioner Ridgway to authorize the city to enter into a two year agreement with Complete Health, Environmental and Safety Services (CHESS), Inc., Woodbury, Minnesota, at a cost of \$6,000.00 for the first year and \$4,500.00 for the second year, to provide safety consultant services for the city. Motion carried.

Consider authorization to enter into an agreement with HLB Tautges Redpath, Ltd. to prepare 2007 audit work papers: Administrator McGuire reviewed staff's request to hire the city's former audit firm, HLB Tautges Redpath, to provide audit work paper preparation and account reconciliation assistance. The cost for these services would be offset by a decrease in the audit fee agreement with our new audit firm and a lower salary for our new finance officer. Staff recommended entering into an agreement with HLB Tautges Redpath, Inc., for a not-to-exceed fee of \$10,000.00.

It was moved by Councilmember Carlson and seconded by Councilmember Johnson to enter into an agreement with HLB Tautges Redpath, Ltd., White Bear Lake, Minnesota, to prepare the 2007 audit work papers, for a not-to-exceed cost of \$10,000.00. Motion carried.

COUNCIL LIAISON REPORTS

Councilmember Ridgway reported the next Cable Commission meeting is scheduled for Wednesday, December 12, 2007, 7:00 p.m., at the cable studio in the Valley Ridge Mall.

Councilmember Kraftson reported that the Middle St. Croix Watershed Management Organization (MSCWMO) approved their 2008 budget at the November 8, 2007 meeting. The next meeting is scheduled for December 13, 2007, where amendments to the watershed plan will be reviewed for approval.

Councilmember Johnson reported on the Bayport Public Library Foundation Board meeting of November 15, 2007. Hap Jenson is finishing his term as president of the library board, and volunteers are needed to serve on this important community board. Interested residents should contact City Hall to apply. The next meeting is scheduled for Thursday, December 27, 2007, 6:00 p.m., at the library, and is open to the public.

Councilmember Carlson reported on the Lower St. Croix Partnership meeting of November 21, 2007. The main topic of discussion was insuring that local governments are aware of regulations before issuing river view permits. Infiltration of zebra mussels into the St. Croix River was also discussed. The next meeting is scheduled for January 16, 2008, 7:00 p.m., at the St. Croix County Government Center.

COUNCIL ITEMS/ANNOUNCEMENTS

1. Councilmember Carlson stated that the Bayport Legion would be hosting a fund-raising pancake breakfast on Saturday, December 8th, 8 a.m. – 12:00 p.m., to benefit an Andersen Elementary school teacher who suffered a recent stroke. The cost is \$5.00.
2. The public is encouraged to attend the Lighting of the Village Green event on Thursday, December 6th, beginning at 6:00 p.m., with story time at the library. Lighting will occur at 6:30 p.m., followed by Santa's arrival at 6:45 p.m. The Bayport Community Action League and the Greater Stillwater Chamber of Commerce are sponsoring the event.

ADMINISTRATOR/STAFF ITEMS AND ANNOUNCEMENTS

Hiring of Wanda Madsen as Finance Officer: Wanda Madsen was previously introduced as the City's new Finance Officer.

City Council workshop to discuss the Lakeside Park projects and Barkers Alps master park plan on Monday, December 10, 2007, at 5:00 p.m.: The public is encouraged to attend this workshop at City Hall.

Discuss topics and dates for future workshops: The City Council discussed meeting in a workshop setting to review specific projects/concerns. Topics include planning and funding big ticket projects that are not included in the CIP, as well as reviewing use of the tax stabilization fund and the restricted fund set up when the city sold its electricity transfer station in the 1950s. Mayor Nowaczek also recommended scheduling a quarterly department review in early 2008, specifically for the library now that their strategic plan has been completed.

ADJOURNMENT

It was moved by Councilmember Carlson and seconded by Councilmember Johnson to adjourn the meeting at 8:12 p.m. Motion carried.