

**MINUTES OF THE REGULAR MEETING
CITY COUNCIL
LITTLE CANADA, MINNESOTA**

MAY 23, 2018

Pursuant to due call and notice thereof a regular meeting of the City Council of Little Canada, Minnesota was convened on the 23rd day of May, 2018 in the Council Chambers of the City Center located at 515 Little Canada Road in said City.

Mayor John Keis called the meeting to order at 7:30 p.m. and the following members of the City Council were present at roll call:

CITY COUNCIL:	Mayor	Mr. John Keis
	Council Member	Mr. Tom Fischer
	Council Member	Mr. Rick Montour
ABSENT:	Council Member	Mr. Mike McGraw
	Council Member	Mr. Christian Torkelson
ALSO PRESENT:	City Administrator	Mr. Joel R. Hanson
	City Engineer	Mr. Lee Elfering
	Assoc. Planner/Code Enf.	Ms. Jessica Jagoe
	Cable TV Producer	Mr. Kevin Helander
	City Clerk	Ms. Heidi Heller

MINUTES Fischer introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-104 – APPROVING THE MINUTES OF
THE APRIL 25, 2018 REGULAR COUNCIL MEETING AND THE
APRIL 25, 2018 CLOSED SESSION AS SUBMITTED***

The foregoing resolution was duly seconded by Montour.
Ayes (3).
Nays (0). Resolution adopted.

**PUBLIC HEARING-
EASEMENT
VACATION AT 2320
PRESERVE TRAIL &
475 VIKING DRIVE
E.; APPLICANT:
STEVE BRAUSEN**

Keis opened the public hearing.

The City Engineer stated that the applicant is requesting approval of the vacation of drainage and utility easements. He explained that the applicant recently received approval for a subdivision of his properties and these easements follow what will be the old property lines so there is no need to maintain them. He noted that new drainage and utility easements will be around the new property lines.

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Upon motion by Montour, seconded by Keis, the public hearing was closed.

Fischer introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-105 – APPROVE THE EASEMENT
VACATIONS ON 2320 PRESERVE TRAIL & 475 VIKING DRIVE
EAST AS PRESENTED BY THE CITY ENGINEER***

The foregoing resolution was duly seconded by Montour.

Ayes (3).

Nays (0). Resolution adopted.

**PUBLIC HEARING-
CONDITIONAL USE
PERMIT FOR A
MASSAGE
BUSINESS AT 100
COUNTY ROAD C
WEST;
APPLICANT:
JORDAN SMITH &
COLLEEN
ZAMYSLOWSKI,
CLOUD THERAPY
MASSAGE**

Keis opened the public hearing.

The Associate Planner reported that Jordan Smith has applied for a conditional use permit to operate a massage therapy business as a principal use in the office building at 100 County Road C West, Suite 202. She stated that this property is zoned B-3, General Business, which allows massage therapy as a conditional use. She explained that the applicant plans for the business to be open seven days a week from 10:00 a.m. to 8:00 p.m. and that he and his fiancé Colleen Zamyslowski will be the only employees of Cloud Therapy Massage. They will be subleasing a 240 square foot office space, and Ms. Zamyslowski will see on average five to six clients a day, with a maximum of eight clients, all by appointment.

The Associate Planner stated that three dedicated parking spaces have been allocated to this business by the property owner, and staff feels this is reasonable with the location and description of the business. She noted that the City Clerk handles the licensing for massage therapy and has indicated that all applicable license requirements are met and will be reviewed by the Council later on tonight's agenda. She stated that staff has no concerns and recommends approval of the conditional use permit subject to the following conditions:

- A site plan being submitted that shows the dedicated parking for tenant and their clients of 100 County Road C West. This site plan will need to be reviewed and approved by Planning Staff prior to the massage therapy license being issued.
- A massage therapy license being issued.
- Cloud Therapy Massage is limited to two employees. An amendment to the CUP will be required if the business needs to hire additional staff due to the need to review and ensure off-street parking requirements are being met for the office building.

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Jordan Smith stated that their space is on the backside of the building. Fischer asked if this was a new business. Mr. Smith stated that they have been operating a massage business out of their home since 2009, then moved out of state and started the Cloud Therapy concept, and recently moved back to Minnesota and re-organized the business in Minnesota.

There were no comments from the public.

Upon motion by Keis, seconded by Montour, the public hearing was closed.

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-106 – APPROVE A CONDITIONAL USE PERMIT FOR A MASSAGE BUSINESS AS A PRINCIPAL USE AT 100 COUNTY ROAD C WEST, SUITE 202, WITH THE CONDITIONS STATED IN THE PLANNERS REPORT

The foregoing resolution was duly seconded by Fischer.

Ayes (3).

Nays (0). Resolution adopted.

**PUBLIC HEARING-
CONDITIONAL USE
PERMIT FOR A
GARAGE OVER
1,000 SQUARE FEET
AT 2912
VANDERBIE
STREET;
APPLICANT: NICK
SCHWALBACH**

Keis opened the public hearing.

The Associate Planner explained that Nick Schwalbach, property owner of 2912 Vanderbie Street, has requested approval of a conditional use permit to allow an attached garage of approximately 1,350 square feet on his property located at 2912 Vanderbie Street. The zoning code allows single family properties to have an attached garage in excess of 1,000 square feet by conditional use permit. The Associate Planner explained that there is currently an attached garage that is 806 square feet, and the applicant is requesting to add between 468 and 544 square feet of additional attached garage space behind the primary two-car garage. She noted that the exact depth is still undecided, but the side yard setback will not change from what it is currently, which meets the code requirements. She explained that the applicant has indicated that he plans to use the additional garage space for storage, and understands that no additional accessory storage buildings will be allowed on the property. She noted that the rear setback requirement is 30 feet and the expanded garage exceeds that.

The Associate Planner stated that the Planning Commission recommended approval, and staff has no concerns and recommends approval of the conditional use permit subject to the following conditions:

- No business activities shall occur within the garage structure.
- The parcel shall no longer be eligible for an accessory shed.

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Montour asked if the expanded area of the garage will match the existing garage and house. Mr. Schwalbach confirmed that it will.

There were no comments from the public.

Upon motion by Montour, seconded by Keis, the public hearing was closed.

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-107 – APPROVE A CONDITIONAL USE PERMIT FOR A GARAGE UP TO 1,350 SQUARE FEET AT 2912 VANDERBIE STREET SUBJECT TO THE FOLLOWING CONDITIONS:

- ***NO BUSINESS ACTIVITIES SHALL OCCUR WITHIN THE GARAGE STRUCTURE***
- ***THE PARCEL SHALL NO LONGER BE ELIGIBLE FOR AN ACCESSORY SHED***

The foregoing resolution was duly seconded by Fischer.

Ayes (3).

Nays (0). Resolution adopted.

**CONSENT
AGENDA**

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-108 – APPROVING THE CONSENT AGENDA WHICH CONTAINS THE FOLLOWING:

- *APPROVAL OF THE VOUCHERS***
- *APPROVE A TEMPORARY LIQUOR LICENSE FOR THINK SMALL ON JUNE 23, 2018***
- *APPROVE A TEMPORARY LIQUOR LICENSE FOR LITTLE CANADA RECREATION ASSOCIATION ON AUGUST 2-5, 2018***
- *APPROVE A TEMPORARY LIQUOR LICENSE FOR LITTLE CANADA CANADIAN DAYS, INC. ON AUGUST 3-5, 2018***
- *APPROVE AN OFF-SITE GAMBLING LICENSE FOR LITTLE CANADA CANADIAN DAYS, INC. ON AUGUST 3-5, 2018***
- *APPROVE PURCHASE OF CAMERAS AT SPOONER PARK UPPER SHELTER***
- *APPROVE 2016 IMPROVEMENT PROJECT SOD REIMBURSEMENT FOR 2434 MORRISON STREET***
- *APPROVE THE RENEWAL OF LIQUOR AND TOBACCO LICENSES FOR JULY 1, 2018 – JUNE 30, 2019***
- *APPROVE ASSESSMENT PAYMENT FOR CITY-OWNED PARCEL***

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The foregoing resolution was duly seconded by Fischer.
Ayes (4).
Nays (0). Resolution declared adopted.

**NEW MASSAGE
THERAPY
BUSINESS
LICENSE FOR
CLOUD THERAPY
MASSAGE &
MASSAGE
THERAPIST
LICENSE FOR
COLLEEN
ZAMYSLOWSKI**

The City Clerk explained that Jordan Smith has applied for a new massage therapy business as a principal use license for Cloud Therapy Massage and Colleen Zamyslowski has applied for a new massage therapist license and will work at Cloud Therapy Massage. She noted that the applicants received the required conditional use permit for a massage business approval earlier this evening. She stated that all of the business license materials and fees have been submitted and meet requirements, and satisfactory background checks were done by the Ramsey County Sheriff's Department.

Keis introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-109 – APPROVING A NEW MASSAGE THERAPY BUSINESS AS A PRINCIPAL USE LICENSE FOR JORDAN SMITH, OWNER OF CLOUD THERAPY MASSAGE AND A NEW MASSAGE THERAPIST LICENSE FOR COLLEEN ZAMYSLOWSKI FOR THE PERIOD OF MAY 30, 2018 TO JUNE 30, 2019

The foregoing resolution was duly seconded by Fischer.
Ayes (3).
Nays (0). Resolution adopted.

**REVIEW OF
HOGGSBREATH
LIQUOR
LICENSES &
CONDITIONS**

The City Administrator stated that the Council had placed conditions on the Hoggsbreath last summer in conjunction with their liquor license, and the agreement is currently up for review with the renewal of the liquor licenses. He explained that the owner, Tom Duray, has submitted a request to amend the agreement.

Tom Duray, property owner of the Hoggsbreath, stated that he would like to ask the Council for two amendments to the conditions. The first is to allow an increase in their capacity from 250 to 300, which would help them pay for security services. He noted that they have 12 security staff and the Ramsey County Sheriff's Department is also there. He explained that the second amendment is that when the patio opens starting in April 2019, they could increase their capacity by an additional 50, but only when the patio is open from April to October. He stated that they are complying with all of the conditions and the agreement states that the Council can review their allowed capacities. He stated that since the increase in capacity would not go in to effect until July 1 this year, they will wait until next April for that increase. Mr. Duray stated that they keep accurate count of how many

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people come in and leave the bar. Keis asked how often they hit their capacity. Mr. Duray stated that they started hitting it again in December and it has dropped off slightly now, but should pick up again in the summer months.

Keis asked if the agreement stated there had to be two deputies in the parking lot. Mr. Duray stated he needed to have two security staff outside, and one deputy during weekend hours when available. He noted that at times there are no deputies available to work, which he also keeps track of, and stated there have been seven times since December that deputies were not there. Keis asked if a security company could fill those spots. Mr. Duray stated that is possible.

Fischer asked if there have been any more problems with Mr. Duray providing video to the Sheriff's Department when asked. He stated that they have been asked several times by the Sheriff's Department for video and have had no problems accessing videos since last summer. Montour asked if the number of police calls has changed since the conditions went into effect. The City Administrator stated that he has not compared the specific numbers, but would estimate that the overall number is about the same, but the severity and handling of certain issues has improved. Mr. Duray stated that he has looked at the numbers and they are about the same. He noted that they will call the Sheriff for disorderly patrons who should not be driving and do not cooperate when they are prevented from driving.

Keis stated that he is agreeable to increasing the capacity to 300 now, but would like to see how often the Sheriff's Department is not able to work. Mr. Duray agreed to provide that to City Staff on a quarterly basis.

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-110 – APPROVE A MODIFICATION TO THE AGREEMENT WITH AN INCREASE IN CAPACITY TO 300 STARTING JULY 1, 2018, AND ALLOWIGN A CAPACITY OF 350 STARTING IN APRIL 2019 ONLY DURING THE SUMMER MONTHS OF APRIL THROUGH OCTOBER; AND THE APPLICANT MUST PROVIDE A COUNT TO CITY STAFF OF HOW MANY TIMES THE SHERIFF'S DEPARTMENT IS NOT AT THE HOGGSBREATH DURING A SCHEDULED SHIFT

The foregoing resolution was duly seconded by Fischer.
Ayes (3).
Nays (0). Resolution adopted.

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Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-111 – APPROVE THE RENEWAL OF THE HOGGSBREATH’S ON-SALE INTOXICATING LIQUOR, ON-SALE SUNDAY AND 2AM LIQUOR LICENSES FOR JULY 1, 2018 THROUGH JUNE 30, 2019 BASED ON THE APPROVAL OF THE AMENDED CONDITIONS

The foregoing resolution was duly seconded by Keis.

Ayes (3).

Nays (0). Resolution adopted.

**3000 LABORE
ROAD DRAINAGE
CONCERNS**

The City Administrator explained that at the last Council meeting, John Sculley, owner of 3000 Labore Road, stated that he had drainage concerns from the Gervais Woods development onto his property. He asked the City Engineer to look at the drainage plan for that development and ensure that water is going where it is supposed to.

The City Engineer stated that the Gervais Woods development was largely built from 2010 to 2011. He explained that Mr. Sculley’s property has always received water from the surrounding area since he has the low spot. He stated that he met with John Sculley on his property at 3000 Labore Road on Tuesday, May 22. He reported that there is a pond located largely on the Himmelbach property with a portion on the Sculley property that has always held water, and is where water from the whole area naturally drains to. He explained that Mr. Sculley claims the water in this pond on the west side of his property is much higher than it has ever been, and feels that the water is coming from the Gervais Woods development. Mr. Sculley has stated that there was a farm road along the western edge of his property that is now underwater. The City Engineer stated that when he was on the site, the road area was inundated with water. He explained that there could be an impediment in the drainage away from this pond that is causing the pond to be higher. He reported that he has reviewed the site conditions and the drainage calculations for the Gervais Woods development, and everything is working as designed.

The City Engineer stated that he is going to have his surveyor look at that swale to the east of the cul-de-sac for Gervais Woods, to make sure the water is going where it is supposed to.

John Sculley, 3000 Labore Road, displayed photos from 1986 and 1987 that shows the property was dry. He acknowledged that there has always been a strip of wetlands through the middle. He stated that he has lived here for 66 years and the pond has never been as large as it is now, and the road has never been under water except in the spring when the pond would overflow

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and the water would run over the road. He claims the property is being destroyed by the water coming in from the development. He said the water had always ran to the east into Kohlman Lake, and now it is stopped by the dike and holding pond allowed by Maplewood when they approved the development to the east. He does not accept any of the engineer's reports or aerial photos.

The City Engineer noted that the City is working with Ramsey County to improve the drainage from County Road D. He noted that much of the development around this property was done in Vadnais Heights and Maplewood, so Little Canada had no control over that. He stated that these developments all met the drainage requirements at the time, which were much different than what they are now.

The City Administrator stated that he does not feel it is fair that Mr. Sculley puts the blame on the City of Little Canada. He noted that the Gervais Woods development is working as it should and actually less water is draining to Mr. Sculley's property after the development was built. The City Administrator stated that the Watershed District has reviewed the wetlands several times, and there has been little to no change in the size of the wetlands on the Sculley property over the years. He noted that if the pond flooded the road, that means the obstruction is to the east of the pond since the water flows east. The City Engineer will take a look to see if there is something blocking the water flow in the ditch.

**Q3
CONTRACTING,
INC.
OCCUPANCY
AGREEMENT**

The City Administrator stated that the City has entered into a purchase agreement with Q3 Contracting for the sale of 53 and 167 South Owasso Boulevard. He explained that they have requested to be able to occupy the property before the closing date for a project taking place in the area. He explained that the City Attorney has reviewed and approved the occupancy agreement, and Q3 has agreed to the terms and insured the property.

Keis introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-5-112 – APPROVING THE OCCUPANCY AGREEMENT WITH Q3 CONTRACTING FOR THEIR TEMPORARY USE OF THE PROPERTIES AT 53 & 167 SOUTH OWASSO BOULEVARD PRIOR TO THEIR PURCHASING THE PROPERTIES

The foregoing resolution was duly seconded by Montour.
Ayes (3).
Nays (0). Resolution adopted.

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**PROPOSED
PERSONNEL
POLICY
AMENDMENTS:
SHORT TERM
DISABILITY, PTO
&
MISCELLANEOUS**

The City Clerk stated that staff is proposing changes to the personnel policy. She explained that currently the City provides a self-funded and self-administered short term disability plan, but this plan has been used more than was anticipated and has been time consuming and challenging for staff to administer. As a result, staff is proposing a change to a City-paid short term disability plan through Unum, who also provides the City's long term disability plan. The main change would be the starting day for benefits would change from day 15 to day 30. The City Clerk explained that the reason for choosing a day 30 start is the policy cost is much lower than for a day 15 start. She stated that due to the proposed longer time before short term disability benefits would start, staff is also proposing to increase the maximum number of accrual days from 30 to 45. She explained that since an employee would need to get to day 30 before short term disability benefits start, they would need to be able to accrue more days.

The City Clerk stated that another proposed change is to allow employees to cash out up to five days of banked PTO that would be over the maximum accrual amount at the end of the year rather than losing the time or taking the time off. She reported that the last personnel policy changes are housekeeping items like updated position titles and correcting reference numbers.

Keis asked how much this would cost. The City Administrator stated about \$1,600 per year for the short term disability policy. Keis asked how much the cost for the PTO conversion would be. The City Administrator stated that people are not losing the PTO so we are paying them as time off.

Fischer stated that due to the amount of information presented, he is not prepared to deal with the insurance aspect of this right now, and he would prefer to have all of the Council members involved in the decision.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-113 – APPROVE TABLING THE
PERSONNEL POLICY AMENDMENTS UNTIL THE JUNE 6, 2018
COUNCIL MEETING***

The foregoing resolution was duly seconded by Keis.

Ayes (3).

Nays (0). Resolution adopted.

**AMEND
RESOLUTION
2018-4-83 FOR THE
INTERFUND LOAN
IN CONNECTION
WITH SUITE
LIVING LITTLE
CANADA**

The City Administrator explained that this resolution was initially approved at the April 25, 2018 Council meeting and stated that the loan would be \$600,000. He stated that the loan amount has since been reduced to \$450,000, so the resolution should be amended to reflect the lower amount.

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Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-114 – APPROVING AMENDED
RESOLUTION 2018-4-83 FOR THE INTERFUND LOAN IN
CONNECTION WITH THE SUITE LIVING LITTLE CANADA
DEVELOPMENT***

The foregoing resolution was duly seconded by Keis.

Ayes (3).

Nays (0). Resolution adopted.

**SURVEY
RESULTS FROM
OLD FIRE HALL
IMPROVEMENTS
COMMITTEE**

The City Administrator stated that the survey results from the Old Fire Hall Improvements Committee for whether to paint and tuckpoint the side and rear walls of the Old Fire Hall or stucco them were: seven in favor of stucco, two against using stucco and one in favor if the contractor could guarantee no cracks in the stucco for 20 years.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-115 – PROCEED WITH USING STUCCO
ON THE SIDE AND REAR WALLS OF THE OLD FIRE HALL***

The foregoing resolution was duly seconded by Fischer.

Ayes (3).

Nays (0). Resolution adopted.

**CONTRACT WITH
RES SPECIALTY
PYROTECHNICS
FOR THE
CANADIAN DAYS
FIREWORKS**

The City Administrator stated that RES Specialty Pyrotechnics has again submitted a contract to provide the Canadian Days fireworks this year. He noted that in 2017, the Council increased the amount contributed by the City for the fireworks to \$6,500. He explained that the contract is for \$7,500 because Canadian Days will be paying the additional \$1,000.

Keis introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-116 – APPROVE THE CONTRACT WITH
RES SPECIALTY PYROTECHNICS FOR \$7,500, WITH \$1,000 BEING
PAID BY CANADIAN DAYS***

The foregoing resolution was duly seconded by Fischer.

Ayes (3).

Nays (0). Resolution declared adopted.

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**CALL FOR A
WORKSHOP ON
JUNE 6, 2018 TO
DISCUSS
ECONOMIC
DEVELOPMENT &
A HOUSING
REHABILITATION
LOAN PROGRAM**

The City Administrator stated that staff recommends calling for a workshop on June 6, 2018 to discuss economic development and the housing rehabilitation loan program.

Keis introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-5-117 – CALLING FOR A WORKSHOP ON
JUNE 6, 2018 AT 6:00PM TO DISCUSS ECONOMIC DEVELOPMENT
AND A HOUSING REHABILITATION LOAN PROGRAM***

The foregoing resolution was duly seconded by Montour.

Ayes (3).

Nays (0). Resolution declared adopted.

SPECIAL MEETING

The City Administrator reported that the Mayor has called a special meeting to begin immediately after the regular meeting is adjourned. He explained this meeting is to discuss the City Administrator transition plan.

MINUTES There being no further business, the meeting was adjourned at 9:03p.m.

John T. Keis, Mayor

Attest: _____
Joel Hanson, City Administrator