

The Council Meeting was called to order at 7:00 by Mayor John Schaaf at the Community Meeting Room, 100 Village Center Drive, Suite 150, City of North Oaks, Minnesota. Present were Council Members, Mike Egelston, Marty Long, Gregg Nelson, and Mayor John Schaaf. Absent was Council Member Katy Ross. City Administrator Michael Robertson, City Attorney David Magnuson, Recording Secretary Kathy Laur and Videographer Kevin Scattum were present.

Pledge of Allegiance

Mayor Schaaf led the Pledge of Allegiance. Mayor Schaaf then introduced a visiting guest, Mayor Ruth Kussard of Lady Lake, Florida.

Approval of Agenda

Council Member Nelson moved to approve the agenda, seconded by Council Member Long and it passed unanimously.

Citizen Comments

1. Layna Peltier and Mark Azman of NOHOA gave an update on the progress of the West Rec. Center. Some fundraising has been started. The project will go out for bid in July and NOHOA is going through the ASC for approval. On June 16, 2014 a lighting technician will come out to the West Rec. to make adjustments to the hockey rink lights.
2. Joel Kunza of 58 Monarch Way wants to continue the discussion regarding improving safety in the Rapp Farms development. He thanked the City for the No Parking signs. He mentioned concerns about traffic, stop signs, speed limits and playgrounds. Mayor Schaaf said Administrator Robertson will be meeting with the developer to get more signage in the neighborhood. Administrator Robertson said he would discuss the neighborhood's requests with the City Engineer.

Consent Agenda

1. Minutes of the Regular Council Meeting May 8, 2014 for approval
2. Minutes of the Regular Planning Commission Meeting May 29, 2014 for approval
3. NYFS Report
4. Approval of Gambling Permit, North Star Council, Boy Scouts of America, at the North Oaks Golf Club, August 25, 2014
5. Licenses for Approval:
Mechanical Contractors Plumbing & Heating: Dave's Heating & Air Conditioning; Johnson Heating & Air Conditioning; Marsh Heating & Air Conditioning; Pronto Heating & Air Conditioning; Residential Heating & Air; Sedgwick Heating & A/C
General Contractors: Vinco, Inc.
Arborists
Sewer/Water Installation: Friedges Contracting Co. LLC
6. Claims for Approval: Check numbers 10924 - 10964

Council Member Long made the motion to approve the Consent Agenda with a second from Council Member Egelston. The motion carried unanimously.

Petitions, Requests, & Communication

Shane Waterman of Wenck & Associates gave a presentation on the annual monitoring report regarding the Highway 96 Superfund Site for 2013. Residential wells north of Highway 96 by Lake Gilfillan were sampled in May and October. Twenty-nine wells were sampled in May. Two wells had some contaminant but they were below the health risk limit. Sixteen wells detected volatile organic compounds (VOC's) but none were a health risk. Seventy-five wells were sampled in October and one well revealed vinyl chloride but it was below the health risk limit. Fourteen wells detected VOC's but none were a health risk. Sampling of wells was consistent with extractions taken in the past. It was recommended that continuous testing remain for 2014. Responsible parties for the contamination are Whirlpool, Reynolds and Arrow Waste Disposal who pay for the testing.

Unfinished Business

Public Hearing-Health Care Revenue Notes: A public hearing on the Issuance of Health Care Facility Revenue Notes (known as Conduit Bonds) for the Brooklyn Center Marantha Care Center Project. Catherine Courtney, bond attorney for Briggs & Morgan described the project. It is an existing facility which is being upgraded. Under State law, 501c3 corporations can use these kinds of bonds for financing purposes. The reason Presbyterian Homes has come to North Oaks is because the total dollars needed is \$20M. One city can only issue \$10M of these bonds for the year and Brooklyn Center already used their \$10M. Presbyterian Homes has all the obligations on these loans and there is no liability for North Oaks if the bond payments are not made. This arrangement is winner for the City of North Oaks in that they receive a fee of \$12,500 for being a conduit for these bonds.

Mayor Schaaf opened the public hearing at 7:16 p.m. No one spoke.

Council Member Nelson made the motion to close the public hearing at 7:16 p.m., seconded by Council Member Egelston. The motion carried unanimously.

Council Member Nelson made the motion to approve the bond with a second from Council Member Long. The motion carried unanimously.

New Business

1. Cable TV-Comcast Contract Proposal: Administrator Robertson said that the City had a ten year contract proposal from Comcast to renew its cable TV franchise. At this point 7 of the 10 cities on the Cable Commission with North Oaks have considered the contract and they have all voted to preliminarily deny the proposal. During this time informal negotiations have continued with Comcast. Federal law lays out a formal process for contract renewal which requires that the City Council take action on the contract proposal by June 21, 2014. Mayor Schaaf reviewed recent meetings of the area mayors

and their frustrations with contract negotiations. He said that the Mayors had begun a process of reviewing the Cable Commission structure and looking at changes.

Cora Wilson and Mike Bradley, Executive Director and Attorney for the Cable Commission, spoke and recommended that the City Council preliminarily deny the contract proposal. They said they do not feel it is a good proposal and that negotiations can continue after a preliminary denial. The main points of disagreement are the PEG fee, the number of public access channels and the I-Net connecting the 10 communities.

Mike Logan of Comcast spoke and recommended that the Council approve the proposal. He said that if the 10 cities turn down the contract proposal that Comcast will begin the process to take the dispute before an administrative law judge. He said that informal negotiations can continue during this process. He agreed with the Cable Commission on the main issues and said that the PEG fee was the big issue separating them. He said that he thought that changes in the Cable Commission's structure would facilitate reaching a contract agreement.

Mayor Schaaf and Councilmember Nelson expressed frustration that the good of the customer doesn't seem to be a part of these negotiations and that the City Council has received hundreds of pages of very technical information that it is supposed to make a decision on. Councilmembers Egelston and Long echoed their frustration.

Council Member Nelson made the motion to preliminarily deny the contract and that the City Administrator should rewrite the resolution submitted by the Cable Commission to remove all the extra clauses and just leave a one sentence denial of the contract. Seconded by Council Member Long. The motion carried unanimously.

2. 2014 Budget – Planned Versus Actual to Date Expenditures: Administrator Robertson reviewed the 2014 budget. City expenses are right on track. Revenues are running ahead of schedule due to new home construction.
3. Fire Department Budget Options: The fire department proposed six different budget options for their 2015 budget. They want each of the cities in their fire district to review the options and give them some direction on how to proceed. Council consensus is that they would prefer Options B or C.
4. Discussion of New Copier/Fax Machine: Administrator Robertson reviewed the problems they have been having with the copier and the fax machine and provided some bids for a replacement. The copier cost is shared with the NOHOA office.

Council Member Nelson made the motion to direct staff to lease a new copier for up to \$6750 per year. Seconded by Council Member Long. Motion carried unanimously.

Council Member Reports

Councilmember Mike Egelston

NOHOA

- a. A Board member is needed to replace a vacancy. NOHOA members are encouraged to apply in the NOHOA office.
- b. Members are needed for the Finance Committee
- c. Bee keeping has become an issue. Residents want to keep hives. The ASC will get involved if structures are being built.
- d. There was discussion of widening roads for biking and walking.

Council Member Marty Long

Natural Resources Commission

- a. Hwy 96 was repaired and there is no noise anymore.
- b. The tree ordinance was sent back to the NRC by the Planning Commission for some changes.

Council Member Gregg Nelson

1. Planning Commission

- a. The sole issue was the tree ordinance submitted by the NRC and how it relates to property rights. The Planning Commission is requesting revisions to the ordinance.

2. Financial Committee

- a. Nothing to report

Mayor John Schaaf's Report

1. Thank you to NOHOA for the Community Fair and Parade.
2. There will be a realignment of council tasks in July.
3. The City Council met prior to the meeting to discuss emergency management services with the fire department, Jim Daly, our Emergency Management Coordinator and Judd Freed, Ramsey County Emergency Management Director.
4. The model home/sales office in Charley Lake Preserve had an open house in May that the mayor attended. He said the home was unbelievable. He said that 13 properties have been sold in the development and that Mattamy is way ahead of where they thought they would be.

Administrative Report

1. Festival Report: Despite the rain, the Bonfire Dance and Fireworks was a successful event. More than 100 people attended. The City came in at budget. The city would be interested in helping NOHOA with the parade next year.
2. Personnel Pay Increase: Administrative Assistant Kathy Laur completed her probationary period. Administrator Robertson recommended that the City Council approve a fifty cent per hour raise retroactive to the end of her probationary period.

Council Member Nelson made the motion to approve it was seconded by Council Member Egelston. The motion carried unanimously.

City Attorney Reports

Nothing to report

Miscellaneous

Next Natural Resource Commission Meeting on June 19, 2014 @ 7:00 pm in the Community Meeting Room

Next Regularly Scheduled Planning Commission Meeting on June 26, 2014 @ 7:00 pm in the Community Meeting Room

Next Regularly Scheduled Council Meeting July 10, 2014 @ 7:00 pm in the Community Meeting Room

Workshop – Culvert Repair & Replacement

Culvert Replacement Cost Estimates:

There will be a workshop sometime in July to discuss whether to proceed with the work, construction staging, how it will be financed and the best way to distribute costs to the benefitted properties.

Council Member Egelston made the motion to direct the City Administrator to start the bidding process, seconded by Council Member Nelson. Motion carried unanimously.

Adjournment

On motion duly made by Nelson, seconded by Council Member Egelston and carried unanimously, the meeting was adjourned at 9:33 pm. Motion carried unanimously.

Attest:

Respectfully Submitted

Mayor John Schaaf

Kathy Laur
Recording Secretary