

MINUTES OF THE REGULAR COUNCIL MEETING**May 10, 2011**

The Council meeting was called to order by Mayor John Schaaf at 7:00 p.m. at the Community Meeting Room, 100 Village Center Drive, Suite 150, City of North Oaks, Minnesota. Present were Council members Gregg Nelson, Marty Long, Tim Dunleavy, Bruce Ackerman and Mayor John Schaaf. Also present were, City Attorney Dave Magnuson, Building Official Greg Schmit, Acting Recording Secretary Marcia Rich, and Videographer Kevin Scattum. Mayor Schaaf noted the absences of City Administrator Melinda Coleman due to surgery, and Recording Secretary Donna Osterbauer due to illness.

Pledge of Allegiance**Approval of Agenda**

Marty Long moved to approve the agenda. Motion was then seconded by Bruce Ackerman. Tim Dunleavy requested adding a discussion of council meeting minute requirements to unfinished business. Motion passes unanimously with this addition.

Citizen Comments

None

Consent Agenda

1. Minutes of the Regular Council Meeting of April 14, 2011 for approval
2. Planning Commission Minutes April 28, 2011 for approval
3. Licenses for approval:
 - Mechanical Contractors: Boehm Heating
 - General Contractors:
 - Arborists: Alex's Lawn & Turf; Central MN Tree Service; Horticulture Services, LLC
4. Claims for Approval: Check #9546-9575

Marty Long moved to approve the consent agenda, the motion was seconded by Gregg Nelson and passed unanimously.

Petitions, Requests & Communications**1. Abdo, Eick & Meyers LLP- 2010 Audit Report**

Andy Berg from Abdo, Eick & Meyers summarized the results of the City's 2010 Financial Audit. The financial statement and comparisons to previous years as portrayed in the management letter were displayed by PowerPoint.

Mayor Schaaf addressed Marty Long's question about the status of implementations recommended in the 5 year financial plan conducted previously by the auditing firm.

Mr. Berg also explained a new accounting reporting standard for 2011 that makes fund balance classifications clearer, so information across local governments is more comparable. In 2011,

the Reserve Fund designations will be split into different classifications, and Unreserved Fund balances will have new names. This change will not affect day to day accounting but will be reflected on financial statements for 2011.

Mr. Berg addressed the tax base comparison of North Oaks to comparable cities. He stated that other cities have different ratios of business & residential tax base. North Oaks has a low tax base with primarily residential contribution. A true comparison to other similar sized cities would have to factor in the NOHOA contribution to the roads and other areas they manage.

Bruce Ackerman questioned the accuracy of the home value increase noted on page 18 of the financial report. Mr. Berg stated this information is an MDNA document, included in the report; they help the city put the information together but to not audit those numbers. The city administrator would need to verify where this information was generated from.

Mr. Berg stated the city looks good and has maintained its general fund over the last 5 years at a comfortable level and has maintained its services without any big property tax increases. The city has done a good job of managing their budgets and ending fund balances.

Mr. Berg answered Tim Dunleavy's question about the adequacy of checks and balances in the system. He stated training is done at each audit and this year there were less audit entries needed due to the increased work of city staff. Their firm has also provided the city administrator with a checklist for monitoring documentation and has encouraged random sampling monitoring.

Bruce Ackerman moved to approve the 2010 Financial Audit. Motion seconded by Tim Dunleavy and passed unanimously.

Unfinished Business

1. Spring Road Restrictions Lifted – Mayor Schaaf noted that the road weight restrictions have officially been lifted.

2. CUP Fee - Mayor Schaaf stated that there was intended to be a discussion of CUP Fee considerations, but this will be postponed until the City Administrator is present in June.

3. City Council Meeting Minutes

Tim Dunleavy noted that he was absent from last month's meeting, but aware there was discussion about the recording of meeting minutes. He indicated the topic has been discussed in previous years and that the finance committee has also discussed the value of the expense. He inquired about what is legally required and what the council believes is appropriate for the community.

Bruce Ackerman indicated that last month's minutes were excellent and explained that he had requested changes to the previous minutes for clarification. He feels people look for these minutes to be a helpful source of meeting content rather than needing to watch a long meeting video. He felt the cost is not significant to obtain more detailed minutes.

City Attorney Dave Magnuson provided information from a League of Cities document stating that the actual wording of minutes is up to the city clerk. Minutes are legally mandated to include a summary of all decisions and a copy of each motion exactly as stated. The State Auditor's Statement of Position states that audio or video recordings are not meeting minutes and are not a substitute for meeting minutes. A few years ago the requirement that minutes be published was changed to say, that if you had a policy of supplying copies of the minutes free of charge upon demand, you would not need to publish them. He feels there is a gradual move away from written to electronic due to it being cheaper & more efficient. To date the written minutes are the official record. Before they are approved, they can be corrected, but once approved, they cannot be changed. The detail of minutes varies from city to city, and State Statute indicates that actual wording of minutes is up to the clerk unless the council adopts a standard form, or by motion specifically directs the clerk to change the wording in the minutes. Tim Dunleavy clarified his concern is to prevent large amounts of council time spent rewording the minutes, but agrees that corrections need to be made if inaccurate.

Gregg Nelson further noted that the minutes are not to be verbatim, but a summary of discussions which are then reviewed by Council. At a bare minimum, the minutes need to include each motion that is made in verbatim. Everything else is up to the clerk, subject to the council's request for corrections.

Marty Long inquired about the actual hours and cost of recording minutes.

Mayor Schaaf stated that minutes and video recordings are posted on the city website. By comparison to other corporate and city meeting minutes, current city minutes are twice as long as they need to be. He requested that the council address this at the June meeting when the city administrator can present a recommendation somewhere between the minimum requirements and a maximum verbatim record that the council would be comfortable with.

Marty Long made a motion to table the discussion of the meeting minute content to the June meeting. Gregg Nelson seconded the motion and it passed unanimously.

New Business

1. CUP 11-05 8 Ironwood Lane Shoreline Restoration

Greg Schmit presented the staff review of this project which included primarily himself, Mark Rehder, City Forester, and Joe Walton, Project Manager. The planning commission held a public hearing and questions were answered then. The conditions proposed are included in the sample motion on the staff report, with the addition of condition #8 addressing the fee adjustment.

Mayor Schaaf relayed that a NOHOA board member indicated a portion of this project is on their land and that this should be addressed in the motion.

Marty Long wanted to make sure there was no open beach area, Greg Schmit indicated that there was not and that plants would be hand dug to prevent movement of soil.

Bruce Ackerman felt that the area will look different from other shoreline properties and more finished with fences and plants. He wondered about needing to do this all around the lake.

Mr. Schmit stated that the review addresses compliance with the minimum requirements of the ordinances, and does not address aesthetics.

Mayor Schaaf mentioned that a meeting of Pleasant Lake homeowners took place in February and addressed shoreline erosion. At that meeting the applicant volunteered to be the first resident to take on a restoration project; NOHOA has already been doing restoration on NOHOA land. The Mayor noted that this meeting can be viewed on the city website under Natural Resources. He explained that the type of remediation needed changes with the slope of a property's land, and that this property will look different because it is low land.

Discussion ensued regarding the type of plants and erosion prevention techniques proposed.

Marty Long explained the need for plantings with deep roots to stabilize soil.

Gregg Nelson affirmed the value of shoreline restoration, but noted chemical use near the lake has been restricted in previous applications. He feels a standard herbicide should be established for future shoreline restoration projects that are applied for.

Marty Long expressed concern about the presence of the dock drawings on plan sketches. Discussion questioned the dock being defined as a structure and needing NOHOA/ASC approvals. State requirements/maximum sizes and DNR dock width standards was also questioned. Greg Schmit explained that docks would be considered a structure according to zoning ordinance, but in the shoreland ordinance mention, structures on the lake like stairs and barbeques are exempted from setbacks. Dave Magnuson stated that NOHOA would need to approve docks as the riparian owner.

Gregg Nelson motioned that:

A conditional use permit for shore land restoration at 8 Ironwood Lane, be APPROVED with the following conditions:

1. That the applicant obtains written approval from NOHOA, the property owner, to work on the land. And that NOHOA approve the design as submitted to them.
2. That the applicator of the herbicide be properly licensed and that the specifically approved herbicide be 'Rodeo'.
3. Return the NOHOA trail to its former condition after the completion of the project.
4. That any remaining stumps be cut down to lower safe level but no grinding is conducted.
5. The goose and other protective fences put up be removed as soon as practicable and within two years.
6. The use of the herbicide, Rodeo, be specifically approved by the City Forester, VLAWMO and NOHOA.
7. The City Forester inspects and approves the project upon completion.
8. That the project is completed according to plan.
9. That the \$400 CUP fee be waived and a \$100 Forestry Permit be paid.

Marty Long seconded the motion with the addition of a 10th condition:

10. That the ASC review the approval of the plans.

Bruce Ackerman indicated that although he supports shoreline restoration, he would vote no on the motion because he wonders about the use of Rodeo on a beach area, and he is not convinced the plantings are necessary to preserve the shoreline and look more like a garden.

A vote was then taken on the motion with Marty Long, Gregg Nelson, John Schaaf, and Tim Dunleavy voting Aye; and Bruce Ackerman voting Nay. Motion carried with 4/5th vote.

2. VAR 11-06 9 Black Oak Road ISTS in Road Easement Setback

Greg Schmit presented the staff review and indicated that this is a non-compliant and failing septic system that is a threat to imminent health, which requires that it be replaced within a 10 month time frame, which began August, 2010. Due to existing wetlands, well location, and home location, only a corner near the intersection remained where a new system could be located. Planning commission has reviewed the application and staff recommends its approval with the conditions as stated in the staff report, altering the plan by 5 feet.

Bruce Ackerman inquired if the 3 oak trees remaining after 3 others were removed would be preserved. Mr. Schmit indicated they could be saved, but that the future life expectancy could be limited. Trees cannot be in the absorption area but can remain in the toe of the slope of the mound.

Marty Long moved to approve Variance 11-06 with the following conditions:

1. Completion date 60 days after approval
2. The setbacks will be as described in the staff report.
3. To be built in accordance to plans created by Tradewell Soil on Sept 24, 2010.

The motion was seconded by Gregg Nelson.

Bruce Ackerman added a friendly amendment with a 4th condition:

4. That all reasonable steps be taken to preserve the existing oak trees on the property during the construction of the mound system.

Marty Long accepted this addition and Gregg Nelson agreed.

Motion passed unanimously.

3. Resolution 1244- Reimbursement for Lake Gilfillan Water Association

Mayor Schaaf invited Mike Egelston, President of the LGWA and NOHOA Board member, to update the council on this project. Mr. Egelston reviewed the work with the Golf Club and closest neighbor on location of the pump house. A contract agreement with St Paul Water Authority and the Golf Club is expected by the end of the month; outside permits with the DNR are pending and they are in dialogue with Ramsey County to obtain documentation allowing use of their easement and go below utilities on Hwy 96. Construction schedule cannot be set until the bidding is done and some alterations will be made to minimize interference with the golf season. He stated that waivers have been received from 35 homeowners to date and

continued attempts are being made to reach out-of-town homeowners. The pump house will be on St Paul Water Authority easement.

Dave Magnuson explained that the purpose of the resolution is a housekeeping matter, so that expenditures made prior to the bond being sold could be reimbursed. It is needed for a tax-exempt bond and although there may not be a need for the resolution, it is prudent to have it. Discussion ensued regarding the potential expenses including attorney fees, SEH fees, Springsted fees, and city administrator fees.

Mayor Schaaf reiterated that the city's interest in the project is the value of saving the lake and the value of homes around it. He stated that Springsted has been cautious in the bonding to reserve for a higher number of pre-pays than they would normally expect.

Resolution 1244 was read in its entirety by Gregg Nelson.

Marty Long moved to adopt Resolution 1244. Motion seconded by Bruce Ackerman and passed unanimously.

Mayor Schaaf recommended suspending the council meeting after addressing last business item due to severe weather and to hear council member reports at next month's meeting.

4. Resolution 1245 – Accept Feasibility Study and Order Lake Improvement Hearing for Lake Gilfillan Water Association.

Gregg Nelson moved to accept Resolution 1245. Motion seconded by Bruce Ackerman and passed unanimously.

Miscellaneous

Next Council Meeting – Thursday, June 9, 2011

Next Natural Resource Commission Meeting – Tuesday, June 7, 2011

Next Planning Commission Meeting – Thursday, May 26, 2011

Adjournment

On motion duly made, seconded and carried unanimously, the meeting was adjourned at 8:39 p.m.

Attest:

Respectfully submitted,

John Schaaf, Mayor

Marcia Rich, Acting Recording Secretary