

**MOUND CITY COUNCIL MINUTES**  
**June 14, 2016**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, June 14, 2016, at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Wegscheid, Council Members Heidi Gesch, Kelli Gillispie, Ray Salazar, and Jennifer Peterson

Members absent: None

Others present: City Manager and Public Works Director Eric Hoversten, Community Development Director Sarah Smith, City Attorney Melissa Manderschied, Administrative Assistant Mary Mackres, Director of Finance and Administrative Services Catherine Pausche, City Engineer Dan Faulkner, Dede King, Max Teplitski, Nicole Brodzik, Paul Paine

*Consent agenda: All items listed under the Consent Agenda are considered to be routine in nature by the Council. There will be no separate discussion on these items unless a Council Member or citizen so requests, in which event it will be removed from the Consent Agenda and considered in normal sequence.*

**1. Open meeting**

Mayor Wegscheid called the meeting to order at 7:06 p.m.

**2. Pledge of Allegiance**

**3. Approve agenda**

Hoversten asked to amend the agenda with the addition of items 8.1, A & B regarding Chapter 6 of the Mound City Code and noted additional information has been provided for item 9 in the form of two emails received by City staff that should be included as pages 1379.1 & 2 and 1379.3 & 4.

MOTION by Salazar, seconded by Gesch, to approve the agenda as amended.  
All voted in favor. Motion carried.

**4. Consent agenda**

The Mayor discussed changing the process to approve the Consent Agenda items that will include an invitation for any person present to request an item be removed in order to allow them to give input.

Hoversten asked that Item 4B be removed as Council Member Salazar was not in attendance at the May 24, 2016 regular meeting.

MOTION by Salazar, seconded by Gesch, to approve the consent agenda as amended.  
Upon roll call vote, all voted in favor. Motion carried.

**A.** Approve payment of claims in the amount of \$566,182.10

**B.** REMOVED

- C. **RESOLUTION NO. 16-67: RESOLUTION APPROVING CONSTRUCTION COOPERATIVE AGREEMENT FOR CONSTRUCTION OF SANITARY SEWER PIPE IN MOUND, MN**
- D. Approve Pay Request No. 9 from Geislinger & Sons, Inc. in the amount of \$526,607.04 for the 2015 Street, Utility and Retaining Wall Improvements - Grandview Boulevard and Tuxedo Boulevard, City Project Nos. PW-15-02 and PW-15-01
- E. **RESOLUTION NO. 16-68: RESOLUTION APPROVING LIQUOR LICENSE RENEWALS FOR 2016 - 2017**
- F. **RESOLUTION NO. 16-69: RESOLUTION APPROVING AN AGREEMENT WITH HENNEPIN COUNTY TO PROVIDE PROPERTY ASSESSMENT SERVICES (A165534)**
- G. **RESOLUTION NO. 16-70: RESOLUTION APPOINTING ABSENTEE BALLOT BOARD**
- H. **RESOLUTION NO. 16-71: RESOLUTION APPROVING AMENDMENT TO PUBLIC GATHERING PERMIT APPROVED BY RESOLUTION NO. 16-54 FOR THE 2016 SPIRIT OF THE LAKES FESTIVAL TO INCLUDE ALTERNATE RAIN DATE OF SUNDAY, JULY 17, 2016 FOR THE MINNESOTA WAKE SURFING CHAMPIONSHIP AT SURFSIDE PARK AND BEACH**

4B. (Removed) Approve minutes: May 24, 2016 Regular Meeting

MOTION by Gesch, seconded by Gillispie, to approve the May 24, 2016 Regular Meeting minutes. The following voted in favor: Gesch, Gillispie, Wegscheid, Peterson. The following voted against: none. The following abstained: Salazar. Motion carried.

**5. Comments and suggestions from citizens present on any item not on the agenda.**

None offered.

**6. Consideration of a Public Lands Permit and Variance for 51XX Drummond Road**

**Applicant: Paul Paine**

***Requested Actions***

- A. ***Approve Resolution approving Public Lands Permit for 51XX Drummond Road***
- B. ***Approve Resolution approving Variance for 51XX Drummond Road (Planning Case No. 16-05)***

Sarah Smith, Community Development Director, addressed the Council regarding a Public Lands Permit application and a variance regarding the construction of a driveway with frontage of no less than 40 feet with access to an undeveloped lot. Smith added the lot meets the standards of the applicable district.

Smith said the City Public Works Department offered two options to accommodate for the construction of the driveway. One option was to extend Drummond Road about 20 feet to the

east and the second was to modify the applicant's proposal so the driveway would be constructed in the southern half of the existing Drummond Road.

Smith added that a spillway is present where the proposed driveway would be located that will need to be relocated. She added that public works uses the area for snow storage and the costs for the relocation would be paid by the applicant.

Smith stated that the Planning Commission was supportive of both the Public Lands Permit and the variance and is supportive of the driveway in the southern half of Drummond as the preferred option.

Smith added the end of 120 day variance is approaching and would need to be approved before June 23rd or there would need to be a discussion regarding an extension with the applicant.

Mayor Wegscheid asked if the driveway is going to be built immediately or will the applicant wait for the house to be built on the lot? Smith responded that in the event the property is sold the driveway improvement should be in place before a sale.

Gesch asked if it is true that staff doesn't see the need for any variances on the lot in the future. Smith responded said she didn't think a variance would be needed as the site is buildable and the slope on the lot does not meet the standards of a bluff, though the design of buildings and the site plan would need to take the slope on the lot into consideration.

Paul Paine, 6525 County Road 26, Minnetrista, and owner of the Drummond property addressed the Council. Paine said he is not sure if he will build a house on the lot but will have the utilities in place before a house is built on the lot.

Denise King, a Minnetrista resident and owner of the property abutting 51XX Drummond, said she recently bought the property and would like the opportunity to walk the area and see where the driveway is being proposed. King stated she didn't know of the variance until right before the meeting. King expressed concern about emergency vehicles using the road and is concerned about where parking will take place on Drummond.

Paine agreed to a 30-day extension to give King a little time to inspect the Drummond Road area.

Motion by Wegscheid, seconded by Salazar to table Item 6 until the June 28, 2016 regular council meeting to allow King time to walk the property and review the proposed plans/application. All voted in favor. Motion carried.

**7. Dan Faulkner, City Engineer with Bolton & Menk, presenting the 2015 Storm Water Pollution Prevention Program (SWPPP) Annual Report to meet the Public Meeting requirement**

Dan Faulkner, City Engineer, presented an overview of City's Storm Water Pollution Prevention Plan (SWPPP), which is required by the Minnesota Pollution Control Agency (PCA) as part of City compliance with the federal Clean Water Act. Faulkner explained that the City must hold a public hearing to meet Federal requirements as well as meet six minimum control measures. Those measures include Public Education and Outreach, Public Participation and Involvement, Illicit Discharge and Elimination, Construction Site Storm Sewer Runoff, Post Construction storm

water management in new development and redevelopment and Pollution Prevention/Good Housekeeping. Faulkner stated the City is meeting requirements through inspection protocols, education and activities such as street sweeping. Faulkner suggested a separate web page to inform residents of further resources on the subject.

**8. Catherine Pausche, Director of Finance and Administrative Services, and Sarah Smith, Community Development Director, requesting discussion on proposed changes to Chapter 6 (Alcoholic Beverages) of the Mound City Code and Chapter 129 (Zoning) of the Mound City Code including, but not limited to, proposed new regulations related to breweries, brew pubs, microbreweries, distilleries, and cocktail rooms**

Smith said the proposed amendments to Chapters 129 and 6 include language to allow brewpubs, taprooms, distilleries etc. in appropriate areas of the City. Smith explained that the proposed zoning would allow those activities in all districts except the B3 and linear districts. Smith stated these restrictions would help to minimize any negative impacts on the community as those districts are in and around residential areas. She added that the proposed zoning amendment would require brewpubs, taprooms, and distillery businesses to go through the Conditional Use Permitting process to ensure performance standards are being met (such as parking) and to address zoning regulations which are consistent with the proposed Chapter 6. Smith said the proposed amendments are intended to be consistent with State statute.

Smith explained that the new activities listed in Chapter 6 Alcoholic Beverages are manufacturing uses with brewpubs also being a restaurant use. She stated that distilleries can operate cocktail rooms and taprooms can serve their products which are either sampled or offered for sale. Smith added that State statute no longer requires seating requirements for most liquor licenses or food and alcohol percentage of sales requirements as it had in the past. Smith added that State regulation of the alcohol production and service industry has undergone significant change in recent years. She explained this is why the City has proposed removing Class IV restaurants from the Zoning regulations and the seating and sales requirements in Chapter 6. Smith added that the City used a model ordinance from the League of Minnesota Cities as the template to repeal and replace the old Chapter 6 and modified it to suit the City's needs. Smith noted a table summarizing the different license types and requirements has been included as additional information.

Smith said the City Code doesn't require a Public Hearing for a standard ordinance amendment but a Public Hearing is required for a Zoning Code amendment. Smith added that the Planning Commission has approved the proposed amended Zoning Ordinance.

Wegscheid stated he would like to hold off on a decision on Chapter 6 as he would like more time to read through the amended ordinance again.

Gesch asked about seating and whether the requirements for seating have changed in Statute recently. Pausche stated the only seating requirement remaining in the Statute and the proposed ordinance is in regards to the wine on-sale license which requires a minimum of 25 seats and the Sunday on-sale intoxicating liquor license which requires a minimum number of 30 seats. Pausche was unsure of when Statute changed regarding the number of seats.

Mayor Wegscheid requested staff revisit the proposed language in the amendments as they relate to existing Conditional Use Permits to see if any CUPs need to be amended.

Peterson asked why there are still some areas in which there is a need for City approval such as Sunday sales for taprooms. Pausche responded that approval and hours of off-sale service are by Statute a City discretionary decision.

The Council requested the Zoning and Chapter 6 amendments be brought to the Council in tandem for a decision after the procedures for the posting and publishing of the public hearing for the Zoning Ordinance has been followed.

**8.1 (Added) Request for action on the following:**

- a) **An ordinance amending Chapter 6 of the Mound City Code as it relates to alcoholic beverages**
- b) **A resolution authorizing publication of Ordinance No. \_\_-2016 by Title and Summary**

Pausche addressed the Council to request to amend the Sunday on-sales intoxicating liquor license hours of service from 10:00 a.m. to 8:00 a.m. Pausche stated Statute now allows for intoxicating liquor sales to begin at 8:00 a.m. on Sunday. She clarified this is a request to amend the current Chapter 6 to make the change to 8:00 a.m.

Peterson asked how will all liquor establishments in the City be informed of the change. Pausche stated packet information was sent to all liquor license holders in the City showing what is being proposed.

**8.1a MOTION by Salazar, seconded by Gesch, to approve the ordinance. All voted in favor. Motion carried.**

**ORDINANCE NO. 06-2016: AN ORDINANCE AMENDING CHAPTER 6 OF THE MOUND CITY CODE AS IT RELATES TO ALCOHOLIC BEVERAGES**

**8.1b MOTION by Salazar, seconded by Gesch, to approve resolution. All voted in favor. Motion carried.**

**RESOLUTION NO. 16-72: RESOLUTION AUTHORIZING PUBLICATION OF ORDINANCE NO. 06-2016 BY TITLE AND SUMMARY**

**9. Community Development Director Sarah Smith providing an update on implementation of Amended and Restated Conditional Use Permit conditions as approved by Council under Resolution 16-64 at the May 24, 2016 Regular Meeting**

Gillispie recused herself due to a potential conflict of interest.

Smith reported on the City observation of Main Street USA's compliance with the agreement made with the business at the last Council Meeting and stated that the owners of Main Street USA were notified of this meeting and update. Smith stated the owners of the business requested that this agenda item be tabled.

Wegscheid said that the City has been trying to work with Main Street USA for many years and has tried to accommodate the needs of the business owners. Wegscheid said the owners are continually outside of the requirements listed in the Conditional Use Permit (CUP) for vehicles

on the lot and there has not been a day after issuance of the new CUP that the business was within the agreed upon number of cars on the lot. Wegscheid added that the owners of Main Street USA have been very involved in the discussion of the CUP. Wegscheid stated that the owners had questioned the reports of the number of cars on the lot. Wegscheid added that the car counting which the City did was outside of business hours. He added that he is frustrated because of the amount of time which was spent to develop the new CUP and the owners can't seem to comply with it.

Gesch also expressed her frustration as the allowable number of cars was discussed with the owners and it was made clear at the last Council meeting that they were to have no more than 25 cars on the lot.

Wegscheid further added that he hates to be in the situation where the Council is forced to pull the CUP for the site.

Salazar concurred with the discussion and he noted the strides which were made to make sure the owners of Main Street USA knew they were to have a maximum of 25 vehicles on the lot.

**MOTION by Wegscheid, seconded by Gesch, to direct staff to schedule a public hearing to discuss revocation of the CUP at Main Street Auto. All voted in favor. Motion carried.**

#### **10. Information/Miscellaneous**

##### A. Comments/reports from Council Members

Mayor Wegscheid noted there were items regarding Indian Knoll Manor coming up. Wegscheid said the Planning Commission minutes and packet will be available for the Council to review in advance of the next packet to allow for more time.

Wegscheid relayed facts regarding the Mound Fire Department (MFD) Fish Fry held on June 6th: The MFD served 2,571 dinners and 3,723 advance tickets were sold by the firemen going door to door. He added that a total of 4,115 total ticket sales were made. The MFD raised \$42,931 through ticket sales. Carbone's donated \$6,000 and helped with the procurement of the fish. Total revenue was \$71,307 with expenses of \$39,478 leaving a net profit of \$31,829. The Mayor added that the Mound Fire Department Auxiliary also donated \$1,615 to the MFD for the purchase of a specialized deck nozzle for the MFD fire boat.

Hoversten added the Planning Commission packet for Indian Knoll Manor cannot be discussed amongst council members in order to comply with open meeting law and he informed council members to direct their questions about the project to staff.

Hoversten said he will not schedule the Trident Assisted Living Project discussion on the same Council Meeting as the Indian Knoll Manor discussion due to the complexity of both projects.

Hoversten added that staff requests a Council Workshop to discuss and further develop the administrative citation section of city ordinance and asked the Council to check their availability on July 26<sup>th</sup> from 6-6:45 p.m, with the HRA and regular Council Meeting to follow.

Hoversten stated that Harbor Wine and Spirits will be tapping the 2016 version of Surfside Pale Ale on June 30<sup>th</sup> with the Mayor officiating the event followed by continued festivities at Dakota Junction. Music in the Park will also be held on the 30<sup>th</sup> in the Harbor District.

Hoversten stated that the Orono Police Department announced the Night to Unite event will be held on August 2<sup>nd</sup>.

Hoversten will provide updates on current development proposals and the City's current and future capital investment proposals at a Westonka Community and Commerce event at 6:00 p.m. on June 16th which is being held at Surfside Bar & Grill. Orono Police Chief Correy Farniok will also speak at the event.

- B. Reports: Fire Department - May 2016  
Finance Department - April 2016
- C. Minutes: Advisory Planning Commission: May 3, 2016
- D. Correspondence:

**11. Adjourn**

MOTION by Gesch, seconded by Gillispie, to adjourn at 8:22 p.m. All voted in favor.  
Motion carried.

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Mayor Mark Wegscheid

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Attest: Catherine Pausche, Clerk