

Due to the Truth in Taxation meeting prior to the Council Meeting, the regularly scheduled Council Meeting was called to order at 7:20 PM 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, Katy Ross and Mayor John Schaaf. City Administrator Michael Robertson, City Attorney David Magnuson, Recording Secretary Linda Hanson and Videographer Maureen Anderson were present.

### **Pledge of Allegiance**

Following the Pledge of Allegiance a moment of silence was taken in respect of the passing of North Oak resident Steven Hed.

### **Approval of Agenda**

**With minor changes to the Agenda including a continuation of Variance 14-18, Council Member Mike Egelston moved to approve the Agenda. The motion was seconded by Council Member Katy Ross and passed unanimously.**

### **Citizen Comments**

None

### **Consent Agenda**

1. Minutes of the Regular Council Meeting of November 13, 2014 for approval
2. Minutes of the Council Workshop of November 13, 2014 for approval
3. Minutes of the Natural Resource Commission Meeting of November 20, 2014 for approval
4. Resolution 1291 Requesting 2015 SCORE Grant Funds
5. Licenses for Approval:  
**Mechanical Contractors Plumbing & Heating::** AAA Wicks Plumbing Heating Air; Heating and Cooling Two Inc.; KB Service Co.; Mechanical Air Systems; Plumb Right Corp.; The Fireplace Guys  
General Contractors:  
**Arborists** The Davey Tree Expert Company; Northern Arborists; Ostvig Tree Inc.; Quality Turf Maintenance,  
**Sewer/Water Installation:**  
**Liquor Licenses:** North Oaks Golf Club, Panino's, North Oaks Hospitality/Tria Restaurant & Bar, Winestreet Spirits, Suishin Restaurant, Inc., Taste of Scandinavia
6. Claims for Approval: Check numbers 011188-011224

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

### **Petitions, Requests, & Communication**

1. **Acknowledgement of Dick Haugen's Retirement from North Oaks Golf Club**  
Mayor Schaaf presented Resolution 1289 recognizing the contributions Mr. Haugen has made to the Community for the past 25 years. He thanked Dick for his hard work and civic service. Mr. Haugen also thanked the Council and Community.

## **2. Acknowledgement of Jim Daly's Retirement after 15 years as Emergency Manager**

Mayor Schaaf presented Jim Daly with a plaque on recognition of his hard work as Emergency Manager for the past 15 years.

### **Unfinished Business**

#### **1. Review of West Rec Conditional Use Permit Conditions**

Administrator Robertson said one of the conditions of approval was that the City Council must review that all 28 conditions are met before a Certificate of Occupancy (CO) can be granted for the West Rec warming house. The 19 engineering conditions have been submitted and approved. Trees have been planted and lighting adjustments have been made. Items needing to be completed are finish the interior, landscaping, sidewalks, handicap parking spots, trails, and exterior paint. Much of this work cannot be completed until spring. Robertson suggested that a temporary CO could be granted with an escrow posted for the remaining work. All interior work would need to be done before a temporary CO could be granted.

Layna Peltier, 16 Wildflower Place, said she hopes the interior work can be done by December 25, 2014. The goal is to have all work done by the 2015 Community Fair if not before. Bill McNee, NOHOA Board Member, 11 Sunset Lane had a question about escrow. He wanted clarification on the cost to NOHOA if any. The Mayor explained the money would be held in trust and returned on the completion of all work.

**Council Member Long made a motion, seconded by Council Member Ross to modify the previous resolution allowing the City Administrator, the incoming Mayor, the current Deputy Mayor and the Building Official to grant a temporary Certificate of Occupancy with an escrow determined based on the work yet to be done. All interior work would need to be completed. The motion carried unanimously.**

#### **2. Increase City Administrator's Education Benefits from \$2,000 to \$2,500**

Council Member Gregg Nelson explained that the budget includes an item for educational opportunities for the City Administrator so that he can learn what other Cities are doing and also learn more about Best Practices. It was suggested that the benefit be increased by \$500 allowing more opportunities.

**Council Member Ross made the motion to increase the City Administrator's Educational Benefits from \$2,000 to \$2,500. The motion was seconded by Council Member Long and passed unanimously.**

### **New Business**

#### **1. Conditional Use Permit 14-16, 12 Creekside Lane-Removal of Trees in an Arboreal Easement**

A Public Hearing was held on December 2, 2014 for a Conditional Use Permit at 12 Creekside Lane to remove trees in an arboreal easement allowing drainage for a new home. Administrator Robertson explained that this easement was set up in 2003 and any modification to it requires approval from the City. The easement specifically allowed modification for drainage. The City Forester has been involved so that the

fewest number of trees would be removed. At the Public Hearing neighbors asked for clarification on which trees would be removed. The trees have been marked. The Planning Commission did recommend to the City Council approval of this CUP.

**Council Member Nelson moved to approve CUP Amendment 14-16 to allow Bob Moser Homes to remove some trees and prune others in an arboreal easement in order to construct a single family home at a vacant lot at 12 Creekside Lane based on the Staff Review and Findings in Fact with the following conditions:**

1. **The project construction shall match the plans reviewed and approved by the City Forester and City Building Official.**
2. **At least two or more replacement trees shall be planted on the lot. The total number of trees planted and their locations shall be determined in consultation with the City Forester.**
3. **All required City permits must be obtained.**
4. **Construction equipment can only be operated between the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 5:00 p.m. On Saturday. No construction equipment is allowed on Sundays and Holidays.**

**The motion was seconded by Council Member Ross and carried unanimously.**

Council Member Long noted that he liked the addition of the 4<sup>th</sup> condition and that it would be a good idea to include it as a standard condition in the future.

## **2. Variance 14-18, 2 West Bay Lane Allowing a Play Structure in 30 Foot Side Yard Setback**

This item was postponed until the next Council Meeting.

## **3. Approval of the 2015 Budget**

Administrator Robertson presented the 2015 Budget. Property values have gone up 8.8%. A 2% increase in the tax levy is proposed. A 13.5% increase in expenditures over 2014 is proposed. The reason that expenditures can grow 13.5% while taxes only go up 2% is that over 28% of City expenditures are paid for by user fees. These are growth related items such as building permits, sewer & water, recycling, etc. Because of growth this part of the budget is increasing faster than the part supported by property taxes.

The proposed tax levy is \$1,301,310, an increase of \$25,515 from 2014. Property taxes pay for 60% of the Budget with fees for service paying 25%, and licenses and permits 13%. The total Operating Fund Budget is \$2,156,557. The largest departments are Police, 30% of the budget and Fire 13% of the budget. With 1,865 residential parcels in North Oaks, the average amount for the City taxes is \$697.75. Of that an average of \$329 goes for Police Services and \$158 goes for Fire Services. A home valued at \$500,000 would pay about \$520 in City taxes.

Council Member Nelson explained that police and fire tend to go up every year often faster than inflation. Mayor Schaaf noted that the budget includes \$10,000 for the Community Event for funding fireworks and a dance. A contingency fund of \$4,000 is also set aside.

**Council Member Nelson with a second from Council Member Ross made the motion to approve the 2015 Budget. The motion carried unanimously.**

Council Member Long asked the City Administrator if he could bring to an upcoming Council Meeting an account of where the surplus was placed for the year 2014. Administrator Robertson agreed he would do so.

**4. Approval of Resolution 1290 Setting the 2015 Property Tax Levy**

Administrator Robertson said that even with a 2% recommended increase in the tax levy that North Oaks has the lowest City tax rate in Ramsey County and one of the lowest in the State.

**Council Member Long made the motion to approve Resolution 1290 approving final 2014 Tax Levy, collectible in 2015 set at \$1,301,310. Council Member Egelston seconded the motion and it carried unanimously.**

**5. Review of Year End Budget Transfers**

Administrator Robertson explained that a budget surplus is expected for 2014 and that it should be transferred into certain funds. Approximately \$65,000 of the surplus will need to remain in the General Fund Budget Reserve so that it will continue to be 70% of the yearly budget. He recommended that a sizeable amount go into the Fire Equipment Fund as two new fire trucks are expected to be purchased in the next few years. A small amount could be added to other funds.

Mayor Schaaf explained that currently the City has zero debt. He noted that a fire truck can cost over a million dollars and that it is the City's policy to reserve money over time for North Oak's portion of the cost. He said that the City has been a pay as you go community. The new fire trucks have the added expense of water tanks mainly for North Oaks since most areas do not have fire hydrants. He also stated that the reason the budget looks good now is that there is a great deal of building taking place but that this will not continue forever.

**Council Member Egelston made the motion to recognize acceptance of the Budget Transfer Report. The motion was seconded by Council Member Ross and passed unanimously.**

**Council Member Reports**

**Councilmember Mike Egelston**

**1. NOHOA**

Council Member Egelston stated that no City issues were addressed at the NOHOA meeting.

**2. LJFD**

Council Member Egelston attended the Lake Johanna Fire Department Board Meeting and stated that they are moving to 24 hour coverage 7 days a week.

**Councilmember Katy Ross**

Council Member Ross had no report.

### **Council Member Marty Long**

#### **1. Ramsey County Sheriff**

Council Member Long stated that Ramsey County is getting a lot of calls about the blue lights on Highway 96. These lights were added to make it easier to see people running red lights. He also reported that Ramsey County wants to reach out to more communities to improve the old neighborhood watch program. It is important that residents remain vigilant in reducing crime even in North Oaks.

#### **2. NRC**

The Natural Resource Commission is working on the Tree Ordinance but is now thinking of changing it to a Best Practice Ordinance. The Mayor plans to work with the NRC to help with this task.

### **Council Member Gregg Nelson**

#### **1. Finance Committee**

Council Member Nelson stated that the Committee met to address the budget issues discussed in the meeting.

#### **2. Planning Commission**

Council Member Nelson also attended the Planning Commission meeting and the items were already addressed in the meeting.

### **Mayor John Schaaf's Report**

No report

### **Administrative Report**

#### **1. Newly Elected Officials Conference**

Administrator Robertson handed out the agenda for the Leadership Conference for Newly Elected and Experienced Officials sponsored by the League of MN Cities. He encouraged Council Members to attend. It is a 1.5 day conference and funds are available in the budget. Council Member Nelson stated that he attended one in the past and found it very interesting and helpful.

#### **2. Establish Investment Committee**

Mayor Schaaf stated that the report was missing a page and he would like to wait to address this issue.

#### **3. Cable TV Update**

Steve Beilke, 7 Hawk Lane, will be leaving the Cable Commission in the coming year. A replacement will need to be found. Also the Council was reminded to review the list of City Responsibilities so that assignments can be decided in January.

**City Attorney Reports**

None

**Miscellaneous**

**Next Natural Resource Commission Meeting December 18, 2014 @ 7:00 pm in the Community Meeting Room**

**Next Regularly Scheduled Planning Council Meeting, January 8, 2015 @ 7:00 pm in the Community Meeting Room**

**Next Regularly Scheduled Planning Commission Meeting, January 29, 2015 @ 7:30 pm in the Community Meeting Room**

**Mayor Schaaf's Final Comments:**

Council Member Nelson presented Mayor Schaaf a plaque honoring his service as Mayor from 2009 to the present. He stated he has done a wonderful job running the City and has been very fair.

Mayor Schaaf gave a heartfelt speech about his years in public service. He reviewed the many volunteer positions he has had and a long list of accomplishments which he said could not have been achieved without team work between the City Council, staff and residents.

**Adjournment**

**On motion duly made by Council Member Long, seconded by Council Member Ross and carried unanimously, the meeting was adjourned at 8:52 pm.**

Attest:

Respectfully Submitted

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Mayor John Schaaf

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Linda M. Hanson  
Recording Secretary