

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS
MAY 4, 2015
6:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor St. Ores called the regular City Council meeting of May 4, 2015 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 Susan St. Ores, Councilmembers Connie Carlson, Dan Goldston, Michele Hanson and Patrick McGann

Members Absent: None

Staff Present: City Administrator Logan Martin, Police Chief Laura Eastman, Public Works Supervisor Mel Horak, Finance Officer Wanda Madsen, City Engineer John Parotti, City Attorney Andy Pratt, Fire Chief Mark Swenson, and Assistant City Administrator/Planner Sara Taylor

APPROVAL OF AGENDA

It was moved by Councilmember Goldston and seconded by Councilmember McGann to approve the May 4, 2015 City Council agenda. Motion carried 5-0.

PROCLAMATIONS/COMMENDATIONS/PETITIONS/ANNOUNCEMENTS

1. The April recycling award recipient is Mark Hilde who will receive \$30.00 for his recycling efforts, with funding made possible by a grant from Washington County.

OPEN FORUM

Michael Beer introduced himself and said he has been the Project Manager for the St. Croix Crossing bridge project since December 2014. He provided an update on the construction progress and said the project is on schedule to have two lanes of traffic in each direction open by the fall of 2016. His team is working with the St. Croix Boat and Packet Company to offer public river tours again this year.

CONSENT AGENDA

Mayor St. Ores read items 1-9 on the consent agenda.

1. April 6, 2015 City Council workshop minutes
2. April 6, 2015 City Council regular meeting minutes
3. April 20, 2015 City Council special meeting minutes
4. April payables and receipts (check numbers 005615-005751)
5. April building, plumbing and mechanical permits report
6. Special Event Application from Bayport American Legion Post 491 for Memorial Day Parade on May 25, 2015
7. Monetary donation request from Bayport American Legion Post 491 for Memorial Day Parade
8. Special event application from Run Stillwater, Inc. for running race on Saturday, July 25, 2015
9. Off-site gambling application from Bayport American Legion Post 491 for Dane's Place fundraiser at Village Green Park on June 27, 2015

Councilmember Carlson introduced the following resolution and moved its adoption:

Resolution 15-12

**RESOLUTION APPROVING CONSENT AGENDA ITEMS 1-9 FROM THE
MAY 4, 2015 CITY COUNCIL AGENDA**

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

Susan St. Ores – aye
Connie Carlson – aye

Dan Goldston – aye
Michele Hanson – aye

Patrick McGann – aye

PRESENTATION OF THE 2014 AUDIT

Jon Archer, Schlenner Wenner and Company, explained the audit process and reported the city received an unmodified/clean opinion on its 2014 financial statements, which is the highest opinion that can be received. The governmental funds were reviewed, with the general fund and enterprise funds examined in detail. He noted the water and sewer funds experienced a net operating loss; however from a cash flow standpoint, the water fund is close to a positive cash flow and the sewer fund is at a break even point. Mayor St. Ores reaffirmed that the 2013 investment income loss noted in the presentation was unrealized and clarified the city did not realize an actual loss because its investments were not cashed in when the market was down. The city has a policy of holding its investments until maturity, ensuring that the full value of the investment can be realized. Mr. Archer added that in 2014 the investments regained the majority of their market value. Mayor St. Ores recognized Finance Officer Wanda Madsen for her assistance in completing the audit and in day-to-day operations.

PUBLIC HEARINGS

UNFINISHED BUSINESS

Consider a resolution authorizing the issuance and sale of General Obligation Capital Improvement Plan Bonds, Series 2015A: Administrator Martin said that staff has been working with Springsted, Inc., to issue General Obligation Capital Improvement Bonds to fund a portion of the new Fire Hall project and allow the project to borrow funds upfront to pay for construction costs. Paul Steinman, Springsted, Inc., reviewed the process to issue the bonds. The competitively bid bonds will be offered at 10:00 a.m., June 1, 2015, and Springsted hopes to receive 5-7 offers for the bonds. The City Council would consider awarding the bonds at their regularly scheduled meeting later that evening. The city plans to issue approximately \$1,995,000 in bonds and expects the bonds to be paid with the \$173,334 received annually through its service contracts with partner communities. The size of the bonds will be adjusted on the day of the sale to accommodate the matching of the debt service and in response to the status of the financial market at the time of issuance. Administrator Martin said the City Council may potentially need to decide whether to expand the project to include the apparatus bay in-floor heating and the dormitories prior to June 1, in order for Springsted and staff to have a complete picture of the project funds needed. Attorney Pratt mentioned that the proposed resolution merely authorizes the sale of the Series 2015A Bonds, which is scheduled for June 1, 2015. This resolution sets the terms of that sale and authorizes Springsted to take bids on the bonds. Additionally, this will be a capital improvement bond sale, which was authorized under the City's 2015-2020 Capital Improvement Plan, as recently amended and approved to include this project. The city held a public hearing for that plan at its March 2, 2015 meeting and received no adverse feedback from the public.

Councilmember Carlson introduced the following resolution and moved its adoption:

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS,
SERIES 2015A**

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

Susan St. Ores – aye	Dan Goldston – aye	Patrick McGann – aye
Connie Carlson – aye	Michele Hanson – aye	

Consider awarding remaining bids for the new Fire Hall construction project: Administrator Martin reviewed the project to date and explained an initial portion of the bids was approved at a City Council meeting on April 20, 2015, which allowed contractors performing the preliminary work to plan their schedules, as well as allow certain contractors to begin acquiring needed product. The remaining bids are being considered at this time, and the low bidders have been vetted by construction manager Kraus Anderson. He noted the architect and construction manager are working to refine the actual cost of adding the apparatus bay in-floor heat and dormitories back into the project, and staff is working with the city’s grant partners to solidify the grant amounts available. There may be a need for a special City Council meeting in May to discuss the possibility of acquiring additional capital via the upcoming bond sale to approve including one or both of the items into the project.

Councilmember Goldston introduced the following resolution and moved its adoption:

**A RESOLUTION AWARDED BIDS FOR THE NEW BAYPORT FIRE HALL
CONSTRUCTION PROJECT**

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

Susan St. Ores – aye	Dan Goldston – aye	Patrick McGann – aye
Connie Carlson – aye	Michele Hanson – aye	

NEW BUSINESS

Consider a Planned Unit Development (PUD) General Development Plan and a Preliminary Plat for Inspiration Phase III-B: City planning consultant Dan Licht reviewed the PUD General Development Plan and Preliminary Plat application for the final single family phase in the Inspiration development, as submitted by the developer, Mattamy Homes, Inc., and owner, Inspiration Holdings, LLC. The application is an amendment of the initial PUD and plat approval in 2004, which incorporates changes to the lot and site designs, to reflect current market conditions. He noted there has been no negative comment received from the current Inspiration residents and the Planning Commission recommended approval of the application at their March 16, 2015 meeting. Following this meeting, Mattamy Homes notified the city that changes to the site plan were necessary to meet current engineering design requirements for the proposed roundabout at Inspiration Parkway North and Primrose Path. Upon review, city staff recommended a traditional four way intersection, and the Planning Commission approved a revised site plan to include the traditional intersection at their April 20, 2015 meeting. The changes from the original 2004 preliminary plat were detailed, including lot requirements, setbacks, open space, landscaping, access, streets, trails/sidewalks, grading plan, utility plan, and easements. Following approval of the proposed preliminary plat, the developer would then finalize their plans and submit a final plat application to establish the lots of record. In conjunction with final plat approval, city staff is requiring a phasing plan for development of the lots and construction of streets and utilities. The

city attorney will also draft a development agreement and PUD permit memorializing the approvals included with the Phase III-B application. City staff recommended approval of the application with the suggested findings of fact and conditions of approval listed in the planning report.

Planner Licht clarified that the cost of constructing parallel (bump out) parking stalls off Inspiration Parkway North, abutting Barker's Alps Park, would be reduced from the total park dedication fees required to be paid by the developer to the city with the final plat approval. The original development plan included a parking area in this location, and city staff believes a bump out for parallel parking is more appropriate. Mayor St. Ores recognized the significant outreach to the current Inspiration residents by the property owner and developer, which fostered a positive relationship to move the project forward. Councilmember Carlson expressed concern about emergency vehicles being able to navigate through the development if parking is allowed on both sides of the street, which is currently occurring. Planner Licht said the developer will be required to post the streets for parking on one side only. Administrator Martin added this was the intent of the original approval and staff will be addressing the current double-sided street parking to ensure adequate width for public safety vehicles. Rick Packer, Mattamy Homes, said he is working with staff to finalize agreements and begin grading in a few weeks and hopes to have model homes ready by the end of the year. The Inspiration Architectural Review Committee has approved specific architectural plans to date, and Mattamy Homes estimates final approval will be given for approximately 23 different models, with varying elevations.

Councilmember Hanson introduced the following resolution and moved its adoption:

Resolution 15-15

RESOLUTION APPROVING A REVISED PUD GENERAL PLAN AND PRELIMINARY PLAT FOR PHASE III-B OF THE INSPIRATION DEVELOPMENT, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA

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

Susan St. Ores – aye	Dan Goldston – aye	Patrick McGann – aye
Connie Carlson – aye	Michele Hanson – aye	

Terry Forbord, Inspiration Holdings, LLC, thanked everyone involved in the process to gain approval for the project, and Mayor St. Ores recognized the work of the Planning Commission.

COUNCIL LIAISON REPORTS

Councilmember Hanson reported on the April 16, 2015 Cable Commission meeting and noted she was elected Vice Chairperson for the group. Work on the franchise renewal continues, with the news that the proposed merger between Comcast and Time Warner has fallen through. She also attended a meeting of the Community Education Advisory Council and reminded residents of the special election on May 12 to vote on a bond request to improve Stillwater Area School District facilities.

Councilmember Goldston attended the April 28, 2015 meeting of the Lower St. Croix Partnership and said meetings are being changed to the last Tuesday of meeting months.

Mayor St. Ores said the Middle St. Croix Watershed Management Organization did not meet last month and she will report on the May meeting next month.

Councilmember Carlson attended the April 30, 2015 Library Board meeting and reported people can find information on the summer reading program on the library's website. She recognized the

Foundation for the Bayport Public Library for hosting a luncheon with New York Times bestselling author Nickolas Butler on May 2, 2015. The next Library Board meeting is scheduled for Thursday, May 28, 2015, 6:00 p.m. at the library.

Councilmember McGann stated the Planning Commission met on April 20, 2015, and recommended approval of revisions to the Inspiration III-B application, as noted by Planner Licht in the previous agenda item.

STAFF/CITY ADMINISTRATOR REPORTS

Fire Chief Swenson reviewed his written report and said the department experienced a number of calls in the last week, bringing the April call volume to approximately 40 more than last year. He reported there were a number of grass fires and Bayport assisted with several mutual aid responses. Homeowners were cautioned to follow city ordinances regarding recreational fires and noted many grass fires started with homeowners burning during high wind conditions.

Police Chief Eastman reviewed her written report and mentioned staff will assist with the Memorial Day Parade and required Highway 95 detour on May 25, 2015. She summarized information she received at the Minnesota Chief's Executive Training last month and said it was very useful and pertinent. Until the part-time positions are filled, she will be working more on call duty shifts. Councilmember McGann inquired about the status of train blockages on Point Road. Chief Eastman said the department continues to track complaints and she had the opportunity to meet a Union Pacific (UP) police manager at her recent chief's training. Along with Administrator Martin, she has been in contact with the UP manager to discuss possible solutions for the railroad blocking issue.

Public Works Supervisor Horak reviewed his written report and noted the boarding dock at the 4th Avenue North boat launch has been installed. He cautioned residents to avoid flushing disposable items, e.g., diapers, wipes, etc., down the toilet. These items have caused multiple sewer backups that damage the system and lead to costly repairs. Staff has not identified any repeat blockages in the older part of the city. There were problems in the Inspiration development in the past, and homeowners responded favorably to the city's written request to avoid flushing undesirable objects into the municipal sewer system. He reported there was minimal reported damage during the recent wind/hail storm.

Assistant City Administrator/Planner Taylor reported the Planning Commission will meet on May 11, 2015, to consider a conditional use permit (CUP) for the new Fire Hall. The CUP is needed to allow this type of government use of the property that is zoned R-3 Multiple Family Residential. Bayport residents will vote at City Hall for the May 12 special election and polls will be open 7:00 a.m.-8:00 p.m. With increased resident donations, the city will be expanding the hanging flower basket program to 20 baskets this year, and the baskets will be hung in time for the Memorial Day Parade. She reviewed the articles highlighted in the latest edition of the city newsletter that was recently delivered.

Administrator Martin reported the city is making progress on the possibility of redeveloping the property at 169 3rd Street North into a municipal parking lot, and the project to install sanitary sewer service to properties along 2nd Street South will be starting soon. City staff continues to work with the State of Minnesota on adding well #3 to the air stripper, and the project design should be completed by the end of June. Funding for construction of the project is included in the Omnibus Capital Improvements Bill currently being considered by the legislature, and the city hopes the project can be completed yet this year.

CITY COUNCIL ITEMS AND ANNOUNCEMENTS

1. Councilmember Goldston announced that the American Cancer Society's "Bark for Life" fundraiser will be held on Saturday, May 16, 2015, 8:30 a.m. at Barker's Alps Park. People can enjoy a morning in the park with their dogs; food trucks and other vendors will be participating.

ADJOURNMENT

It was moved by Councilmember Carlson and seconded by Councilmember Goldston to adjourn the meeting at 7:47 p.m. Motion carried 5-0.

City Administrator/Clerk