

MINUTES OF THE REGULAR COUNCIL MEETING

November 10, 2011

The Council meeting was called to order by Mayor John Schaaf at 7:02 p.m. at the Community Meeting Room, 100 Village Center Drive, Suite 150, City of North Oaks, Minnesota. Present were Council Members Marty Long, Bruce Ackerman., Tim Dunleavy and Mayor John Schaaf. Absent: Gregg Nelson. Also present were City Administrator Melinda Coleman, City Attorney Dave Magnuson, City Building Official Greg Schmit, Recording Secretary Linda Hanson, and Videographer Kevin Scattum.

Pledge of Allegiance The Pledge was recited and a moment of silence took place in honor of the Veterans.

The Mayor suggested that one item on the agenda (honoring Bob Scholz) be moved to earlier in the meeting.

Approval of the agenda passed unanimously.

The Mayor acknowledged that this was the 230 year Anniversary of the U.S. Marines Corp.

The Mayor introduced Richard Leonard who introduced both Bob and Frances Scholz. Bob was celebrating his 80th birthday on Friday the 11th of November. Bob has served on the City Council, was the President of NOHOA for one term and remained on the Board a number of years. He promoted the Safety and Security Committee. He has done countless hours of volunteering in the City. He and his wife have lived in North Oaks since 1981.

The Mayor read a proclamation honoring Bob for his years of service and announced that November 11th, 2011 would be Bob Scholz day to recognize his years of service to the community.

Mr. Scholz thanked the Council and acknowledged the many hours that the Council Members put in as volunteers. He also expressed his gratitude for all of the residents who also gave back to him. He acknowledged the support of his wife, Frances. He also acknowledged his lifelong friend, Richard Leonard. He wanted to encourage the residents to volunteer in the community as volunteers are always needed and the pay back is tenfold.

At this time, Mayor Schaaf asked Council Member Dunleavy to take over the meeting and act as Mayor due to the recent rotary cuff surgery that Mayor Schaaf is recovering from.

Citizen Comments

Joseph O'Brien 29 East Oaks Road

Joseph moved into North Oaks six years ago. He has done a lot of work on this home and yard. He stated that he feels he has been harassed by the City. He has been told he lives on a busy corner so his house is under greater scrutiny. Recently, he had a dumpster and boat

in his yard and was told these had to be moved. He was served a ticket of \$200 for violating an ordinance for storing his boat outside. He has driven around North Oaks and has seen numerous violations of the same ordinance. He wanted to file a formal complaint. He wants the Council to review his concerns as he stated his frustration is acute. He is intending to defend himself at Court.

The City Attorney Dave Magnuson advised the Council to not make comment at this time since litigation is pending.

Mr. O'Brien stated he wanted to go on the record that he is filing a formal complaint against the City, believing the City's has uneven enforcement of ordinances.

Consent Agenda

Council Member Ackerman requested pulling out the minutes from the Consent Agenda for further discussion.

Council Member Long read the Council Agenda.

1. Minutes of the Regular Council Meeting October 13, 2011 for approval
2. Planning Commission Minutes October 27, 2011 for approval
3. Licenses for Approval:
 - Mechanical Contractors:** River City Sheet Metal
 - Plumbing & Heating:** Air Rite Heating & AC, Inc.; Air America Heating and Cooling
 - General Contractors:** None
 - Arborists:** None
4. Claims for Approval: Check #9756-9793
5. Lot Line Change: 23 and 25 Hay Camp Road
6. Variance 11-11 50 East Oaks Road, ISTS Setback James & Navonne Andre Residence
7. Variance 11-13 4 West Shore Road, ISTS Setback Stacey Everson Residence

Council Member Schaaf moved to approve this agenda (with the minutes pulled out of the agenda for further discussion). Council Member Ackerman seconded the motion which passed unanimously.

Council Member Ackerman had a number of corrections for the minutes dated October 13, 2011. He stated that he would like the minutes earlier so that he could make his corrections. It was decided that Council Member Ackerman submit his corrections in writing and then the minutes would be approved once these corrections are addressed.

Council Member Schaaf made a motion to table the approval of the October minutes to the December City Council meeting so that all members could review the changes in writing.

The motion was seconded by Marty Long and passed unanimously. Council Member Ackerman restated that he would like the minutes ahead of time. He agreed to submit the changes in writing.

City Administrator Coleman clarified that in the future the changes will have to come to the Council for approval and cannot be made with direction from Council Member Ackerman to the City Administrator. Council Member Ackerman stated that he fully understood that and that he did not expect his changes to be made without Council approval. In fact, his changes were underlined in the last month's minutes so the Council would see his changes. City Attorney Magnuson stated that the minutes were not meant to be a verbatim record. It was agreed that in the future Council Member Ackerman would give the corrections to the City Administrator and they would be entered into the minutes underlined so that the Council could see the changes suggested. Council Member Long asked what would be a reasonable time to approve the minutes and it was clarified that they could be approved at a later meeting.

Council Member Long made a motion to approve this discussion and Council Member Schaaf seconded it. It passed with Council Member Ackerman abstaining.

Petitions, Requests & Communications

1. Don Lutch, SEH: LGWA Project Update

The project is moving ahead and will meet the substantial completion date of November 15th, 2011. Testing will occur on Monday the 14th of November. SEH has been working with the North Oaks Golf Course representatives and neighbors to modify the paint color changes for the building. Also they have been working on a screening plan for plantings and an earthen berm. The berm will be about six feet high and will comply with what the Golf Course and homeowners would like. The work on this will begin the following week.

The screening manufacturer is having problems with coating the equipment. They need to test the equipment, so Don Lutch decided to postpone the delivery of this equipment until it can be adequately tested. The equipment is ten feet wide and when transporting this equipment, they are allowed to travel only a limited number of hours in any week with a holiday. Don Lutch decided to not have it sent until the week of November 28th and at that time it will be a weather decision. He does not want to see the equipment sit outside. He will not be starting up the equipment this fall, but it will be done early spring. The manufacturer will start the warranty once the equipment is up and running in April. The pump manufacturer will start the warranty at the same time.

They are completing the work along Highway 96 and all work will be done by the substantial completion date of November 15th, 2011.

He also wanted to thank Golf Course Superintendent Jack MacKenzie, Manager Dick

Haugen, and the staff at the North Oaks Golf Club. They have been very helpful.

Council Member Long was on the site last week and questioned the size of the building. Mr. Lutch explained that the building is the same as the drawings but it appears to be higher. He explained that because it sits on a floodway the floor slab had to be above the base flood elevation. The building had to be tall enough so that there is room for an annual screen cleaning to get rid of all zebra mussels. The building must be 12 feet tall to do this. North Oaks Company will plant 13 trees this fall to help with the aesthetics.

Mr. Lutch also wanted to thank the neighbors for their patience when their normal routes were affected.

Council Member Schaaf commended SEH and Magney for their work. He also stated the appreciation that the Golf Course President Mr. VanZyl expressed to the Mayor.

Council Member Schaaf also noted that he was surprised that the lights on Highway 96 never went out. Mr. Lutch explained that there were a few surprises working on this highway but everything eventually worked out.

Mr. Lutch explained how this project has been one of cooperation. He thanked the Mayor for his direction on this.

Unfinished Business

None

New Business

1. Establish Pleasant Lake Oxygenation Project Review Committee

City Administrator Coleman reviewed the Finance Committee discussion to establish an ad hoc committee for this project. It was agreed to keep the committee small. She suggested Gregg Nelson to chair the Committee since he is on both the City Council and Planning Commission and does live on the lake. Also, Council Member Bruce Ackerman and Council Member Marty Long would be on this Committee. Council Member Long has had many years of experience on water issues and has been involved with VLAWMO and the NRC. Council Member Ackerman is a good candidate as he has concerns on both the design and the aesthetics of the project.

Ms. Coleman also wants to include Jack MacKenzie (Golf Course Superintendent) and Sean McDermott, a North Oaks lake Resident, but has not heard back from either of them. Mr. MacKenzie works at the North Oaks Golf Club (a big water user) and is key to managing the environment of the Golf Course. He also sits on the Natural Resource Commission. Mr. McDermott had been involved in Shoreline

Restoration Issues in the past, and Ms. Coleman would like to see him appointed if he is interested.

Mike Egelston has been appointed by the NOHOA Board and represents the land and water issues for the NOHOA Board. Resident Bob Tippler who has been very involved in the lake projects in the past and is very interested in this project would also like to be on this Committee.

Also on the Committee would be staff from the St. Paul Water Authority and City Administrator Coleman to serve as the project coordinator.

Council Member Ackerman stated that he had understood that the Council men on the committee would all have an equal voice on representing the Council. Council Member Dunleavy said it was overly formal to say that there was only one official member and two who were alternates. He said all three Council Members were on the committee and all three represented the Council equally. He reiterated that Council Members Long, Ackerman and Nelson would all serve on the committee and City Attorney Dave Magnuson mentioned that it would have to be posted as a Public Meeting. This committee would be a short lived committee lasting approximately two to three months.

A motion was made by Council Member Schaaf and seconded by Council Member Long to proceed with this Committee as so defined. The motion passed unanimously.

2. LJFD Dry Hydrant Maintenance Contract

Ms. Coleman received a phone call from Fire Chief Tim Boehlke about the request for approval to hire a contractor to inspect and clean the four dry hydrants around Pleasant Lake. Currently the pipes are 80% clogged by zebra mussels. This causes a slower fill time and compromises the fire departments ability to fight fires. The contractor can start immediately and has given the city a range of \$1275 to \$2850 depending on what he finds when he gets down into the pipes. Ms. Coleman would like to have the Council's approved and begin the work as soon as possible.

Council Member Ackerman asked for clarification that this would be part of the 2011 Budget. Money is in the budget that would cover this expense.

Council Member Schaaf asked for a Certificate of Insurance for the divers and also that Ms. Coleman check with the League of MN Cities to see what the City's liability would be before the work would begin. Ms. Coleman agreed to check this out before starting the project.

Council Member Ackerman made a motion to proceed with this contract once the insurance has been verified and Council Member Long seconded the motion. It passed unanimously.

Council Member Reports

1. Bruce Ackerman

NOHOA

Mr. Ackerman attended a long meeting of the NOHOA on November 3, 2011. There were 10 or so residents at the meeting. There were a number of issues discussed including the following:

Form of the 2011 ballot for election of Directors:

Only one member is running for three seats available which almost makes it certain that person would get elected. A discussion took place about if Steven Moriarty and Eugene Olson would stay on until they resigned or until successors were elected. A further discussion took place about write in ballots. Some residents wanted write in-ballots, but some of the Board felt they would not be vetted and a few people could get together to influence the results. A vote was taken to allow for write-ins and the motion failed on a three to three vote. Mark Azman and Tom Dougherty abstained.

Amending the by- laws :

A number of things were to be discussed on the by-laws but it was decided to postpone the discussion until January. Some of the issues addressed were changing the number of Directors down to seven from the current ten over three years, changing the number from ten to eight immediately, eliminating term limits, extending the Directors terms to four years rather than the current two or three, and an early October deadline for filing for the Board. George Rux made a motion to delay this discussion until January 2012.

Changing the rules for the Roberts rules to the Informal Roberts rules:

This was also postponed until early 2012.

Altering the Safety and Security Committee:

It was on the Consent Agenda to remove Operation Clearview from NOHOA and give to the City of North Oaks to manage. George Rux moved to remove it from the Board Agenda until further input from homeowners could take place. After much discussion, no action was taken on this item at this time.

Budget:

The budget presented showed two proposals: one had a zero increase for 2012 and then a 10 dollar increase over each of the following three years. The second budget proposal showed a \$20, \$10, \$20 \$20 increase in dues over the next four years. There was a discussion on how it might affect money for the West Rec Center and the reserves and about the ability to attract new residents. Some talked about if the reserves were too large.

They took a vote on the first alternative and it failed on a 2 to 4 vote. The second alternative passed on a 5 to 2 vote. It will appear on the upcoming ballot.

There also was a discussion of a perpetual lease on the cell tower. This item was tabled for now.

A presentation of the Entrance Committee took place. An article will appear in the December North Oaks News about their report.

2. Marty Long

VLAWMO: No meetings were held so he had nothing to report at this time.

NRC:

Mr. Long had some concerns about Highway 96 and the grinding noise that seems to continue. He discussed that there is no need for the older system and perhaps Ms. Coleman could send a letter to our Ramsey County Commissioner Bennett asking what could be done about this noise.

Council Member Schaaf mentioned that the City has been actively involved in this, but that it has been going slowly. No one seems to want to pay for the improvements, so it would be up to the City to pay. Also, the state has been moving slowly since the shut-down last summer. Mayor Schaaf said it would not be addressed until sometime next year and has a cost of \$20,000 or more. The state finances and the government shutdown pushed this project out even further and may not happen in 2012. Ms. Coleman said she would follow up with Ramsey County about this. Mr. Schaaf stated that there are some concerns about the work that needs to be done on this part of Highway 96 as to whether it is safe to make changes to this section of the roadway. No money will come to this project from the 35W-Highway 96/ County Road 10 improvements that are being considered.

3. John Schaaf

Mayor Schaaf attended the Ramsey County League meeting and they met with the four new members of the Ramsey County Metropolitan Council. A discussion took place as to current needs. He expressed some surprise that they were involved in jobs development.

Tom Zimmer who represents the Home of the Good Shepherd is coming to town the week of the 14th of November and will meet with NOHOA President Mark Azman, Mayor Schaaf and City Administrator Melinda Coleman and a potential developer. Mr. Zimmer did not have an update about the asbestos.

Mayor Schaaf and City Administrator Coleman met with residents at Waverly Gardens to give them an update on the City. One resident complimented the City for the environmental consciousness in this community.

The Mayor met with retired Mayor Watson and White Bear School Superintendent Mike Lovett. Mr. Lovett met with the Waverly residents. He mentioned that there were free tickets to plays, games, and other things that are available to the residents. Mr. Lovett also addressed the NOHOA Board three weeks ago.

The Mayor also met with the Osseo Mayor Lindquist and discussed the City's relationship with the Ramsey County Sheriff and the Lake Johanna Fire Department.

4. Tim Dunleavy

Mr. Dunleavy attended the Lake Johanna Fire Board meeting which discussed future expenditures.

The Finance Committee met and work continued on the Budget for 2012.

Administrator Reports

1. 2012 Preliminary Budget

City Administrator Coleman gave an update on the Preliminary 2012 Budget, version 5.4. At this time the budget summary follows.

- The tax levy remains at a 2.4% increase.
- The overall increase over the 2011 Budget is 3.4%.
- An article discussing the Budget did appear in the October issue of the North Oaks News and asked for comments. Ms. Coleman stated she has not had any phone calls regarding the Budget at this time.
- The Truth in Taxation meeting will be held on November 28th at 7 PM.
- The final budget meeting will be held in December and a date needs to

be finalized at this meeting.

- There is no longer a Public Safety assessment available to the City.
- A small recycling increase is included in this Budget.
- Building permit fees are expected to remain about the same as in 2011.
- There are no fee increases planned at this time.
- Revenue includes the maximum property tax levy amounting to \$1,220,270 or a 2% increase over 2011.
- The recycling assessment is \$139,964.
- The Budget also includes a transfer of funds from the Fire Fund to Capital Expenses.
- Property taxes pay for about 70% of the budget; all other fees pay for the remaining 30%.
- On the expense side, office rent will increase due to a full year rent on the Community Meeting room.
- The Public Safety Budget is \$794,246 with \$10,000 for fire truck capital expenses. Public Safety is approximately 48% of the budget.
- Total expenditures are \$1,754,829 or a 2.6% increase over 2011.
- Considerations that may want to be discussed would be the use of reserve funds, a reduction in services or programs, fee increases, and capital funding.
- For the next three years, the North Oaks share of the Lake Johanna Fire Department expenses is \$250,545. The current balance in this fund is \$134,294 which leaves a balance of \$116,255 or \$38,750 per year needed to fund this expense.
- The committee is looking at funding options to use a combination of General Fund monies and Reserves and transferring \$10,000 from the General Fund and \$28,750 from the Building Fund to the Capital Fire Department Fund.
- Public Safety expenses are \$794,246 or \$453 per household and this money supports the Lake Johanna Fire Department, Ramsey County Sheriff's office, the Community Service Officer, dispatch and emergency management.

- The average cost per household for the proposed levy is \$697 with the Public Safety portion being \$453. The remaining \$244 goes for the remaining programs and services.
- The Budget committee has reduced the levy by \$2686.
- The Council needs to set an adoption date for the 2012 Budget.

Council Member Ackerman had a question about a few line items. He noted that the allocation for tree preservation of \$45,000 is lower than last year and that \$10,000 is allocated for the Natural Resource Commission. His concern is that the City will need money in tree preservation because of the likelihood of Emerald Ash Borer becoming an issue. He would like to increase the tree preservation budget by \$3,000. and lower the amount for the Natural Resource Commission by the same amount. These funds were to be allocated for consulting on a long term tree management plan He would like to see more hard dollars for tree preservation. His suggestion was that if the funds were not required for EAB, then it could be moved back into the NRC.

Council Member Long agreed with Mr. Ackerman but wanted to add replanting to the tree preservation. Mayor Schaaf expressed his desire to see a long-term plan and that it would take more than the ten thousand originally allocated. Both the Mayor and Mr. Ackerman felt that maybe we need more money dedicated to tree preservation and future needs. Mr. Ackerman reminded the Council that the plan is long term and would not necessarily be paid for in total in 2012.

Ms. Coleman said that leaving \$7,000 in the Natural Resource Commission budget might be sufficient because the city would look for partners (NOHOA and the North Oaks Company) if we were going to create a long term tree management plan. It was agreed to transfer \$3,000 from the Natural Resource Commission line to the Tree Preservation line of the budget.

Ms. Coleman was asked to email the Budget presentation to the Council Members.

Council Member Long had a question about one line item. This was a question about a water expense. Ms. Coleman explained that this was a White Bear Township charge for work done. Ms. Coleman is looking at creating a plan to charge a utility fee in the future for those who use water services so that funds are there if needed. Once the plan is created, she will present it to the Council.

2. 2011 Budget Planned vs. Actual

City Administrator Coleman explained that the property tax check of \$680,000 will be arriving soon. She also explained that the Lake Gilfillan project makes reporting the actual budget difficult. Once the project is done, the report will be easier to read. Ms. Coleman will follow up to see if there is another way to report this information.

Overall, the Budget for 2011 is in good shape and at this time the City is under budget.

At a future finance meeting, Ms. Coleman plans to discuss creating a policy for billing back the legal fees and staff time for the Lake Gilfillan project.

Mr. Dunleavy expressed that the Council was sorry to hear about the loss of Ms. Colemans' mother.

Mayor Schaaf mentioned that it is the Mayor's responsibility each year to put forth the list of City Council commission responsibilities. The Mayor asked the members to think about where each would like to be on this list so that he could complete this by the end of the year. In January these appointments will be made.

City Attorney Reports

No report.

Mr. Ackerman asked about a report on the Criminal issues facing the City. Ms. Coleman said she would follow up with Mr. Sweeny to get this report. She also stated that she will look at comparisons of what other cities spend on public safety. Mr. Ackerman also asked about our search for a prosecuting attorney. Proposals are due by November 15, 2011.

Ms. Coleman sent out the Annual Review of the Ramsey County contract and asked that any comments be sent to her as soon as possible.

The next City Council Meeting was changed from December 8th to December 15th and the Council Members will meet before the Council meeting at 6 pm to discuss Ms. Coleman's review.

Miscellaneous

Next Regularly Scheduled Council Meeting – Thursday, December 15, 2011 @ 7:00 pm in the Community Meeting Room

Next Natural Resource Commission Meeting – Tuesday, December 6, 2011 @ 6:00 pm. in the Community Meeting Room

Next Planning Commission Meeting – Monday, December 5, 2011 @7:00 pm in the Community Meeting Room

Truth in Taxation Hearing will take place on November 28, 2011 @7:00 pm.

Adjournment

On motion duly made, seconded and carried unanimously, the meeting was adjourned at 8:45 p.m.

Attest:

Respectfully submitted,

Acting Mayor Tim Dunleavy

Linda M. Hanson
Recording Secretary