

Mayor
John Keis

Council Members
Tom Fischer
Michael McGraw
Rick Montour
Christian Torkelson

**Acting City
Administrator**
Bill Dircks



City of Little Canada
515 Little Canada Road
E.
Little Canada, MN 55117

**Regular Meeting of the
Little Canada City Council**
Wednesday, August 8, 2018 - 7:30 pm
City Center Council Chambers
AGENDA

1. Call To Order - Regular Meeting - 7:30 P.m.
2. Roll Call
3. Approval Of Minutes
 - A. July 25, 2018 Workshop Minutes
Documents:
[07-25-2018 WORKSHOP MINUTES.PDF](#)
 - B. July 25, 2018 Council Minutes
Documents:
[07-25-2018 COUNCIL MINUTES.PDF](#)
 - C. July 27, 2018 Special Meeting Minutes
Documents:
[07-27-2018 SPECIAL MEETING MINUTES.PDF](#)
 - D. July 28, 2018 Special Meeting Minutes
Documents:
[07-28-2018 SPECIAL MEETING MINUTES.PDF](#)
4. Announcements
5. Presentations
 - A. Dana Healy - CTV North Suburbs Executive Director

6. Consent Agenda

A. Approval Of The Vouchers

7. Staff Reports

A. Approve City Administrator Employment Contract With Chris Heineman

Documents:

[NEW CITY ADMINISTRATOR CONTRACT.PDF](#)

B. Emergency Water Tower Repairs

Documents:

[EMERGENCY WATER TOWER WELD REPAIR.DOCX](#)

8. Additions

A. Updated City Administrator Employment Contract

Documents:

[UPDATED CITY ADMINISTRATOR EMPLOYMENT CONTRACT.PDF](#)

B. Approve Hire Of Colleen Schoenecker As Part-Time Utility Billing Clerk

Documents:

[HIRING SCHOENECKER AT PT UTILITY BILLING CLERK.PDF](#)

C. Water Charges For 2616-2622 Ruth Street

Documents:

[2616-2622 RUTH STREET WATER CHARGES.PDF](#)

9. Adjourn

This agenda is subject to change by additions and deletions.

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

JULY 25, 2018

Pursuant to due call and notice thereof a workshop meeting of the City Council of Little Canada, Minnesota was convened on the 25th day of July, 2018 in the Conference Room of the City Center located at 515 Little Canada Road in said City.

Mayor John Keis called the meeting to order at 6:00 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
	Council Member	Mr. Mike McGraw
	Council Member	Mr. Christian Torkelson

ALSO PRESENT:	Hue Life	Mr. Richard Fursman
	City Clerk	Ms. Heidi Heller

**REVIEW
APPLICATIONS
FOR CITY
ADMINISTRATOR
POSITION**

Mayor Keis stated that the purpose of this evening's workshop is to review the applications for the City Administrator position.

Keis stated that the hiring consultant, Richard Fursman with Hue Life, has narrowed the list of candidates down to 14, and tonight the Council will choose which candidates to bring in for interviews.

Mr. Fursman reviewed the list of candidates for the Council and explained his process for choosing the list to present to the Council. He noted that a total of 53 applications were received. Discussion ensued and there was Council consensus to invite six candidates: Brian Anderson, Michael Cramer, Chris Heineman, Amy Schmidt, Jim Culotta and Robert Schoen to participate in the interview process on July 27 and 28, 2018.

There being no further business, the workshop was adjourned at 7:18p.m.

John T. Keis, Mayor

Attest: _____
Bill Dircks, Acting City Administrator

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

JULY 25, 2018

Pursuant to due call and notice thereof a regular meeting of the City Council of Little Canada, Minnesota was convened on the 25th day of July, 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
	Council Member	Mr. Mike McGraw
	Council Member	Mr. Christian Torkelson

ALSO PRESENT:	Public Works Director	Mr. Bill Dircks
	Assoc. Planner/Code Enf.	Ms. Jessica Jagoe
	City Planner	Mr. Steve Grittman
	City Clerk	Ms. Heidi Heller
	Cable TV Producer	Mr. Kevin Helander

MINUTES McGraw introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-7-154 – APPROVING THE MINUTES OF
THE JULY 11, 2018 WORKSHOP MEETING AND THE JULY 11, 2018
REGULAR COUNCIL MEETING AS SUBMITTED***

The foregoing resolution was duly seconded by Montour.

Ayes (5).

Nays (0). Resolution adopted.

ANNOUNCEMENTS Keis read the Night to Unite 2018 Proclamation and proclaimed Tuesday, August 7 as the 2018 Night to Unite. He encouraged neighborhoods to participate by having block parties.

Keis read a proclamation for resident and Canadian Days charter member, Raymond Hanson, and proclaimed Friday, August 3, 2018, as Ray Hanson Superhero Day in the City of Little Canada. He noted that Ray has been a very active member of the community, including a past mayor. He stated that Canadian Days will be held from August 3 through 5 at Spooner Park.

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Keis announced that Little Canada gymnast Maggie Nichols was recently awarded the 2018 Arthur Ashe Award for Courage at the ESPY's award show, along with 140 other women for speaking out against the abuse suffered by many gymnasts. McGraw noted that she was also recently a NCAA champion for the University of Oklahoma.

**PUBLIC HEARING -
PUD AMENDMENT
FOR OUTDOOR
STORAGE;
APPLICANT: 3100
COUNTRY DRIVE,
LLC; JIM
SCHWALBACH**

The Associate Planner reported that Jim Schwalbach, property owner of 3100 Country Drive, applied last fall for a Planned Unit Development Amendment that would allow him to rent outdoor storage space to non-tenants of the building. She explained that the application was denied in order for the Planning Commission and City Council to discuss possible text amendments. She stated that after a joint workshop, several code amendments to the Conditional Use Permit and Interim Use Permit provisions as it relates to outdoor storage in the I-1 Zoning District were adopted, and Mr. Schwalbach is now reapplying for approval of non-tenant outdoor storage for a residential home based business in Little Canada.

The Associate Planner stated that 3100 Country Drive is zoned Planned Unit Development, PUD District D. The existing PUD Permit allows accessory outdoor storage to tenants of the building as described in the I-1, Light Industrial section of the City Code. She explained that the building is occupied by Hardware Hank and MGT Insulation, and only Hardware Hank is using any outdoor storage area. She noted that she has asked the applicant for a site plan designating outdoor storage area of both tenant and non-tenant. She explained that the reason for this is because the tenant outdoor storage is allowed with the conditional use permit, and the non-tenant outdoor storage would be allowed with an interim use permit. She noted that the refuse containers at 3100 Country Drive are being stored in front of the building, but they need to comply with the I-1 District outdoor storage conditions and store these containers in the fenced area or be screened some other way. She explained that any change in the non-tenant, even if it is the same use, will trigger a need to amend the interim use permit. The Planning Commission also recommended approval.

The Associate Planner stated that staff recommends approval of the Planned Unit Development Amendment for an Interim Use Permit up to five years to allow for off-site outdoor storage to Quinzon Outdoor Services, which is a home based business in Little Canada, subject to submittal of a new site plan that shows the designation of outdoor storage area between tenant and non-tenant space.

Fischer asked if Mr. Schwalbach had any issues with the points that the Associate Planner clarified. Mr. Schwalbach stated he has no problem putting up screening for the waste containers, but noted that many other businesses do not have any screening. He asked if there would be a fee to

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amend the interim use permit. The Associate Planner stated the fee at this time is \$350 to amend an interim use permit.

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

There were no comments from the public.

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-155 – APPROVING THE PLANNED UNIT DEVELOPMENT AMENDMENT FOR AN INTERIM USE PERMIT FOR UP TO FIVE YEARS TO ALLOW FOR OFF-SITE OUTDOOR STORAGE FOR QUINZON OUTDOOR SERVICES, WHICH IS A HOME BASED BUSINESS IN LITTLE CANADA, SUBJECT TO SUBMITTAL OF A NEW SITE PLAN THAT SHOWS THE DESIGNATION OF OUTDOOR STORAGE AREA BETWEEN THE TENANT AND NON-TENANT SPACE

The foregoing resolution was duly seconded by McGraw.

Ayes (5).

Nays (0). Resolution adopted.

**PUBLIC HEARING -
2018
COMPREHENSIVE
PLAN UPDATE**

The City Planner stated that tonight is the public hearing for the Council to review the plan and authorize sending this draft to all adjacent cities and affected groups, such as the school districts, for their comments. He stated that once everyone has responded, final changes will be made, the City Council will conditionally adopt the plan, and staff will submit it to the Metropolitan Council. He noted that this will likely occur in December. He explained that the Metropolitan Council may want changes, and after they have given approval, the City Council will adopt the final draft of the plan.

The City Planner explained that this plan is looking forward through 2040, and continues to protect the amount of low density housing that the City has. The bulk of the land use talks about redevelopment and the market usually helps determine whether that is private developer driven or city led. He stated that he has been working on reviewing the employment growth number that the Metropolitan Council has estimated for the city, and explained that once it was compared against the land uses, the number seemed to be acceptable. He noted that the Parks & Recreation Commission has completed the Park System Master Plan update which will be incorporated into the parks chapter of the Comprehensive Plan.

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

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Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-156 – APPROVE THE DRAFT 2018 COMPREHENSIVE PLAN AND AUTHORIZE THE CITY PLANNER TO SUBMIT TO THE ADJACENT COMMUNITIES AND AGENCIES

The foregoing resolution was duly seconded by McGraw.
Ayes (5).
Nays (0). Resolution adopted.

**CONSENT
AGENDA**

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-157 – APPROVING THE CONSENT AGENDA WHICH CONTAINS THE FOLLOWING:

- *APPROVAL OF THE VOUCHERS***
- *APPROVE EDUCATION REIMBURSEMENT FOR CITY EMPLOYEE TODD JAGOE***
- *APPROVE THE HIRE OF JANE BURGESS AS THE PART-TIME UTILITY BILLING CLERK***

The foregoing resolution was duly seconded by Fischer.
Ayes (5).
Nays (0). Resolution declared adopted.

**EAGLE SCOUT
PROJECT –
PORTABLE
RESTROOM
SCREENING**

The Public Works Director explained that Hunter Huot is a Little Canada Boy Scout that has been working on his Eagle Scout project and is proposing to construct two portable restroom screening structures at Pioneer Park and two structures at Spooner Park.

Mr. Huot stated that he has submitted a design and worked with the Building Official to ensure it complies with the City Code. He is requesting that the City Council approve the design and up to \$700 towards the total project cost. Once the project and funding are approved, he will purchase the supplies and coordinate the construction of the screening. Mr. Huot stated that he has consulted with the local portable restroom company that the design he is proposing will not cause issues for them when servicing the units, or if one needs to be moved or replaced.

Keis asked when these would be completed. Mr. Huot stated that they will be done in the next couple of weeks. He noted that the Spooner Park ones will be completed after Canadian Days.

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The Public Works Director reported that staff has reviewed the design that was submitted by Mr. Huot, and believes it is structurally sound, in compliance with city codes, and the proper size for future maintenance needs of the portable restrooms. He noted that Mr. Huot was at the July 10, 2018, Parks & Recreation Commission meeting, where the Commission reviewed the project and had an opportunity to speak with Mr. Huot. He noted that at this time, the total project costs are estimated at \$1,500.00, and the Little Canada Recreation Association (LCRA) has granted \$800.00 towards this project.

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-158 – APPROVING THE PROJECT DESIGN AND UP TO \$700.00 TOWARDS THE COST OF MATERIALS FOR BOYSCOUT HUNTER HUOT TO CONSTRUCT FOUR PORTABLE RESTROOM SCREENING STRUCTURES AT PIONEER PARK AND SPOONER PARK

The foregoing resolution was duly seconded by Keis.

Ayes (5).

Nays (0). Resolution adopted.

**EAGLE SCOUT
PROJECT –
REPLANTING
RAINWATER
GARDEN**

The Public Works Director reported that Boy Scout Ben Belin is working on his Eagle Scout project and is proposing to clear out and replant a rainwater garden on Sextant Avenue in Little Canada. He stated that Staff has identified that this particular rainwater garden is in need of repair to help it work as intended, and recommended that Mr. Belin clear and replant this rainwater garden. The Public Works Director explained that Mr. Belin worked with the Ramsey-Washington Metro Watershed District to come up with a planting design that will work for this particular rainwater garden. He stated that Staff, the Watershed District, and the City Engineer have all reviewed the proposed layout and believe it to be a good design that will function properly. He reported that Mr. Belin estimated the cost of plants and mulch will be \$255.99 and Mr. Belin will raise funds for other project costs that may come up.

Mr. Belin stated that he has been working with Mr. Shearen and the Watershed District staff to make a plan for this raingarden. Fischer asked when the work would be done. Mr. Belin reported it would be done in late August or early September, he will use eight to ten volunteers, and it should only take two days. He stated that he is requesting funds from the City for \$260 to pay for the plants for this project.

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McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-159 – APPROVING UP TO \$260 TO PURCHASE PLANTS AND MULCH FOR BOYSCOUT BEN BELIN TO CLEAR AND REPLANT A RAINWATER GARDEN ON SEXTANT AVENUE

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution adopted.

**CAPITOL VIEW
SCHOOL
SIGNAGE**

The Associate Planner reported that the City has received a request for directional signage larger than that allowed by code for Northeast Metro Intermediate School District 916 at 70 County Road B2 West. She explained that with construction of the new building, the school is looking to install one more sign before the upcoming school year begins since there are a few entities housed here.

The Associate Planner explained that two signs have already been installed which are “Eastview Academy” on the north elevation and “Gymnasium” on the south elevation. The school preferred to start with these two signs given some of the activities that started this summer. Their request is to install one more sign “Quora Education Center” on the north elevation. The Eastview Academy sign measures 23 square feet and the Gymnasium sign measures 13 square feet. Both of these signs are individual letters installed in the entryway above the glass of the specific entrance to the building. The Quora Education sign measures 31 square feet and will be installed in the same manner. The Associate Planner noted that directional signage is limited to four square feet, and the Public District allows for signage up to 32 square feet.

The Associate Planner noted that she reviewed the Gymnasium sign on the south elevation with the City Planner prior to installation and it was his determination that given this sign is not visible to the general public from the right-of-way or parking lot, that it does not count towards the square footage of signage allowed. She explained that the Eastview Academy sign was issued under the Public District regulations, but Northeast Metro is requesting that given the location of the signage being installed above the doorway and that the sign is identifying an entrance for an entity within the building that the Quora Education sign be approved as a Directional/Informational sign. The Associate Planner stated that with the current signage installed, Northeast Metro has zero square feet of signage as directional and 23 square feet of Public District signage already. Staff recommends the City Council discuss the request from

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Northeast Metro Intermediate School District 916 to allow a directional sign up to 31 square feet to be installed on the north elevation.

Montour stated that the signage allowance stated in the City Code for Public Districts really should be increased. There was Council consensus to have staff move forward with a code amendment to increase the amount of signage allowed in Public Districts.

Montour introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-160 – DENY THE REQUEST TO INCREASE DIRECTIONAL SIGNAGE BUT DIRECT STAFF TO MOVE FORWARD WITH A CODE AMENDMENT TO INCREASE THE ALLOWED SQUARE FOOTAGE OF SIGNAGE IN PUBLIC DISTRICTS

The foregoing resolution was duly seconded by Keis.

Ayes (5).

Nays (0). Resolution adopted.

**TERRACE
HEIGHTS
RENTAL UNIT
CONCERN**

The Public Works Director explained that the City received an e-mail from Jonathan Turner, President of the Resident Association in Terrace Heights Mobile Home Park, regarding suspected rental units within the Park. Mr. Turner has asked to speak with the City Council on this matter. Mr. Turner has indicated that he believes the property owner, Riverstone, is bringing in pre-owned units that appear to have significant damage with the intention of using them as rental properties.

The Public Works Director verified with the Building Official that a permit was issued in mid-May to Terrace Heights Mobile Home Park for a replacement/new unit at Lot #170. The unit is shown in the pictures submitted by Mr. Turner. The Building Official has completed two inspections which included support blocking and anchoring to the ground and a new gas line air test inspection. All inspections have passed up to today. Ridgeland Contracting, the licensed contractor installing the unit, has not called for a final inspection as of the writing of staff memo. The final inspection will include verifying the installation of the State of Minnesota Seal and that the electrical inspection has been completed. The Contractor will also have to provide landings and stairs at the required two exits.

The Public Works Director reported that the Riverstone Area Manager was contacted, and stated that he is still looking at doing vinyl siding on this home and shed, removing a large tree in the back of the home, roof sealing, some landscaping and possibly replace some windows. The manager also stated that they are preparing the home to sell, not rent. The Public Works

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Director stated that the City of Maplewood denied a permit for this home only because it did not meet setback requirements.

Jonathon Turner, a Terrace Heights resident, stated that there were questions at their resident meeting about this unit that was brought in over a year ago and has been sitting vacant, but was recently moved in to a lot, so they are concerned what the park owner is planning to do with it since it is in very bad condition. He noted that the residents are not allowed to rent units and they do not support the park owner being allowed to rent units.

Keis asked if the City would allow mobile homes to be rented. The Associate Planner stated that she believes the Terrace Heights bylaws states that homes cannot be rented in their park, but noted that the City is not involved with the homeowners association guidelines. She stated that the City's rental licensing would allow mobile homes to be rented.

Elizabeth Pretzel, secretary of the homeowners association, stated that the residents take pride in their homes and this particular home is not in good condition. She stated that they have talked to people at other mobile home parks who have stated that Riverside tends to move in old homes and rent them. She explained that she hopes the Council would make a city policy that does not allow any renting of homes in the park. Torkelson stated that there currently are no rental licenses for any mobile homes in the city and he would support the city being proactive to keep it that way. Keis stated that we need to look at what the guidelines are for inspections when mobile homes are moved in and possibly discuss this at a future workshop.

**COMMUNITY
SURVEY**

The City Clerk explained that the Council reviewed the draft list of survey questions at the July 11 Workshop meeting and suggested several changes. Mr. Peter Leatherman from The Morris Leatherman Company has updated the list of questions with all of the changes and resubmitted the list for Council review. She stated that Mr. Leatherman can begin the survey in August if the Council approves the questions and authorizes the down payment.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-7-161 – APPROVE THE SURVEY
QUESTIONS AND THE \$10,000 DOWNPAYMENT TO THE MORRIS
LEATHERMAN COMPANY TO COMPLETE A COMMUNITY
SURVEY***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution adopted.

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**UPDATE ON
HIRING OF CITY
ADMINISTRATOR** Keis stated that the Council is in the midst of doing a search for a new City Administrator, and tonight at the Workshop they chose six candidates to invite to the interview process on Friday and Saturday.

ADJOURN There being no further business, the meeting was adjourned at 8:49 p.m.

John T. Keis, Mayor

Attest: _____
Bill Dircks, Acting City Administrator

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

JULY 27, 2018

Pursuant to due call and notice thereof a special meeting of the City Council of Little Canada, Minnesota was convened on the 27th day of July, 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 3:00 p.m. and the following members of the City Council were present at roll call:

CITY COUNCIL:	Mayor	Mr. John Keis
	Council Member	Mr. Rick Montour
	Council Member	Mr. Tom Fischer
	Council Member	Mr. Mike McGraw
	Council Member	Mr. Christian Torkelson

ALSO PRESENT:	Hue Life	Mr. Richard Fursman
	City Clerk	Ms. Heidi Heller

**ONE ON ONE
COUNCIL
INTERVIEWS
WITH EACH
CANDIDATE**

Keis stated that the meeting today is for the City Council to meet one on one with each City Administrator finalist.

Mr. Fursman reported that one candidate contacted him today and has chosen to withdraw his application. The City Council Members met individually with each of the five remaining finalists.

ADJOURN

There being no further business, the meeting was adjourned at 5:20 p.m.

John T. Keis, Mayor

Attest: _____
Bill Dircks, Acting City Administrator

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

JULY 28, 2018

Pursuant to due call and notice thereof a special meeting of the City Council of Little Canada, Minnesota was convened on the 28th day of July, 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 8:00 a.m. and the following members of the City Council were present at roll call:

CITY COUNCIL:	Mayor	Mr. John Keis
	Council Member	Mr. Rick Montour
	Council Member	Mr. Tom Fischer
	Council Member	Mr. Mike McGraw
	Council Member	Mr. Christian Torkelson

ALSO PRESENT:	Hue Life	Mr. Richard Fursman
	Hue Life	Ms. Irina Fursman
	Public Works Director	Mr. Bill Dircks
	Parks/Rec/Comm. Ser. Mgr	Mr. Bryce Shearen
	Assoc. Planner/Code Enf.	Ms. Jessica Jagoe
	Finance Director	Ms. Sharon Provos
	City Clerk	Ms. Heidi Heller
	City Engineer	Mr. Lee Elfering
	Asst. Fire Chief	Mr. Steve Morelan
	Planning Comm. Chair	Mr. Bill Buesing
	Parks & Rec. Comm. Chair	Mr. Dave Miller
	Little Canada Bus. Owner	Mr. Lee Rossow
	Little Canada Bus. Owner	Mr. Frank Frattalone
	Little Canada Rec. Assoc.	Mr. Jon Joriman
	Canadian Days Vice Pres.	Ms. Janene Connolly

**INTERVIEWS
WITH FIVE CITY
ADMINISTRATOR
CANDIDATES**

Keis stated that the meeting today is for three groups to interview each of the five City Administrator candidates. He explained that the City Council will interview together, along with a City Staff group that includes the Little Canada Assistant Fire Chief and the City Engineer, and a citizens group made up of two Little Canada business owners, president of the Little Canada Recreation Association, Vice-President of Canadian Days, the Chair of the Planning Commission and the Chair of the Parks & Recreation Commission.

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CITY COUNCIL SPECIAL MEETING
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Mr. Fursman explained the process for each interview group. The five candidates rotated through the three groups, and the three interview groups then met together to report their findings on each candidate to the Council. Discussion ensued and there was Council consensus to offer the position to Chris Heineman. Mr. Fursman and the Council discussed the salary and benefits that should be offered to Mr. Heineman, and Mr. Fursman was directed to contact Mr. Heineman and negotiate a contract on the Council's behalf within the parameters discussed.

Keis introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-162 – DIRECT RICHARD FURSMAN WITH HUE LIFE TO NEGOTIATE A CITY ADMINISTRATOR CONTRACT WITH CHRIS HEINEMAN WITHIN THE PARAMETERS DISCUSSED

The foregoing resolution was duly seconded by Montour.
Ayes (5).
Nays (0). Resolution declared adopted.

Keis introduced the following resolution and moved its adoption:

RESOLUTION NO. 2018-7-163 – DIRECT RICHARD FURSMAN WITH HUE LIFE TO CONDUCT A BACKGROUND CHECK ON CHRIS HEINEMAN FOR THE PURPOSE OF POTENTIAL EMPLOYMENT AS THE CITY ADMINISTRATOR

The foregoing resolution was duly seconded by Torkelson.
Ayes (5).
Nays (0). Resolution declared adopted.

ADJOURN

There being no further business, the meeting was adjourned at 5:20 p.m.

John T. Keis, Mayor

Attest: _____
Bill Dircks, Acting City Administrator



STAFF REPORT

TO: Mayor Keis and Members of City Council

FROM: Heidi Heller, City Clerk

DATE: August 3, 2018

RE: Approve Employment Contract between the City of Little Canada and Chris Heineman

Joel Hanson resigned as City Administrator from the City of Little Canada on June 22, 2018. The City of Little Canada began the recruitment process and authorized the services of Richard Fursman with Hue Life to coordinate the effort to replace the City Administrator. Hue Life received 53 applications for the position of City Administrator. Richard Fursman thoroughly reviewed the applicant pool and prepared a report for the City Council to review and discuss at the July 25 Council Workshop. The City Council decided to invite six finalists for interviews over a two day process on July 27 & 28. The City Council, along with a City Staff Group and a Citizens Group, interviewed the five candidates that chose to participate in the process, and voted to extend an offer of employment as City Administrator to Chris Heineman, and authorized Richard Fursman to begin contract negotiations.

Mr. Heineman has accepted the City's offer of employment as City Administrator and will begin employment on September 10, 2018. Mr. Heineman currently serves as the Community Planning & Development Director for the City of Northfield and previously served as the City Administrator for the City of Kenyon. He holds a Master of Arts in Public Administration from Hamline University. The City Council is confident Mr. Heineman brings the knowledge and skills necessary to lead Little Canada into the future.

Richard Fursman negotiated a contract with Mr. Heineman that allows for an annual salary of \$119,894. Other benefits are outlined in the attached City Administrator Employment Agreement between the City of Little Canada and Chris Heineman.

CITY ADMINISTRATOR EMPLOYMENT AGREEMENT

AGREEMENT made this 8th day of August, 2018 by and between the City of Little Canada, an Minnesota municipal corporation, (hereinafter called "Employer"), and Chris Heineman (hereinafter called "Employee").

The parties agree as follows:

START DATE: Employee will begin his duties and report to City Hall on the 10th Day of September 2018.

1. **POSITION.** Employer agrees to employ Employee as its City Administrator. Employee agrees to serve as City Administrator in accordance with Minnesota state statutes and Little Canada City ordinances and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign.
2. **PENSION PLAN.** Employer agrees to enroll the Employee into the Minnesota Public Employee Retirement System (PERA) and to make the appropriate contributions on the Employee's behalf, as provided the City Personnel Manual.
3. **SALARY.** Employer shall pay Employee at step 3 of 5 of the Administrator's salary plan; currently at \$119,894; paid annually. Employer and Employee agrees that a performance review will be conducted on Employee after six (6) months. At that time, Employer will provide a cost of living (COLA) increase approved by the City Council for other staff to the Employee, provided a satisfactory performance evaluation is received as described in Article 4 of this agreement. The Employee agrees to a Step (level 4) and COLA increase on January 1, 2020, provided a satisfactory performance evaluation is received in December 2019. Subsequent reviews and pay increases shall be considered at the same time each year, with salary increases consistent with the step program and COLA.
4. **PERFORMANCE EVALUATION:** Employer shall, at the end 180 days, have a performance check-in with the Employee. Employee agrees that a performance review will be conducted on Employee again during the Month of February 2019, and annually during the month of December thereafter. The process at a minimum shall include the opportunity for the Employer to: (1) prepare a written evaluation and (2) for Employer and Employee to meet and discuss the evaluation.
5. **Paid Time Off (PTO).** Employee shall be credited with 12 (twelve) years completed service and continue to accrue PTO days in accordance with the Employer's PTO Accrual Schedule. (ex. - Employee shall be credited with six (13) years completed service on the one-year anniversary, etc.). The Employer shall also provide paid time off that is consistent with the time allocated to other non-union staff. Employee shall receive 64 hours of banked PTO at time of employment. This amount is in addition to that which he will be earning.
6. **HOLIDAYS.** Employer shall provide Employee the same holidays as enjoyed by other employees.
7. **MOVING AND RELOCATION ALLOWANCE.** Employer shall reimburse Employee an amount not to exceed \$3,000 for moving his household goods, house hunting expenses such as travel expenses, closing costs, temporary lodging, and meals. Payment shall be made upon receipt

by the City of documentation that the expenses have been incurred and deemed reasonable. In the event the Employee severs employment with the City of his own will and accord within two (2) years of taking office, Employee agrees to reimburse the City for all expenses paid.

8. **AUTOMOBILE.** The Employer shall reimburse Employee for use of his car for City business.
9. **CELL PHONE:** The Employee may use his own phone for City related business and be compensated according the City's policy, or, use a City provided phone according to the City policy.
10. **GENERAL INSURANCE.** Employer shall provide Employee the same group hospital, medical, dental, life and disability insurance benefits as provided to all other employees.
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 - a. Employer shall also budget for and pay for travel and subsistence expenses of Employee for short courses, institutes, and seminars that Employer deems necessary.
13. **CIVIC CLUB MEMBERSHIP.** Employer recognizes the desirability of participation in and before local civic and other organizations. Employee is authorized to become a member of such civic clubs or organizations as deemed appropriate by Employee and Employer; and at Employer's expense.
14. **GENERAL EXPENSES.** Employer shall reimburse Employee reasonable miscellaneous job-related expenses which it is anticipated Employee will incur from time to time when provided appropriate documentation.
15. **HOURS OF WORK.** It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed to establish an appropriate work schedule.

16. **TERM OF EMPLOYMENT.** Employee's employment shall be for an indefinite period of time commencing on September 10, 2018. In the event that Employee is terminated by the Employer during such time that Employee is willing and able to perform the duties of City Administrator, the Employer agrees to pay Employee at the time of receipt of his last pay check, a lump sum cash payment equal to 6 months aggregate salary and to continue to provide and pay for all benefits for a period of 6 months following termination unless prohibited by law.
- a. However, in the event Employee is terminated because of malfeasance or misfeasance in office, gross misconduct, conviction of a felony, or conviction of an illegal act involving personal gain to Employee, then the Employer shall have no obligation to pay the termination benefits.
 - b. If the Employee voluntarily resigns as City Administrator, the Employee shall provide a minimum of forty-five (45) days' notice unless the parties otherwise agree.
17. **OUTSIDE ACTIVITIES.** Employee shall not engage in teaching, consulting or other non-city connected activity without the prior written approval of Employer.
18. **INDEMNIFICATION.** Beyond that required by the Federal, State, or Local Law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Administrator or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. Legal representation, if provided by Employer for Employee, shall extend until a final determination of the legal action including any appeals brought by either party. The Employer shall indemnify Employee against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney fees, and other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit, or proceedings, actual or threatened, arising out of or in connection with the performance of her duties. Any settlement of any claim must be made with the prior approval of the Employer in order for the indemnification, as provided in this Section to be available.
19. **BONDING.** Employer shall bear the full cost of any fidelity of other bonds required of the Employee under any law or ordinance.
20. **OTHER TERMS AND CONDITIONS OF EMPLOYMENT.** The Employer shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement, the City ordinances or any other law.
- a. Except as otherwise provided in this agreement, the Employee shall be entitled to the equivalent benefits that are enjoyed by other appointed officials, appointed employees, department heads or general employees of the Employer as provided in the City ordinances and the City of Little Canada Employee Handbook.

IN WITNESS WHEREOF, Employer has caused this Agreement to be signed and executed on its behalf by its Mayor and Employee has signed this Agreement, in duplicate, the day and year first written above.

EMPLOYER:
CITY OF LITTLE CANADA, MINNESOTA

EMPLOYEE:

BY: _____
Mayor

Chris Heineman

ATTEST: _____
City Clerk



STAFF REPORT

TO: Mayor Keis and Members of City Council
FROM: Bill Dircks, Public Works Director
DATE: August 1, 2018
RE: Emergency Water Tower Repairs

As you are aware, the water tower needed to be drained a couple of weeks ago in order to replace a failed gasket at the manway hatch on the riser pipe. Since the tower had to be drained and it was year five of our maintenance agreement with SEH, the interior bowl of the tower was also inspected and touched up as necessary per the terms of the agreement. The work was completed on Friday, July 27, the tower was disinfected, and the refilling process was started. While the tower was refilling, the public works staff heard dripping inside the tower. Classic Protective Coatings was able to respond on Friday afternoon and they determined that there was a cracked weld where the riser pipe meets the bottom of the bowl.

Classic was able to get a crew on site on Tuesday, July 31 to repair the welds. They repaired a thirty-inch section on the outside of the bowl and a seven-inch section inside the bowl. Following the work, the tank was cleaned and disinfected once again and the refilling process started again. Barring any additional emergencies, the tower should be back in service by early next week.

The emergency repair of the cracked welds does not fall under the scope of the maintenance agreement between Little Canada and SEH. The preliminary price for the work provided by SEH was \$6,450. That price may change based on the actual work performed. SEH did provide us with discounted pricing due to our status as a maintenance client.

Staff recommends the Council approve the expenditure in the range of \$6,450 from the Water and Sewer Capital Budget for emergency water tower repairs. The final price will hopefully be known by the meeting on Wednesday.



STAFF REPORT

TO: Mayor Keis and Members of City Council

FROM: Heidi Heller, City Clerk

DATE: August 7, 2018

RE: Updated City Administrator Employment Contract with Chris Heineman

There were two recent changes made to Mr. Heineman's employment contract. One change was simply a correction and the other was adding language. The new wording is highlighted below. Mr. Heineman has signed the updated version of his contract.

Correction - the word thirteen replaced the word six.

5. **Paid Time Off (PTO).** Employee shall be credited with 12 (twelve) years completed service and continue to accrue PTO days in accordance with the Employer's PTO Accrual Schedule. (ex. - Employee shall be credited with **thirteen** (13) years completed service on the one-year anniversary, etc.). The Employer shall also provide paid time off that is consistent with the time allocated to other non-union staff. Employee shall receive 64 hours of banked PTO at time of employment. This amount is in addition to that which he will be earning.

Added language - The Council had discussed a two-year timeframe for reimbursement of moving expenses, and this was discussed with Mr. Heineman, but was missed being added to the contract.

7. **MOVING AND RELOCATION ALLOWANCE.** Employer shall reimburse Employee an amount not to exceed \$3,000 for moving his household goods, house hunting expenses such as travel expenses, closing costs, temporary lodging, and meals **provided the move occur within the first 24 months of employment.** Payment shall be made upon receipt by the City of documentation that the expenses have been incurred and deemed reasonable. In the event the Employee severs employment with the City of his own will and accord within two (2) years of taking office, Employee agrees to reimburse the City for all expenses paid.

CITY ADMINISTRATOR EMPLOYMENT AGREEMENT

AGREEMENT made this 8th day of August, 2018 by and between the City of Little Canada, an Minnesota municipal corporation, (hereinafter called "Employer"), and Chris Heineman (hereinafter called "Employee").

The parties agree as follows:

START DATE: Employee will begin his duties and report to City Hall on the 4th Day of September 2018.

1. **POSITION.** Employer agrees to employ Employee as its City Administrator. Employee agrees to serve as City Administrator in accordance with Minnesota state statutes and Little Canada City ordinances and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign.
2. **PENSION PLAN.** Employer agrees to enroll the Employee into the Minnesota Public Employee Retirement System (PERA) and to make the appropriate contributions on the Employee's behalf, as provided the City Personnel Manual.
3. **SALARY.** Employer shall pay Employee at step 3 of 5 of the Administrator's salary plan; currently at \$119,894; paid annually. Employer and Employee agrees that a performance review will be conducted on Employee after six (6) months. At that time, Employee will provide a cost of living (COLA) increase approved by the City Council for other staff to the Employee, provided a satisfactory performance evaluation is received as described in Article 4 of this agreement. The Employee agrees to a Step (level 4) and COLA increase on January 1, 2020, provided a satisfactory performance evaluation is received in December 2019. Subsequent reviews and pay increases shall be considered at the same time each year, with salary increases consistent with the step program and COLA.
4. **PERFORMANCE EVALUATION:** Employer shall, at the end 180 days, have a performance check-in with the Employee. Employee agrees that a performance review will be conducted on Employee again during the Month of February 2019, and annually during the month of December thereafter. The process at a minimum shall include the opportunity for the Employer to: (1) prepare a written evaluation and (2) for Employer and Employee to meet and discuss the evaluation.
5. **Paid Time Off (PTO).** Employee shall be credited with 12 (twelve) years completed service and continue to accrue PTO days in accordance with the Employer's PTO Accrual Schedule. (ex. - Employee shall be credited with thirteen (13) years completed service on the one-year anniversary, etc.). The Employer shall also provide paid time off that is consistent with the time allocated to other non-union staff. Employee shall receive 64 hours of banked PTO at time of employment. This amount is in addition to that which he will be earning.
6. **HOLIDAYS.** Employer shall provide Employee the same holidays as enjoyed by other employees.
7. **MOVING AND RELOCATION ALLOWANCE.** Employer shall reimburse Employee an amount not to exceed \$3,000 for moving his household goods, house hunting expenses such as

travel expenses, closing costs, temporary lodging, and meals provided the move occur within the first 24 months of employment. Payment shall be made upon receipt by the City of documentation that the expenses have been incurred and deemed reasonable. In the event the Employee severs employment with the City of his own will and accord within two (2) years of taking office, Employee agrees to reimburse the City for all expenses paid.

8. **AUTOMOBILE.** The Employer shall reimburse Employee for use of his car for City business.
9. **CELL PHONE:** The Employee may use his own phone for City related business and be compensated according the City's policy, or, use a City provided phone according to the City policy.
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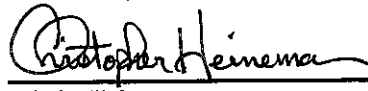
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EMPLOYEE:

BY: _____
Mayor



Chris Heineman

ATTEST: _____
City Clerk



STAFF REPORT

TO: Mayor Keis and Members of City Council
FROM: Sharon Provos, Finance Director
DATE: August 8, 2018
RE: Part-Time Utility Billing Clerk Hire

Unfortunately, Jane Burgess felt she was unable to fulfill the duties of the Utility Billing Clerk position, at this time. After reviewing the other applicants for the position, staff selected Colleen Schoenecker.

Colleen comes to us with excellent references. She is very organized, detail oriented and has great customer service skills. Staff feels she will be a good addition to the City.

Staff recommends hiring Colleen Schoenecker for the Utility Billing Clerk position with a start date of September 5th, at a starting wage of \$20.06. On January 1, 2019 she would receive a cost of living adjustment. On January 1, 2020, she would advance one step on the scale and receive a cost of living adjustment.



STAFF REPORT

TO: Mayor Keis and Members of City Council
FROM: Bill Dircks, Public Works Director
DATE: August 6, 2018
RE: Water Charges for 2616-22 Ruth Street

2616-22 Ruth Street is a four-plex owned by Ms. Flora Mach. The unit had a relatively new Invensys water meter when the City upgraded its meters to the Badger radio-read system. A Badger radio was connected to the existing Invensys meter in January 2012 and the meter transmitted readings daily until March 15, 2017. At that point the radio kept transmitting readings daily, but it was transmitting the same reading of 3,109,000 every single time.

Following the second quarter utility billing cycle in early July, 2018, it was discovered that the radio was not sending the correct reading since the account had zero usage for the previous five quarters. The Utility Billing Clerk set up an appointment for a member of Public Works to inspect the meter and radio and replace it if necessary. Since it was an Invensys meter it was decided to replace the entire meter and radio and start fresh even though it was the radio that had malfunctioned.

The old meter showed 4,393,000 gallons on it, which means there was an additional 1,284,000 gallons on the meter that had not been billed to the account. Our past practice has been to bill the property for all of the water that flowed through the meter. In this case that is \$4481.16 of extra water on the account.

The Utility Billing Clerk met with Ms. Mach and informed her of the issue and she was understandably unhappy. The main issue is the extra water on the meter is far greater than what her average usage for five quarters has been in the past. Her five quarter average is closer to 250,000 gallons. One possibility is there was a plumbing leak which led to the additional water usage. Because the radio was not transmitting properly, there was no way to know if there was a leak and inform her as we typically do for our customers.

What is known is the water did pass through the meter. Ms. Mach believed the meter sped up and recorded extra water. It was explained to her that meters do not speed up. The way they are built results in parts wearing out and the meter slowing down over time but it is virtually impossible for the meter to speed up. In the case of this meter, it was taken apart and recycled after it was removed from the property. Because of that there is no way to test it to prove that it didn't speed up. Our past practice has been to save the meter for at least one additional billing cycle in case discrepancy issues like these arise. That policy was not properly communicated to the employee.

There is a chance that the radio was never transmitting properly (transmitting a number that was less than the actual meter usage) and the additional water accumulated over the course of six years. This seems less likely than the leak possibility, but it cannot be ruled out.

Because it took five quarters to discover the issue and because the meter was disposed of before it could be tested to prove it hadn't sped up, staff proposed billing Ms. Mach for half of the water usage plus an additional \$768 in sewer charges. In total, she would owe \$3238.73. Ms. Mach would have one year to pay off the balance with zero interest or fees. She would need to remain current with her current utility bills and could pay off the extra as she sees fit over the course of one year. She agreed to the proposal and seemed satisfied.

Staff recommends the City Council approve billing Ms. Flora Mach \$3238.73 for 50% of the unaccounted-for water on the water meter at 2616-22 Ruth Street and allow Ms. Mach to pay off the balance over the course of one year with no interest or fees.