

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS
JUNE 7, 2004
7:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice thereof, Mayor Schneider called the regular City Council meeting of June 7, 2004, to order at 7:00 p.m., and asked Councilmembers, staff and the audience to join in pledging allegiance to the American Flag.

ROLL CALL

Members Present: Mayor Schneider, Councilmembers Johnson, Kamps, Nowaczek, and Ridgway

Members Absent: None

Others Present: Administrator McGuire, Planning Consultant Darrow, Administrative Assistant/Planner Dietsche, Police Chief Gannaway, Public Works Supervisor Horak, Attorney Kelley, Finance Officer Nash, and Engineer Peters

PROCLAMATIONS/COMMENDATIONS/PETITIONS

1. Mayor Schneider read a proclamation recognizing Bayport resident Laura Nelson for her achievement in receiving the Girl Scout Gold Award from the Girl Scout Council of St. Croix Valley.
2. Mayor Schneider announced \$30 recycling awards for the month of May were given to Edward McParlan, James Purnick, and Jack Young.
3. Mayor Schneider recognized Connie Horak for achieving a 4.0 grade point average upon graduation from Stillwater High School this past week.
4. Mayor Schneider thanked everyone involved with coordinating the Bayport Memorial Day parade, especially Jim Menard, parade chairperson.

OPEN FORUM

Request to support a Community Family Center Concept Plan: Moved to New Business.

CONSENT AGENDA

Mayor Schneider read the list of items on the consent agenda. Councilmember Kamps requested that Item C, May building, plumbing, and mechanical permits, be removed from the consent agenda and added under New Business for further discussion.

Councilmember Nowaczek introduced the following resolution, as amended by Councilmember Kamps, and moved its adoption:

Res. 04-12

**RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
APPROVING CONSENT AGENDA ITEMS A, B, D, AND E FROM THE JUNE 7,
2004 COUNCIL AGENDA**

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

Bob Kamps – aye

Jon Nowaczek – aye

Dan Johnson – aye

Sharon Ridgway – aye

Rick Schneider - aye

PUBLIC HEARINGS - None

COUNCIL LIAISON REPORTS

Councilmember Ridgway reported the Cable Commission did not meet in May. The next meeting is scheduled for June 16, 2004, 7:00 p.m., at the Access Studios located in Valley Ridge Mall.

Councilmember Nowaczek reported the Bayport Public Library Board met on May 27, 2004. Items discussed included finalization of a grant request to install wireless network access and improve meeting rooms, and county approval of a grant application to improve handicapped access with a ramp and automatic door at the rear entrance. The next meeting is scheduled for Thursday, June 24, 2004, at 6:00 p.m.

Councilmember Kamps reported there was an Andersen Community Advisory Committee meeting on June 1, 2004, and two new members were voted in. The committee signed a letter of support for the final Project Xcel agreement that incorporated text changes. Councilmember Kamps and city staff will be reviewing the latest draft of the Watershed Management Organization (WMO) water management plan. The WMO will be meeting on June 9, 2004, at which time they will be discussing funding for Phase 3 of the state storm sewer project.

Councilmember Johnson had no report regarding the Lower St. Croix Partnership.

UNFINISHED BUSINESS

Consider a text amendment to reflect rezoning approval for 120 South 3rd Street from B-2 General Business to B-3 Central Business: Administrator McGuire noted this rezoning action was approved at the May 3, 2004 City Council meeting; however, the ordinance was not included with the agenda packet. The text amendment to the zoning ordinance formalizes this action. Staff recommended approval of the text amendment.

Councilmember Nowaczek introduced the following ordinance and moved its adoption:

ORDINANCE NO. 762

AN ORDINANCE OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, AMENDING THE CITY CODE BY AMENDING SECTION 10, REZONING ORDINANCES, OF APPENDIX B, ZONING

The motion for adopting the foregoing ordinance was duly seconded by Mayor Schneider and upon roll call being taken, the following voted via voice:

Bob Kamps – aye

Jon Nowaczek – aye

Dan Johnson – aye

Sharon Ridgway – aye

Rick Schneider - aye

Councilmember Kamps stated he voted no on the entire proposal at the last meeting based on his disagreement with the variances being approved; however, he was in favor of the rezoning request.

Consider an amended agreement for final sale of public property to Mr. Ron Shelton: Administrator McGuire reviewed the history of this sale, including how private parking spaces were built on a city right-of-way and options to consider rectifying the situation. Owner Ron Shelton explained his need for additional parking, noting that Bayport residents would be welcome to park in the spaces during the off-season. Councilmember Kamps questioned whether the road would need to be vacated before it was sold if this is a platted road. Administrator McGuire recommended that city staff clarify whether the road is platted and bring this agenda item back to the next meeting for action based upon that determination.

It was moved by Councilmember Johnson, and seconded by Councilmember Nowaczek, to continue this matter to the next meeting to allow staff to determine whether the road is platted and to prepare the appropriate recommendation. Motion carried.

Mr. Shelton questioned the status of proposed work to complete his project. Staff and council recommended that Mr. Shelton wait until action is finalized next month.

NEW BUSINESS

Presentation of 2003 audit: Peggy Moeller of Tautges Redpath reviewed the four reports issued in conjunction with the city's 2003 audit, i.e. annual financial report, report on internal controls, state legal compliance report, and management report. The report on internal control identified lack of segregation of duties as a reportable condition. Ms. Moeller noted this condition is common in similarly sized cities and that it is the result of limited staff to adequately segregate all of the accounting functions. Discussion followed on implementing the new accounting standard GASB No. 34 in 2004. Ms. Moeller indicated the estimated cost for instituting GASB No. 34 to be 10-20% of our audit bill, noting implementation is a significant amount of work.

It was moved by Councilmember Johnson, and seconded by Councilmember Nowaczek, to accept the auditor's report. Motion carried.

Request to support a Community Family Center Concept Plan: Paula Laidig, Stillwater Area Schools, reviewed the background for a proposed integrated Community Family Center to serve the greater St. Croix Valley area. The proposal is in the beginning stages and municipalities are being contacted regarding support for committing to the concept of developing an integrated community family center. No municipal funding is requested at this point.

It was moved by Councilmember Johnson, and seconded by Mayor Schneider, to support the St. Croix Valley Area Community Family Center concept and to appoint the City Administrator or his designee to attend the meetings. Motion carried.

Review tax impact analysis for the proposed development Inspiration: Steve Mattson, Northland Securities, reviewed the tax impact analysis report prepared for the proposed development, as well as the key assumptions of the charts presented. He stated he used a conservative approach in calculating the development impact for the five-year phase-in period of the project and believes taxes will decrease during this period for Bayport residents. After 2009, the tax reduction for existing residents would have a neutral impact. He recommended a significant increase in city WAC and SAC charges. Discussion followed on additional personnel, net benefit to the city general fund, city's increased infrastructure needs, and need for further analysis.

Sandy Metcalf, 7 Point Road, inquired whether studies had been done on comparing the tax impact if the land remained for commercial use or was given back to the DNR. Mayor Schneider indicated that the City Council is focusing on residential tax impact only at this point.

It was moved by Councilmember Kamps, and seconded by Councilmember Ridgway, to accept the Northland Securities findings on the tax analysis for Inspiration. Motion carried on a 4-1 vote, with Councilmember Nowaczek voting nay.

Consider options for a portion of 2004 tax levy: Administrator McGuire reviewed the background on considering options for \$75,000.00 of the 2004 tax levy and listed four options. Staff recommended waiting until the 2004 budget cycle is complete. Councilmember Nowaczek questioned how legislative action would affect 2005 local government aid and tax levy limits. Administrator McGuire noted no action was taken before the legislative session ended, however, a special session could still be held.

It was moved by Councilmember Nowaczek, and seconded by Councilmember Johnson, to continue discussion on options for a portion of the 2004 tax levy until the 2004 budget cycle is complete. Motion carried.

Review Bayport Municipal Water Supply Feasibility Study completed by Terracon for the Pollution Control Agency (PCA): No discussion or action taken because representatives were not present.

Consider a variance from the 40 foot bluffline setback requirement as stated in the Lower St. Croix River Bluffland and Shoreland Management Ordinance for the property located at 505 Lakeside Drive: Planner Dietsche summarized the applicant's variance request to allow him to elevate the property with fill to the regulatory flood protection elevation as required by city code, as well as staff findings of fact. The Planning Commission recommended approval of the variance request at its May 17, 2004 meeting, subject to staff conditions of approval and that erosion control measures to minimize effects associated with runoff from the rooflines running north, south, and toward the river be included as part of the drainage landscape plan. Staff recommended approval of Application 2004-03 requesting a variance from the bluffline setback. The current owner of the property stated he is in support of the variance request.

Councilmember Johnson introduced the following resolution and moved its adoption:

Res. 04-13

**RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
APPROVING MIKE RYGH'S VARIANCE APPLICATION**

The motion for adoption of the foregoing resolution was duly seconded by Councilmember Kamps and upon roll call being taken thereon, the following voted via voice:

Rick Schneider - aye

Sharon Ridgway - aye

Jon Nowaczek - aye

Bob Kamps - aye

Dan Johnson - aye

Consider a text amendment to the Lower St. Croix River Bluffland and Shoreland Management Ordinance for the proposed boundary change: Planner Dietsche summarized the text amendment request to the Lower St. Croix River Bluffland and Shoreland Management Ordinance. The Planning Commission recommended approval of the text amendment at its May 17, 2004 meeting. Staff recommended approval of the text amendment for the proposed boundary change. Mayor Schneider noted that the new boundary lines are more fair and justified for Bayport residents.

Councilmember Johnson introduced the following resolution/ordinance and moved its adoption:

Res. 04-14/Ord. 763

**RESOLUTION, CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
APPROVING A TEXT AMENDMENT FOR THE PROPOSED BOUNDARY
CHANGE**

The motion for adoption of the foregoing resolution/ordinance was duly seconded by Mayor Schneider and upon roll call being taken thereon, the following voted via voice:

Rick Schneider - aye

Sharon Ridgway - aye

Jon Nowaczek - aye

Bob Kamps - aye

Dan Johnson - aye

Consider authorization to distribute the Environmental Assessment Worksheet (EAW) for the proposed development Inspiration: Attorney Kelley explained the need, process, and timeline for an EAW for the proposed development, noting that it had been reviewed to ensure it addressed all points required by state law. After the EAW process, the City Council will need to decide if an Environmental Impact Statement (EIS) is needed. Attorney Kelley stated council authorization to distribute and publish the EAW is a mandatory step in the process. Councilmember Johnson noted that the City Council acts as the Responsible Government Unit for the EAW, and as such, must determine that it is sufficient and approve it for distribution. Contractor Property Developer's Company (CPDC) representative Mike Waldo explained changes in the EAW relative to lot size, reduction in the number of condominium units, and the road in the southeast corner of the development. Councilmember Nowaczek suggested that the City Council hold a public hearing so residents could provide input on the EAW during the 30-day comment period, which would begin June 21, 2004, if distribution were authorized at this meeting.

It was moved by Councilmember Nowaczek, and seconded by Councilmember Ridgway, to authorize distribution and publication of the Environmental Assessment Worksheet for the proposed development Inspiration. Motion carried.

It was moved by Councilmember Nowaczek, and seconded by Councilmember Kamps, to begin the July 12, 2004 City Council meeting at 6:00 p.m., with the first hour dedicated to public comment on the EAW. Motion carried.

Consider authorization for St. Croix Hot Air Balloon, Inc., to launch balloons from Lakeside Park: St. Croix Hot Air Balloon business owner, Dick Cool, Jr., presented his request to use Bayport's Riverside Park as a launch site. Discussion followed on parking concerns, liability issues, abutting landowner issues, noise concerns, and continued launching without a permit. Administrator McGuire recommended that the City Council take no action at this time. Staff will further review the request and bring it back at a future meeting if necessary.

It was moved by Councilmember Nowaczek, and seconded by Mayor Schneider, to continue the discussion to a future meeting. Discussion followed on the indefinite timing of future action. Attorney Kelley recommended that the City Council take no action and allow staff to review the item and bring it back to the City Council if needed. Motion withdrawn.

Consider bids received for 2004 seal coating and crack sealing of city streets: Administrator McGuire reviewed the background for forming a bid pool with the cities of Stillwater and Oak Park Heights to solicit seal coat services. The apparent low bidder was Pearson Brothers, Inc. Prior to seal coating operations, the city will need to repair the streets via thermal patching and crack filling. Bids were let for this work and the apparent low bidder was Bergmann Companies, Inc. Staff recommended adopting a resolution to authorize this work. Public Works Supervisor Horak indicated the northwest corner of the city is slated for repair.

Councilmember Nowaczek introduced the following resolution and moved its adoption:

Res. 04-16

**RESOLUTION CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA
AUTHORIZING PARTICIPATION WITH THE CITY OF STILLWATER TO
CONTRACT FOR SEAL COATING SERVICES ON BEHALF OF THE CITY OF
BAYPORT AND AUTHORIZING COMPLETION OF THERMAL PATCHING AND
CRACK FILLING FOR THE CITY OF BAYPORT**

The motion for adoption of the foregoing resolution was duly seconded by Councilmember Kamps and upon roll call being taken thereon, the following voted via voice:

Rick Schneider - aye

Sharon Ridgway - aye

Jon Nowaczek - aye

Bob Kamps - aye

Dan Johnson – aye

Consider authorization of a feasibility report for a sidewalk improvement project:

Administrator McGuire reported the city has estimated sidewalk improvement costs of \$50,000.00 in 2004, and has requested the firm of Short Elliott Hendrickson, Inc. (SEH) to prepare a feasibility report for the project. SEH indicated the report could be prepared for a cost not to exceed \$600.00. Staff recommended authorization of the sidewalk improvement project feasibility report. Public Works Supervisor Horak indicated the entire city sidewalk system would be evaluated with the worst failures addressed. Councilmember Ridgway indicated there might be a city resolution indicating sidewalks are to be repaired one whole block at a time. Staff will research this action.

It was moved by Councilmember Nowaczek, and seconded by Mayor Schneider, to authorize Short Elliott Hendrickson, Inc., to prepare a 2004 Sidewalk Improvement Feasibility Report at a cost not to exceed \$600.00. Motion carried.

Consider amending water, sewer, and storm sewer connection fees: Administrator McGuire reviewed the background and detail of staff's recommendation to increase connection fees for sanitary sewer, water, and storm sewer and adding trunk area charges. He noted the increases are substantial, but they are still on the lower end of what many communities charge. Staff recommended adoption of the proposed ordinance, revising the water pipe size to read, "up to 1 inch size (with meter)" and "greater than 1 inch size (with meter)."

Councilmember Nowaczek introduced the following ordinance, with the change that where 2” is noted it should be revised to 1”, and moved its adoption:

ORDINANCE NO. 764

**AN ORDINANCE OF THE CITY OF BAYPORT, WASHINGTON COUNTY,
MINNESOTA, AMENDING APPENDIX D, FEE SCHEDULE, OF THE BAYPORT
CITY CODE**

The motion for adoption of the foregoing ordinance was duly seconded by Councilmember Kamps and upon roll call being taken thereon, the following voted via voice:

Rick Schneider - aye	Sharon Ridgway - aye
Jon Nowaczek - aye	Bob Kamps - aye
Dan Johnson – aye	

May building, plumbing and mechanical permits: Councilmember Kamps stated he requested this item be moved to New Business to discuss the new signage at Barker’s Alps Park. Administrator McGuire clarified that in August 2003, the City Council authorized the city to create an entrance sign designating Barker’s Alps as a public park with a sign to the labyrinth created by People’s Congregational Church. Public Works Supervisor Horak noted a benefactor is donating the sign. Councilmember Kamps also requested that the new sign contain recognition of Melissa Rose who won a contest naming the park Barker’s Alps some time ago. Administrator McGuire stated a plaque could be added. Staff was directed to address the issues identified by Councilmember Kamps.

It was moved by Councilmember Kamps, and seconded by Councilmember Johnson, to approve the May building, plumbing, and mechanical permits as amended and discussed. Motion carried.

COMMUNICATIONS/REQUESTS

COUNCIL ITEMS/ANNOUNCEMENTS

City Administrator annual performance and step increase: Mayor Schneider stated he is pleased with Administrator McGuire’s job performance and is in favor of his annual step increase. Councilmember Nowaczek inquired if there would be a formal performance review. Discussion followed on options for evaluating future job performance.

It was moved by Councilmember Nowaczek, and seconded by Mayor Schneider, to authorize a step increase for Administrator McGuire. Motion carried.

ADMINISTRATOR/STAFF ITEMS AND ANNOUNCEMENTS

Set joint meeting date with Oak Park Heights City Council: Administrator McGuire stated options for the proposed meeting as June 17 or June 21, 2004. Discussion followed on councilmembers’ availability.

It was moved by Councilmember Kamps, and seconded by Councilmember Ridgway, to set the joint meeting date with the Oak Park Heights City Council for Thursday, June 17, 2004, 6:00 p.m., at Oak Park Heights City Hall. Motion carried.

Lakeside Park: Councilmember Ridgway inquired when the construction work would be completed at the park. Public Works Supervisor Horak stated the rainy weather the past month has delayed reconstruction work; tentatively, seeding and sodding is scheduled to be completed later this week.

Election Judges: Councilmember Kamps and Administrator McGuire noted the city is in need of 10 additional election judges for the fall elections.

City Flags: In response to a concern that city flags were not put up until Memorial Day, Public Works Supervisor Horak stated they were not raised earlier due to the threat of severe weather and potential damage to the flags.

ADJOURN

It was moved by Councilmember Ridgway, and seconded by Councilmember Kamps, to adjourn the meeting at 9:54 p.m. Motion carried.