

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

**MARCH 14, 2018**

Pursuant to due call and notice thereof a regular meeting of the City Council of Little Canada, Minnesota was convened on the 14th day of March, 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. Christian Torkelson
	Council Member	Mr. Mike McGraw

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

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McGraw introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-42 – APPROVING THE MINUTES OF  
THE FEBRUARY 28, 2018 REGULAR COUNCIL MEETING AS  
SUBMITTED***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution adopted.

**PUBLIC HEARING  
- PLANNED UNIT  
DEVELOPMENT,  
ARCHITECTURAL  
REVIEW,  
PRELIMINARY &  
FINAL PLATS AT  
2736 & 2744 RICE  
ST.; APPLICANT:  
SUITE LIVING OF  
LITTLE  
CANADA-HAMPT  
ON COMPANIES**

Mayor Keis opened the Public Hearing which is continued from the February 28, 2018 Council meeting.

The Associate Planner stated that Developer Hampton Companies and Suite Living are applying for a 32 unit senior assisted living development at 2736 and 2744 Rice Street. She explained that this is the site that was previously approved for the Cash for Homes townhomes, but they were delinquent in many of their requirements to proceed with the development,

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so the City's Economic Development Authority has entered in to a purchase agreement for the properties.

The Associate Planner reported that Suite Living of Little Canada is proposing a one story building with 32 private suites consisting of 18 assisted living and 14 memory care units. She explained that Suite Living's objective is to provide a home-like atmosphere and there are amenities such as a dining room, craft room, salon, library/video room, and gathering spaces in both wings of the building.

The Associate Planner explained that the site is 1.73 acres consisting of two properties that are zoned Planned Unit Development, PUD. She noted that the area to the north is also zoned PUD and is a mix of commercial and residential, and the area to the south is zoned R-1, Single Family Residential. She stated that the underlying base use for this proposal would be consistent with the R-3, High Density Residential, but as a PUD, the project will be reviewed as to whether it could result in a higher quality project above what the base zoning would require. She reported that the applicant is proposing LP smart siding with stone accents that wrap around all of the building. She noted that there are several other design elements that keep the building look consistent with the area. She reported that 21 off-street parking spaces are shown on the plan, and the applicant has indicated there will be three to five employees and one to three visitors a day, which equates to a need for four to eight parking spaces used. She noted that none of the residents will have vehicles.

The Associate Planner explained that Staff is recommending the applicant use the monument sign which is option #4 on the site plan, which would comply with design and height requirements. She noted they have added brick and uplighting to improve the look. Staff recommends they follow the architectural guidelines. She reported that the applicant is requesting to have a pylon sign and wall sign on the west side, along with a sign above the front door on the north elevation. She explained that the Council could opt to allow other sign options as part of the PUD process.

The Associate Planner reported that the landscape plan was modified to add screening on south property line, and the grading plan was updated per City Engineer comments. She explained that it is the City's goal to preserve as many significant trees as possible, but we know that it is unrealistic to expect to be able to save many due to the amount of grading needed for the site. The Developer will not be allowed to grade within the drip lines of private property trees along the south property line. She noted that there is no longer a fence screening the two Iona Lane homes like in the townhome plans, but that was only to prevent glare between the buildings which will not be an issue with this development.

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Staff recommends approval for the Planned Unit Development, Architectural Review and Comprehensive Sign Plan subject to the applicant installing option #4 for the monument sign, allowing a maximum of two signs to be installed up to a total of 80 square feet of sign area; and approval of the Preliminary and Final Plat for Suite Living of Little Canada subject to the recommendations in the Planner's report and City Engineer's report which includes:

- Final PUD plans are submitted verifying compliance with the terms of the PUD approvals noted in staff reports.
- Any comments or conditions imposed by the City Engineer after his review of the utilities and stormwater improvements, including the dedication of drainage and utility easements, to ensure compliance with the City Policy.
- The applicant should prepare a grading plan which has the least impact and grading disturbance along the south property line to permit the existing tree survival wherever possible. This includes, but is not limited to, establishing a "no disturbance" zone around the drip line of the oak trees on neighboring private properties.
- The Developer shall enter into a maintenance agreement with the Watershed District or City to ensure drainage and aesthetics of the pond are adequately maintained.
- The applicant enters into a Development Agreement with the City ensuring the development is consistent with the PUD and Plat approvals.

Anthony Pirkl, AMI Engineers, noted that the trees shown along Rice Street on the elevation drawings will not be there since there is not enough room. McGraw asked about being able to save the trees on the neighboring properties. Mr. P stated that this project is less intrusive to the southwest corner than the townhome project was, and they will do what they can to protect the existing trees.

Brian Wings, operator for Suite Living, stated that there will be a sidewalk all around the building, although not many residents will use it. Fischer stated that the City prefers sign option #4. Mr. Wings stated that they have added a lot of additional landscaping to the site, including things between the building and Rice Street. He noted that if they are only allowed a small monument sign, they do not have much marketing visibility. He stated that the taller pylon sign they are proposing is very nice looking, but if they cannot have the pylon sign, they would also want a wall sign on the north elevation. Mr. Wings stated that they really do get residents due to people driving by and seeing what the facility is. Montour stated that he understands that this is a business and they need signage. He stated he would be agreeable to permitting the commercial

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signage allowance and the monument sign. The Associate Planner explained that commercial sign allowances are based on 15 percent of the building wall size. Mr. Wings stated that they would prefer the monument sign and a wall sign on the west elevation that faces Rice Street. He noted they would not need the sign over the front door. Fischer stated he is agreeable to this. Montour stated that the wall sign should be front lit and not internally lit. The Associate Planner stated they are proposing 25 square feet on the wall sign and 55 square feet for the monument sign. The City Administrator estimated that the west elevation wall size would allow signage of at least 100 square feet. Montour noted that he would be fine with allowing up to a total of 100 square feet, by allowing the 55 square foot monument sign and they could choose to go a little larger with the wall sign. Mr. Wings said he would be very happy with this signage allowance.

Betty Miller, 91 Iona Lane, stated this proposal is better than the townhomes, and she is mainly worried about protecting her existing trees.

No one in attendance commented.

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

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-43 – APPROVING THE PLANNED UNIT DEVELOPMENT FOR SUITE LIVING LITTLE CANADA AT 2736 & 2744 RICE STREET, SUBJECT TO THE RECOMMENDATIONS IN THE PLANNER’S REPORT AND CITY ENGINEER’S REPORT***

The foregoing resolution was duly seconded by McGraw.

Ayes (5).

Nays (0). Resolution declared adopted.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-44 – APPROVING THE ARCHITECTURAL REVIEW AND COMPREHENSIVE SIGN PLAN AS DISCUSSED WITH THE MONUMENT SIGN AND WALL SIGN ON WEST ELEVATION FOR A TOTAL OF 100 SQUARE FEET OR 15 PERCENT OF THE WEST WALL SIZE, WHICHEVER IS LARGER, FOR SUITE LIVING LITTLE CANADA AT 2736 & 2744 RICE STREET***

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The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution declared adopted.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-45 – APPROVING THE PRELIMINARY  
AND FINAL PLATS FOR SUITE LIVING LITTLE CANADA AT 2736  
& 2744 RICE STREET SUBJECT TO THE RECOMMENDATIONS  
OF THE ASSOCIATE PLANNER AND CITY ENGINEER***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution declared adopted.

**PUBLIC  
HEARING-  
ORDINANCE 823:  
PROPOSED  
INCREASE OF  
ON-SALE  
LIQUOR  
LICENSE AND  
ON-SALE WINE  
LICENSE FEES**

Keis opened the Public Hearing to consider the proposed annual increase in On-Sale Liquor and On-Sale Wine License Fees.

The City Clerk stated that in 2006, the City Council decided that increases for on-sale liquor and on-sale wine licenses would be tied to annual gross levy increases for five years. She noted that the Council has continued to use this basis for liquor license increases every year since. She stated that based on this practice, the on-sale liquor and on-sale wine licenses would be increased by 6.95 percent for 2018. This would increase the On-Sale Liquor License fee by \$346 to \$5,327, the On-Sale Liquor for Billiard Halls by \$70 to \$1,070, and the On-Sale Wine License fee by \$50 to \$769. She noted that public hearing notices had been mailed to all businesses that had a liquor license and no comments had been received. The City Clerk also noted that the On-Sale Sunday Liquor License and Off-Sale Liquor License fees are regulated by State Statute. She noted that no increase is proposed for the 2 a.m. Liquor License, the On-Sale 3.2 Intoxicating Liquor License, and the Off-Sale 3.2 Intoxicating Liquor License fees.

Keis explained that this year's levy increase was unusually high due to the TIF District being decertified which offset the higher increase. He stated that the levy increases have been two to three percent over the last five years, and he feels that the City does not need to increase the liquor licenses the full 6.95 percent. He suggested an increase of three percent instead for this year. Montour stated he agrees with the Mayor, but pointed out that the Council chose to use the levy percentage so that there did not need to be any discussion about how much to raise the fees. He stated that he is agreeable to a three percent increase for this year due to the higher levy. Fischer also agreed.

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There were no public comments on this matter.

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

Keis introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-46 – APPROVE INCREASING THE ON-SALE LIQUOR LICENSE AND ON-SALE WINE LICENSE FEES BY 3% FOR 2018 DUE TO THE UNUSUALLY HIGH LEVY IN 2018. THE ON-SALE LIQUOR LICENSE FEE IS RAISED TO \$5,130, THE ON-SALE LIQUOR LICENSE BILLIARD HALLS IS RAISED TO \$1,030 AND THE ON-SALE WINE LICENSE FEE IS RAISED TO \$741, AND ADOPTING ORDINANCE 823, AMENDING THE CITY’S FEE SCHEDULE TO REFLECT THE NEW FEES***

The foregoing resolution was duly seconded by Montour.

Ayes (5).

Nays (0). Resolution declared adopted.

**CONSENT  
AGENDA**

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-47 – APPROVING THE CONSENT AGENDA WHICH CONTAINS THE FOLLOWING:***

***\*APPROVAL OF THE VOUCHERS***

***\*APPROVAL OF PLANS AND AUTHORIZING ADVERTISING FOR BIDS FOR 2018 STREET AND UTILITY IMPROVEMENT PROJECTS***

***\*CALL FOR A WORKSHOP ON WEDNESDAY, APRIL 11, 2018 AT 6:00PM TO DISCUSS A COMMUNITY SURVEY***

***\*APPROVE PARTIAL PAYMENT #7 TO T.A. SCHIFSKY & SONS FOR 2017 IMPROVEMENT PROJECT***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution declared adopted.

**DAYTIME  
SPRINKLING  
BAN AND WATER  
CONSERVATION  
TACTICS**

The Public Works Director explained that due to the lawsuit ruling for the White Bear Lake levels, there could be watering bans put into place that would affect Little Canada. He stated that whether or not the City is exempt from the ban, Staff believes that the City should start a daytime watering ban due to it being a good conservation practice. Many cities

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have implemented a watering ban during the day to limit the loss of water through evaporation in the sun. He explained that Staff recommends a sprinkling ban between the hours of 10:00am and 6:00pm from May 1 to September 30. He noted that the ban would not apply to other outdoor water uses such as car washing, filling small kid pools, and hand watering landscaping and gardens. The Public Works Director recommends the Council to direct Staff to develop an amendment to the water ordinance with the daytime sprinkling ban language.

Montour clarified that this would be for both residential and commercial. The Public Works Director stated that is what he would recommend, but it is up to the Council to decide. Fischer questioned whether it would be better to just promote water conservation rather than creating an ordinance that is hard to enforce. McGraw stated that he feels the ordinance is needed since many people will not be happy and the ordinance is necessary to be able to enforce the conservation objectives. There was Council consensus to direct staff to draft an amendment to the water ordinance to add language for a daytime sprinkling ban as recommended by Staff.

**ORDINANCE 824,  
AMENDING THE  
FEE SCHEDULE  
TO INCREASE  
WATER & SEWER  
RATES AND  
TRASH &  
RECYCLING  
RATES**

The City Administrator explained that the 2017 budget for the water fund predicted a net loss, but the actual result anticipates a gain of \$10,468, which is largely attributable to higher water usage in 2017 versus previous years. He stated that because of the decline of water usage over the past number of years and given potential ramifications the White Bear Lake lawsuit may have on water usage in the future, Staff believes that we should do a minimal rate increase to head off a future larger increase. He reported that Staff is recommending an effective increase of 1.73% in water rates for 2018. As a result, the winter rate would increase from \$3.40 per 1,000 gallons of water to \$3.45 (1.47% increase), and the summer rate would increase from \$3.51 per 1,000 gallons of water to \$3.60 (2.56% increase). He stated he is not recommending any change to the water service charge of \$13.50 per unit.

The City Administrator explained that the 2017 sewer utility fund had a budgeted loss of \$21,928, but the projected results indicate a profit of \$33,000 due to revenues that exceeded our projections. This is likely the result of new customers such as Cardigan Ridge, and rate modifications performed better than expected, along with lower repair and maintenance costs in 2017. He reported that Staff is recommending an increase to the consumption rate from \$3.8 per 1,000 gallons to \$3.90 per 1,000 gallons (2.63% increase). He noted that users of 7,000 gallons or less per quarter will experience no change in costs.

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The City Administrator explained that 2018 refuse rates are impacted by two factors. The first one is that tipping fees have increased by \$7.00 a ton. Tipping fees are set by Ramsey County and this is first increase in tipping fees since 2015. He reported that pursuant to our contract, this increase is required to be reflected in the rates. The second factor is the increases we agreed to pursuant to our five year contract with the haulers, which amounts to just over 2%. He noted that the yard waste cost is also increasing 3.7% from \$54.00 to \$56.00 per year.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-48 – ADOPTING ORDINANCE 824,  
AMENDING THE FEE SCHEDULE TO INCREASE THE WATER &  
SEWER RATES AND TRASH & RECYCLING RATES AS  
PRESENTED BY THE CITY ADMINISTRATOR***

The foregoing resolution was duly seconded by McGraw.

Ayes (5).

Nays (0). Resolution declared adopted.

**FIRE RELIEF  
ASSOCIATION  
BENEFIT LEVEL  
INCREASE**

The City Administrator stated that the Little Canada Fire Department Board of Directors has requested an increase in the per-year-of-service benefit amount from \$3,380 to \$3,940 to be effective January 1, 2018. He explained that the City has entered in to a five-year agreement with the Fire Department that addressed funding for the relief association, and essentially the City agreed to increase our voluntary contribution from \$15,000 to \$31,000 per year. He noted that in return, an increase in benefit levels would only be made when the funding level remained at 110 percent or above. The City Administrator explained that the Relief Association's investments performed very well in 2017 and they ended the year at a funding level of 127.35 percent, which allows them to request an increase of \$560 in the benefit level and still remain slightly above the 110% requirement.

Keis introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-49 – APPROVING A \$560 INCREASE IN  
THE BENEFIT LEVEL FOR THE LITTLE CANADA FIRE  
DEPARTMENT PURSUANT TO THE CONTRACT PROVISIONS***

The foregoing resolution was duly seconded by Montour.

Ayes (5).

Nays (0). Resolution declared adopted.

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**VETERAN'S  
DONATION  
POLICY**

The City Administrator stated that now that Veteran's Memorial Park is officially a city park, Staff has drafted a policy on what to do with the remaining fund balance, and any future dollars that may come in via paver, bench, or general donations. He explained that the policy is a guideline for Staff to follow and provide donation information to the public. He explained that the City will create a separate fund that would only be used for repairs, park enhancements or park programming geared toward Veterans. Any expenditure would need approval from the Parks & Recreation Commission. He explained the money would not be used for on-going maintenance. He stated that the City will not be actively soliciting funds. He noted that the Parks and Recreation Commission recommends the City Council adopt this policy.

McGraw stated that he would like to include language that includes Commission members not soliciting for funds. Montour suggested that number 2 under Solicitation of Donations should read as city staff, City Council and Commissioners.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-50 – APPROVING THE VETERAN'S  
DONATION POLICY WITH THE SUGGESTED AMENDMENT***

The foregoing resolution was duly seconded by McGraw.

Ayes (5).

Nays (0). Resolution declared adopted.

**AMEND MNDOT  
CONTRACT  
REGARDING  
QUIET ZONES**

The City Administrator explained that the Minnesota Legislature had allocated \$1,250,000 to create Quiet Zones at the City's six at-grade railroad crossings. He stated that initially, the City was expecting to have out-of-pocket costs between \$100,000 and \$130,000. He reported that the grant agreement with MNDOT was set up with a match requirement because the estimated project costs were exceeding the funds allocated. He explained that the final costs were under the \$1,250,000 allocated, so staff requested that MNDOT revise the agreement given the initial legislative intent was to enable the City to use more State funds and less City resources. The City Administrator stated that MNDOT has agreed to revise the agreement to remove the match requirement, which means that the City will only have spent \$20,976.53 in out-of-pocket charges to establish the Quiet Zone.

McGraw introduced the following resolution and moved its adoption:

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***RESOLUTION NO. 2018-3-51 – APPROVE THE RESOLUTION THAT AMENDS MNDOT CONTRACT #06820 BY REMOVING THE LOCAL MATCH REQUIREMENTS***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).

Nays (0). Resolution declared adopted.

**SANDBLAST AND PAINT THE DECORATIVE OBELISKS ON LITTLE CANADA ROAD**

The Public Works Director reported that the red decorative metal on the five obelisks along Little Canada Road has faded over the years and now needs to be blasted and repainted. He explained that staff received quotes from three companies, Fresh Blast, Central Sandblasting and Brighton Sandblasting. He noted that Public Works staff will remove and reinstall the pieces after painting. He stated that staff recommends that Brighton Sandblasting perform the work on all of the obelisks for a price of \$2,500.

Keis introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-52 – AWARD THE BID TO SANDBLAST AND PAINT THE METAL ON THE LITTLE CANADA ROAD OBELISKS TO BRIGHTON SANDBLASTING FOR THE PRICE OF \$2,500***

The foregoing resolution was duly seconded by Montour.

Ayes (5).

Nays (0). Resolution declared adopted.

**CALL FOR A CLOSED SESSION TO CONSIDER A LETTER OF INTEREST FOR 53 & 167 SOUTH OWASSO BOULEVARD**

Keis stated that the Council is calling for a closed session at 8:56 pm as authorized under State Statute 13D.05 Subd. 3, to discuss purchase offers for the City-owned properties at 53 and 167 South Owasso Boulevard.

Keis stated that the regular Council meeting will be adjourned and the Council will immediately go into closed session. He noted that the regular Council meeting will reconvene and then immediately adjourn after the closed session.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-53 – TEMPORARILY ADJOURNING THE REGULAR COUNCIL MEETING AND CONVENING INTO CLOSED SESSION***

The foregoing resolution was duly seconded by McGraw.

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Ayes (5).  
Nays (0). Resolution declared adopted.

The Council convened into closed session at 8:56pm.

Montour introduced the following resolution and moved its adoption:

***RESOLUTION NO. 2018-3-54 – ADJOURNING THE CLOSED  
SESSION AND RECONVENING THE REGULAR COUNCIL  
MEETING***

The foregoing resolution was duly seconded by Fischer.

Ayes (5).  
Nays (0). Resolution declared adopted.

The regular Council meeting was reconvened at 9:30 p.m.

The City Administrator reported that the Council discussed a purchase agreement received for the sale of 53 and 167 South Owasso Boulevard, and the Council has directed Staff to make the suggested changes to the purchase and bring back to the Council.

**ADJOURN**

There being no further business, the meeting was adjourned at 9:30 p.m.

\_\_\_\_\_  
John T. Keis, Mayor

Attest: \_\_\_\_\_  
Joel Hanson, City Administrator