

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS
SEPTEMBER 6, 2016
6:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor St. Ores called the regular City Council meeting of September 6, 2016 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, Assistant Fire Chief Jason Severson, City Attorney Pat Sweeney, 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 6, 2016 City Council agenda. Motion carried 5-0.

PROCLAMATIONS/COMMENDATIONS/PETITIONS/ANNOUNCEMENTS

1. The August recycling award recipients are Joe and Kathy Ritzer who will be awarded for their recycling efforts, with funding made possible by a grant from Washington County.
2. Mayor St. Ores invited everyone to celebrate Derby Days on Saturday, September 17 and enjoy a variety of activities throughout the city. The event is sponsored by the Bayport Community Action League and a schedule of events can be found on the city's website.

OPEN FORUM

CONSENT AGENDA

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

Councilmember Goldston introduced the following resolution and moved its adoption:

Resolution 16-09

**RESOLUTION APPROVING CONSENT AGENDA ITEMS 1-10 FROM THE
SEPTEMBER 6, 2016 CITY COUNCIL AGENDA**

1. August 1, 2016 City Council workshop meeting minutes
2. August 1, 2016 City Council meeting minutes
3. August payables and receipts (check numbers 007448-007572)
4. August building, plumbing and mechanical permits report
5. Temporary on-sale liquor license from the Lions Club International for Derby Days on Saturday, September 17, 2016
6. Memorial bench donation from Dan Schultz
7. Police Department donations for Night to Unite and Safety Camp
8. Quote to perform street sealcoat improvements for 2016
9. Pay application #14 from Kraus Anderson and subcontractors for Fire Hall construction
10. Master Subscriber Agreement for Minnesota Court Data Services and Government Access

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	Michele Hanson – abstained
Connie Carlson – aye	Patrick McGann – aye
Dan Goldston – aye	

Councilmember Hanson chose to abstain due to her involvement with the Lions Club item on the consent agenda.

PUBLIC HEARINGS

UNFINISHED BUSINESS

Consider a community solar garden subscription agreement with Geronimo Energy, Inc.: City Administrator Martin reviewed the city’s actions to date regarding participation in a community solar garden that would allow the city to receive a rebate of one cent per kilowatt hour on its monthly Xcel Energy bill. In turn, the city’s partner with this project, Geronimo Energy, would invoice the city for a set amount that is less than the Xcel renewable energy credit. The city would have no responsibility or cost with the initial installation or long-term operation of the solar panels. Geronimo Energy representative Lee Bjerk provided further background on community solar gardens, how their program works and reviewed the subscription agreement. Cost savings for offsetting 99%, 79% and 59% of the city’s average annual usage were compared for the proposed 25-year agreement, and it was noted Xcel Energy and the Public Utilities Commission set the length of the subscription agreements. Mr. Bjerk explained the city is eligible to offset up to 120% of its average annual usage (approximately 255,000 kWh); however, Geronimo Energy is recommending the city allocate 100% of its eligible usage to the solar garden program in order to retain future ability to pursue other green energy options. He explained the city will always receive a one cent per kWh rebate on this portion of the city’s electric usage from Xcel even if the city’s overall usage and/or Xcel rates fluctuate. Mayor St. Ores questioned entering into a 25-year agreement utilizing today’s solar panel technology when the city may be able to invest with another company in the future that would result in more solar panel efficiency and savings as the technology improves. Discussion followed on the benefits of participating in a solar energy program without a major investment, whether the city should pursue its own solar panels, the potential to upgrade the city’s allocation in the future, and the value of having oversight of the program by the Public Utilities Commission and vetting by the Metropolitan Council.

It was moved by Councilmember Hanson and seconded by Councilmember Carlson to authorize a Solar Garden Subscription Agreement with Geronimo Energy, LLC, and BHE Renewables, LLC, and the Metropolitan Council, and allocate 59% of the city’s average annual usage to the solar garden program. Motion carried 4-1, with Mayor St. Ores voting nay.

NEW BUSINESS

2017 BUDGET PRESENTATION

Administrator Martin said the city’s financial standing remains steady with consistent tax base growth and \$1,299,900 in new residential and commercial value added for the 2017 tax year. The city’s positive earnings on its investments, averaging \$255,000 per year, also reduces reliance on the property tax levy. The 2017 budget shows modest increases in Local Government Aid, as well as fire service contracts, in response to call volume increases. The proposed budget for 2017 is \$2,856,235,

which is a decrease of \$33,026 (1.14%) from 2016, due to a reduction in staffing in the Building Department.

The general fund budget breakdown was reviewed, along with the budget accomplishments for each department. The Police Department responded to 3,360 calls in 2015 and accounts for 29.4% of the budget to provide 24/7 police service. The Fire Department responded to 1,234 calls in 2015 and continues on pace for another record year in 2016. The proposed Fire Department budget adheres to the mandatory 3% maximum increase allowed per the 15-year contracts with our service area partners. It also allows for a 3% cost of living increase for the members to \$13.39 per call/drill, the first increase since 2014. The Public Works Department budget allows for additional part-time staffing for increased park maintenance and repair, as well as funding for hiring a new full-time employee to begin succession planning for the Public Works Supervisor. Staff hopes to fill a new Public Works Director position by the end of 2016. He stated the city's health insurance renews in the fall, which allows for more favorable rates, budgeted at a 3-4% increase next year.

The 2017 budget includes significant changes in Planning, Zoning and Building Inspections with the retirement of the full-time Building Official and the transition to MNSPECT, a contracted service provider. The proposed budget reflects a reduction of approximately \$111,000 in staff costs and approximately a \$75,000 decrease in anticipated Building Department revenue, due to the contract with MNSPECT. The Library budget remains flat and maintains the \$165,000 general fund levy increase established in 2014. A review of the enterprise funds (water and sewer) shows modest budget increases to provide for succession planning in the Public Works Department and costs associated with the city's mandatory participation in the MS4 program related to the city's storm water system. There are no proposed increases to the utility rates. The city's long-range Capital Improvement Plan was reviewed, and it was noted the comprehensive analysis of the city's utility systems should be done in time for next year's building season. The proposed general fund levy has a 1.92% increase of \$20,529.

Mayor St. Ores reiterated that during budget workshops staff was given the direction to have the citywide street/utility analysis and GIS mapping completed as soon as possible to assess and prioritize future projects. Councilmembers want to ensure that homeowners and business owners have adequate time to understand the impact of projects on their properties and are able to plan accordingly. Residents can provide input on the preliminary budget by contacting City Hall or at the Truth in Taxation portion of the December 5 City Council meeting.

Councilmember Carlson introduced the following resolution and moved its adoption:

Resolution 16-10

**RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
ESTABLISHING THE 2017 PRELIMINARY LEVY CERTIFICATION FOR THE CITY'S
GENERAL FUND AND LIBRARY FUND AT \$1,257,150.00**

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

Councilmember Hanson introduced the following resolution and moved its adoption:

Resolution 16-11

**RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
ADOPTING THE PRELIMINARY CITY BUDGET FOR 2017**

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 McGann introduced the following resolution and moved its adoption:

Resolution 16-12

**RESOLUTION OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA,
ADOPTING THE PRELIMINARY CAPITAL IMPROVEMENT PLAN FOR 2017**

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 2017 budget and levy will be heard at the December 5, 2016 City Council meeting.

COUNCIL LIAISON REPORTS

Councilmember Carlson reported on the August 16 Library Board meeting. The library will be participating in Derby Days on September 17 with a book sale, story time and scavenger hunt. The Library Foundation is sponsoring a “Books and Beer” fundraiser on September 24, 4:00-9:00 p.m., at the Lift Bridge Brewery in Stillwater. Speaker Doug Hoverson will talk about his new book *Land of Amber Waters* at 5:00 p.m. The next Library Board meeting is scheduled for September 20, 2016, 6:00 p.m., at the library.

Councilmember Goldston reported on the August 11 meeting of the Middle St. Croix Watershed Management Organization (MSCWMO), noting the organization is involved with multiple rain garden projects. The Perro Creek stormwater quality project to monitor phosphorus in the water is moving into phase 2.

Mayor St. Ores attended the recent ice cream social at Croixdale and the soft opening for The Wilder Scratch Kitchen, a new restaurant on 5th Avenue North.

STAFF/CITY ADMINISTRATOR REPORTS

Assistant Fire Chief Jason Severson reviewed the department’s monthly activity. The August call volume was 110, with a year-to-date total of 856. A local resident volunteer provided assistance with grant writing and applications resulting in grants of \$960 from the Minnesota Board of Firefighter Training and \$2500 from the Minnesota Department of Natural Resources. The renovations for the donated airboat should be complete by the end of October. In recognition of October’s designation as Fire Prevention Month, the department will host an open house at the new Fire Hall on Saturday, October 15, 9:00 a.m.-12:00 p.m. The Fire Department will also participate in the Public Safety Open House at the former Fire Hall on October 31.

Police Chief Eastman reviewed the department's past and upcoming events. She acknowledged the many generous donations that made Safety Camp and Night to Unite possible and thanked city staff and local residents and businesses for their ongoing support. The Police Department is partnering with the Fire Department to host the annual Public Safety Open House on Halloween from 5:00-7:00 p.m. She said officers will be patrolling the streets during Trick or Treat hours. She recognized Officer Cameron's due diligence with commercial vehicle inspections that resulted in pulling a dangerous truck out of service that had badly worn tires. She encouraged residents to sign up for Washington County's free Code Red alert system that will send messages to a person's cell or home phone. Bayport police officers will assist residents in setting up Code Red, if needed.

Public Works Supervisor Horak reviewed his written report. He reminded drivers to use extra caution while driving in the vicinity of Andersen Elementary School, now that school is back in session. He thanked the family of Mick and Helen Schultz for donating a bench in their memory. The bench will be placed at the new municipal parking lot which is near the site where Mick sold sweetcorn for many years. Mayor St. Ores asked if an automatic water meter reading system could be phased in over time, and Supervisor Horak indicated the new meters being installed are compatible with that technology. He said staff wants to give the new Public Works Director the opportunity to provide input on purchasing this new system.

Assistant City Administrator/Planner Taylor reviewed her written report. The city has contracted with Walker Appraisals to perform an appraisal for a potential land acquisition project with the Washington County Land and Water Legacy Program. The city engineer is working on a cost estimate to extend municipal water and sewer utilities to the parcels under consideration. Washington County is paying half of the appraisal cost, and the appraisal will be completed in mid-October. A City Council workshop is anticipated in November to review the appraisal and next steps for the potential project. Bayport had a 7% turnout for the Primary Election on August 9. The General Election is set for Tuesday, November 8, and Bayport's open seat for Mayor and two City Council seats will be on the ballot. Absentee ballots will be available beginning September 23 at the Washington County Government Center. She is working with Consultant Planner Dan Licht on a grant application to the Metropolitan Council for up to \$32,000 in grant funds to assist the city in completing the mandated 2040 Comprehensive Land Use Plan update. The September Planning Commission meeting has been cancelled and the next tentative meeting date is October 17.

Administrator Martin noted the achievements in Finance Officer Wanda Madsen's quarterly report, including her work with the city's transition to an outsourced payroll provider, ADP. He noted the municipal parking lot project is starting in the coming weeks and the lot will be closed for approximately one month during construction. Staff is working on finding a replacement for the group of professional bow hunters who assisted the city with deer culling efforts in the Point Road area and throughout the city.

CITY COUNCIL ITEMS AND ANNOUNCEMENTS

1. Mayor St. Ores reminded everyone to join in the fun at Derby Days events on Saturday, September 17.
2. Councilmember Hanson recommended investigating implementation of a franchise fee to assist with costly street improvement projects, noting a small fee over a number of years would be easier for residents and businesses to budget for, rather than paying their assessed fee at the time of a major street repair.

ADJOURNMENT

It was moved by Councilmember Hanson and seconded by Councilmember McGann to adjourn the meeting at 7:41 p.m. Motion carried 5-0.

City Administrator/Clerk