

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS
SEPTEMBER 8, 2014
6:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor St. Ores called the regular City Council meeting of September 8, 2014 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, Public Works Supervisor Mel Horak, City Engineer John Parotti, City Attorney Kevin Sandstrom, Fire Chief Mark Swenson and Assistant City Administrator/ Planner Sara Taylor

APPROVAL OF AGENDA

It was moved by Councilmember Carlson and seconded by Councilmember Goldston to approve the September 8, 2014 City Council agenda. Motion carried 5-0.

PROCLAMATIONS/COMMENDATIONS/PETITIONS/ANNOUNCEMENTS

1. The September recycling award recipients are Jim and Vicki Selmecki who will receive \$30.00 for their recycling efforts, with funding made possible by a grant from Washington County.

OPEN FORUM

1. Bob Johnson, representing the Bayport Community Action League (BCAL), reviewed the schedule of events planned for the annual Derby Days celebration on Saturday, September 20. Mayor St. Ores recognized the BCAL members for their efforts in putting on this community event, as well as many others throughout the year.

CONSENT AGENDA

Mayor St. Ores read items 1-10 on the consent agenda.

Councilmember Carlson introduced the following resolution and moved its adoption:

Resolution 14-15

**RESOLUTION APPROVING CONSENT AGENDA ITEMS 1-10 FROM THE
SEPTEMBER 8, 2014 CITY COUNCIL AGENDA**

1. August 4, 2014 City Council workshop meeting minutes
2. August 4, 2014 City Council regular meeting minutes
3. August 25, 2014 City Council workshop meeting minutes
4. August payables and receipts (check numbers 1137465-1137557)
5. August building, plumbing and mechanical permits report
6. Pay application #3 from Fitol Hintz for Phase I Perro Park site improvements

7. Police Department donations for Night to Unite and Youth Safety Camp
8. Award quote to provide services for city sewer cleaning
9. Replacement of roof mounted HVAC unit for City Hall
10. Special event application from Sue Baldwin/Kris Scheel for Bark for Life fundraising event at Barker's Alps Park on Saturday, May 16, 2015

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	

PUBLIC HEARINGS

COUNCIL LIAISON REPORTS

Councilmember Hanson noted the August Cable Commission meeting has been rescheduled to September 18 and will provide an update at the October City Council meeting.

Councilmember Carlson noted the library will be holding a book sale on Saturday, September 20, from 9:00 a.m.-5:00 p.m., in conjunction with Derby Days. In addition, on Monday, September 22, at 7:00 p.m., bestselling author David Housewright will be giving a talk at the library. The next meeting of the Library Board is scheduled for Thursday, September 19, 6:00 p.m., at the library.

Mayor St. Ores stated there was a good deal of discussion at the August meeting of the Middle St. Croix Watershed Management Organization (MSCWMO) on potential new water quality standards and how they may impact communities. She attended the First State Bank and Trust's 100th Anniversary celebration and congratulated the bank on this successful milestone.

STAFF/CITY ADMINISTRATOR REPORTS

Fire Chief Swenson reviewed his written report and highlighted a recent multi-agency water rescue training drill for the St. Croix River Crossing Project. The exercise revealed the need for improved radio equipment capabilities between Minnesota and Wisconsin agencies. The Lower St. Croix Valley Fire Department has been assisting the department on billing back costs to insurance companies for certain expenses associated with unauthorized gas line repair accidents and motor vehicle accidents.

Public Works Supervisor Horak reviewed his written report, and Mayor St. Ores commented on the exceptional work of the contractor who completed the street seal coating project. Mayor St. Ores also encouraged city staff to remove as many of the existing, unnecessary utility poles as possible during the Perro Park Improvement Project.

Assistant City Administrator/Planner Taylor noted that due to the Perro Park improvements, the Farmer's Market has been relocated to 3rd Avenue North for the remainder of the season. City Hall is the designated polling place for all Bayport residents to vote at the November 4 General Election. New stop signs have been added at the intersection of 2nd Avenue North and 4th Street North, to facilitate the relocation of the student and bus drop off/pick-up areas for Andersen Elementary students. Residents are encouraged to use caution when traveling through the area. The next city newsletter should be mailed within the next few weeks, and entries for the *Focus on Bayport* photo contest are due by October 15.

Administrator Martin stated staff continues to monitor the groundwater issue in the area of 5th Street North and 5th Avenue North, noting five soil borings were completed last week to determine the types of soil present in the area. A permanent monitoring well was also installed in the 30-foot boring to track the groundwater level in the area. Administrator Martin said the city has received the land deed from the State of Minnesota for the proposed fire station property, finalizing the land transfer from the Department of Corrections to the City of Bayport.

City attorney Kevin Sandstrom stated the City Council adjourned to a closed meeting at 5:00 p.m. today, pursuant to Section 13.d.05, subd. 3A, to evaluate the city administrator's performance. He summarized the findings of the closed meeting, stating the City Council was pleased overall with the city administrator's performance during his first year of employment. There was no binding action taken during the closed meeting.

UNFINISHED BUSINESS

Consider the bid for the 1st Avenue South Sanitary Sewer Service Project to install new sanitary sewer services to 220 and 239 1st Avenue South: City engineer Parotti said the city received only one bid for the proposed project from Miller Excavating of \$103,410.00, which was nearly double the engineer's estimated cost. The lack of quantity and high bid is most likely related to the late start of this year's construction season and the aggressive timing and completion schedule of the project. Staff recommended the city reject the bid at this time. Staff is working with the affected property owners to explore options to install sanitary sewer to the two properties, including allowing the property owners to complete the project by a private contractor, under city permit. He said it is a fairly common practice for cities to allow private parties to connect to the city main, upon satisfaction of city requirements. Another option is to rebid the work for completion at a later date.

It was moved by Councilmember Hanson and seconded by Councilmember Goldston to reject the bid submitted by Miller Excavating for the 1st Avenue South Sanitary Sewer Service Project. Motion carried 5-0.

NEW BUSINESS

Consider designating a professional architectural firm to assist the city with a design for the proposed new fire hall: Administrator Martin said the next step in pursuing construction of a new fire hall is engaging an architectural firm. Five architectural firms submitted proposals for consideration. The Building Committee and city staff interviewed four firms and identified the top two candidates as Leo A. Daly Architects (#1) and Brunton Architects (#2). He added this is a professional services contract and the proposal is not required to be awarded to the lowest bidder. The preliminary fee proposals, calculated on the cost of construction, ranged from 6.75% to 8%. The overall construction cost will be determined by the price per square foot and would be dependent upon many factors such as building size and finishes. He noted Leo A. Daly submitted the lowest fee proposal; however the firm is being recommended because they were considered to be the best fit and had the best connection with the selection committee members. Bill Baxley, Director of Design with Leo A. Daly Architects in Minneapolis, was introduced and provided an overview of his company and the services they will provide for the project. Mayor St. Ores requested that the selected design team keep the project budget in line with the funding available from the City of Bayport and the three municipalities served by the Bayport Fire Department.

It was moved by Councilmember Goldston and seconded by Councilmember Carlson to authorize staff to negotiate a contract with Leo A. Daly Architects to provide professional design services for the proposed fire hall project. Motion carried 5-0.

2015 BUDGET PRESENTATION

Administrator Martin presented the preliminary 2015 City of Bayport budget, levy, and capital improvement plan (CIP). The city's tax base is estimated to realize a 5% growth in taxable market value, with \$9,405,500 in new residential and commercial construction value added for the 2015 tax year. The city's revenue streams continue to increase, including Local Government Aid, fire service contracts due to increased call volumes, and investment income averaging \$250,000 per year. The expenditure increases in the budget are due to rising benefits and insurance costs, with approximately a 7% increase in health care premiums; a 3% increase in property and liability insurance costs; and increases to state mandated Worker's Compensation and Public Employees Retirement Association (PERA) allocation rates. The proposed 2015 budget is \$2,822,495, which is a 2.43% increase from 2014. The Public Safety, Public Works, City Hall, Library, and Water and Sewer budgets were reviewed in detail. He stated the Police Department is proposing to re-establish the sergeant position, which would result in a \$4,000 increase, offset by a decrease in the part-time officer wages next year. The general fund levy allocated to the library would be increased by \$5,000, which will allow for expanded Wednesday and Saturday hours. Administrator Martin stated there is no proposed increase to water and sewer rates in 2015. The proposed components of the 2015 CIP were detailed, including a comprehensive investigation of the city's utility infrastructure to gather information on the long-term health of the components and develop a plan to strategically fund for repairs and upgrades going forward. The 2015 budget is achievable through an increase of \$24,802 to the proposed general fund levy, which would result in a .38% increase in the city's tax rate. The proposed 2015 city tax rate is 44.33%. In conclusion, Administrator Martin stated the city continues to have a positive financial standing, due to an emphasis on a long-term saving plan and strong stewardship of public finance by staff and councilmembers. Councilmember McGann reiterated the city is required to set the maximum levy for the general and library funds at this meeting, and the levy can be decreased, but not increased, when the final budget is adopted in December. Mayor St. Ores clarified that the addition of the police sergeant position will result in a net neutral change in 2015 because of reduced part-time hours; however there will be a slight increase in subsequent years. The City Council, however, acknowledges the value of reinstating the sergeant position, as well as restoring library hours. She said the City Council strives to keep the budget as flat as possible recognizing there may be special assessments needed to address the city's aging utility infrastructure. She encouraged property owners to examine their property tax statements to differentiate the many taxing entities that impact the total tax bill, i.e., city, county, and school district.

Councilmember Carlson introduced and amended the following resolution and moved its adoption:

Resolution 14-16

RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ESTABLISHING THE PRELIMINARY LEVY CERTIFICATION FOR THE CITY'S GENERAL FUND AND LIBRARY FUND AT \$1,184,783.00

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
Connie Carlson – aye

Dan Goldston – aye
Michele Hanson – aye

Patrick McGann – aye

Councilmember McGann introduced the following resolution and moved its adoption:

Resolution 14-17

RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ADOPTING THE PRELIMINARY CITY BUDGET FOR 2015

The motion for adopting the foregoing resolution was duly seconded by Councilmember Carlson 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

Councilmember Carlson introduced the following resolution and moved its adoption:

Resolution 14-18

**RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
ADOPTING THE PRELIMINARY CAPITAL IMPROVEMENT PLAN FOR 2015**

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

Mayor St. Ores stated that public input on the 2015 budget and levy will be heard at the December 1, 2014 City Council meeting.

CITY COUNCIL ITEMS AND ANNOUNCEMENTS

1. Councilmember Carlson thanked the city's public safety personnel for their assistance with the Mark Ostertag Memorial Walk/Run on August 24. Approximately 85 people took part in the event.
2. Councilmember Hanson thanked Eagle Scouts Bryan Rettner and Nick Scheel for constructing the informational kiosks along the pathways in Barker's Alps Park.
3. Councilmember Hanson thanked the Police Department for another successful Night to Unite event on August 5 and reminded residents to enjoy the Derby Days activities on September 20.

ADJOURNMENT

It was moved by Councilmember Hanson and seconded by Councilmember Carlson to adjourn the meeting at 7:27 p.m. Motion carried 5-0.

City Administrator/Clerk