

MOUND CITY COUNCIL MINUTES
December 9, 2014

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, December 9, 2014, at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Hanus; Council Members Mark Wegscheid, Heidi Gesch, Kelli Gillespie, and Ray Salazar

Members absent: None.

Others present: City Manager Kandis Hanson, Community Development Director Sarah Smith, Finance Director/Clerk/Treasurer Catherine Pausche, City Engineer Dan Faulkner, Director of Public Works Carlton Moore, City Attorney Melissa Manderschied, Fire Chief Greg Pederson, Public Works Superintendent Ray Hanson, Liquor Store Manager John Colotti, Nicole Spader, Cole Spader, Tim Babb, Lori Marek, Jennifer Fritzler, Kelvin Retterath, Jason Baker, Todd Courneya, Katie Morford, Senator David Osmek, Gail Hanus, Tyler Hanus, Dave Hanus, Julie Hanus

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 Hanus called the meeting to order at 7:01 p.m.

2. Pledge of Allegiance

3. Approve agenda

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

4. Consent agenda

Gillispie requested Item 4B be pulled and Gesch asked for Item 4N be pulled.

MOTION by Wegscheid, 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 \$244,746.09.
- B. Pulled.
- C. Approve Pay Request No. 10 from GMH Asphalt Corporation in the amount of \$138,451.96 for work completed on the 2013 Street, Utility and Retaining Wall Improvement Project, City Project Nos. PW-13-01, PW-13-02, PW-13-05
- D. Approve Pay Request No.4 from GMH Asphalt Corporation in the amount of \$168,239.54 for the 2014 Street, Utility and Retaining Wall Improvement Project – East Three Points Blvd., City Project Nos.

PW-14-01, PW-14-02

E. RESOLUTION NO. 14-103: RESOLUTION ACCEPTING BID FOR THE 2014/2015 SANITARY SEWER REHABILITATION PROJECT (PW-14-05, PW-15-06)

F. Approve payment of invoice from AET, Inc., in the amount of \$3,900.00 for geotechnical engineering services on flooded roads

G. Approve payment of invoice from AET, Inc., in the amount of \$767.34 for geotechnical engineering services on the East Three Points Boulevard reconstruction project PW-14-01

H. RESOLUTION NO. 14-104: RESOLUTION ACCEPTING BID FOR THE BARTLETT BOULEVARD WATERMAIN IMPROVEMENT PROJECT – COMMERCE BOULEVARD TO LOST LAKE BRIDGE PROJECT (PW-15-09)

I. RESOLUTION NO. 14-105: RESOLUTION OF SPONSORSHIP AS RELATED TO THE SOUTHWEST TRAILS SNOWMOBILE ASSOCIATION

J. RESOLUTION NO. 14-106: RESOLUTION APPROVING CONTRIBUTIONS FOR 2014

K. RESOLUTION NO. 14-107: RESOLUTION AUTHORIZING THE PURCHASE AND INSTALLATION OF ELECTRIC MIXER FOR THE ISLAND PARK STANDPIPE

L. Approval for Northwest Tonka Lions Temporary On-Sale Liquor Permits for the following events, with fees paid:

1. Chili Feed for Troops at the Gillespie Center: Dec. 28, 2014
2. Fundraiser for the Gillespie Center (TGC) at TGC: Jan. 31, 2015

M. Approve Appointments to Commissions:

1. Planning Commission
 - a. Cynthia Penner 3-year term through 2017
 - b. Jeffrey Bergquist 3-year term through 2014
 - c. Jason Baker 3-year term through 2017
 - d. Pete Wiechert 1-year term through 2015
2. Parks and Open Space Commission
 - a. Derek Goddard 3-year term through 2017
 - b. Travis Mills 3-year term through 2017
3. Docks and Commons Commission
 - a. Jim Funk 3-year term through 2017
 - b. Rodney Beystrom 3-year term through 2017
 - c. David Osmek 1-year term through 2015

N. Pulled.

4B. Approve minutes from the November 12, 2014 regular scheduled meeting.

Gillispie stated she requested the item be pulled because she was not present at the meeting.

MOTION by Salazar, seconded by Wegscheid, to approve the minutes from the November 12, 2014 regular scheduled meeting. The following voted in favor: Hanus, Salazar, Gesch and Wegscheid. The following voted against: None. The following abstained: Gillispie. Motion carried.

4N. Approve Jay Green as City of Mound representative to the Lake Minnetonka

Conservation District: 1-year term through 2015

Gesch stated she requested the item be pulled because the LMCD is requesting a three year appointment in order to stagger the terms of board members.

MOTION by Gesch, seconded by Salazar, to approve Jay Green as City of Mound representative to the Lake Minnetonka Conservation District: 3-year term through 2017. All voted in favor. Motion carried.

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

(Limit to 3 minutes per speaker)

Laurie Merrick, 4829 Island View Drive, stated she wished to bring a dangerous crossing at Brighton and Tuxedo Boulevard to the Council's attention. Merrick stated the sidewalk switches to the other side of the street at this intersection and due to site lines and traffic speed, it is very dangerous for pedestrians to cross. Merrick requested that the Council consider modifying the layout in conjunction with the Tuxedo Blvd Street Improvement Project, either by extending the sidewalk to a safer area, putting in a stop sign, or removing the side walk.

Faulkner said he asked the resident to come to the meeting so that the Council could give Staff direction as to what they want to do, if anything. Hanus stated it will be discussed when the agenda item comes up.

6. Public Hearing(s)

Dan Faulkner, representing Bolton & Menk Engineering, requesting action on Resolution Ordering Improvement and Preparation of Plans and Specifications for 2015 Street, Utility and Retaining Wall Improvements – Grandview Boulevard, City Project No. PW-15-01

Faulkner walked through the revised Grandview Boulevard Feasibility Report and the corresponding assessable costs and number of assessable units. Faulkner walked through the project bidding and construction timeline and the assessment timeline.

Hanus provided a history of discussions regarding Grandview Boulevard and why the Council requested the sidewalk be added as an option. Hanus said since many came forward at the last meeting opposing the sidewalk, the Council requested a poll of residents in the area. The poll results were 33 opposed and 4 in favor of adding sidewalks.

Hanus continued the public hearing at 7:28pm.

Nicole Spader, 2132 Grandview Court, stated that this is the first time the residents of Grandview Court were noticed. She is not opposed to Grandview Blvd improvements, but it seems Grandview Court is being treated differently. Since there is one driveway/road leading to the court, she feels it should be one unit split among the four properties, not four individual unit assessments. Spader said the storm water drain and hydrant are not maintained by the City.

Hanus asked Staff to confirm whether or not Grandview Court is a private road. Faulkner stated there is an existing utility easement and Staff is proposing to replace the water main and hydrant and would replace the driveway/road which is 17' wide. The City attorney may need to weigh in as to what kind of easement exists and/or is needed. Hanus told Spader to let Public Works know if there are issues with the storm sewer.

Hanus said there are many properties in town that share a common driveway but each home is assessed separately because the homes use the main road to access their driveway/road. Spader asked for clarification of what work will be done. Hanus stated that may not be able to be determined until the work begins.

Hanson asked for an update on the drainage system and Faulkner said he believes it is a sanitary sewer system manhole and the storm water management needs to be evaluated.

Hanus closed the public hearing at 7:38 pm.

MOTION by Salazar, seconded by Wegscheid, to approve the following resolution without the sidewalk option. All voted in favor. Motion carried.

RESOLUTION NO. 14-108: RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS FOR 2015 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT – GRANDVIEW BOULEVARD

7. Mayor Mark Hanus with Resolution Recognizing Steve Smith – Husband, Father, Attorney, Mound Citizen, Mayor, Legislator

Hanus read the resolution honoring Steven (Steve) Smith aloud. Hanus presented Steve's son, Ryan Smith, with a framed copy of the resolution. Hanson thanked Council Member Wegscheid for making the memorial plaque honoring Smith that will be placed on a bench near the Greenway.

MOTION by Hanus, seconded by Salazar, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 14-101: RESOLUTION RECOGNIZING STEVEN "STEVE" SMITH FOR HIS CONTRIBUTIONS

8. 2014 Final Budget and Levy Discussion/Approval

Catherine Pausche, Finance Director/Clerk/Treasurer, summarized the 2014 year-end forecast and the proposed amendments to the 2015 preliminary budget that was adopted in September.

Pausche stated the General Fund revenue levy increased 3% and the overall levy increased 1.75%. Pausche stated the average increases from 2009 through 2015 was -0.30% for the General Fund revenue levy and 1.73% for the overall levy. Pausche stated the enterprise/utility funds reflect the rate increases discussed at the October 21st special budget workshop which is estimated to be 8.1%. Pausche gave an overview of the property types that make up the tax base and the factors that influence how the taxes due changes from year to year.

Mayor Hanus invited the Public to make any comments on the budget but no one came forward.

- A. Action on a Resolution Approving a Levy not to Exceed \$177,835.00 for the Purpose of Defraying the Cost of Operation, Pursuant to the Provisions of MSA 469, of the Housing and Redevelopment Authority of and for the City of Mound for the Year 2015

MOTION by Salazar, seconded by Wegscheid, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 14-109: RESOLUTION APPROVING A LEVY OF \$177,835 FOR THE PURPOSE OF DEFRAYING THE COST OF OPERATION PURSUANT TO THE PROVISIONS OF MSA 469 OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF, AND FOR, THE CITY OF MOUND FOR THE YEAR 2015

- B. Action on Resolution Approving the 2015 Final General fund Budget in the Amount of \$5,136,527.00; Setting the Final Levy at \$5,544,362.00; and Approving the Overall Final Budget for 2015

MOTION by Salazar, seconded by Wegscheid, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 14-110: RESOLUTION APPROVING THE 2015 FINAL GENERAL FUND BUDGET IN THE AMOUNT OF \$5,136,527.00; SETTING THE FINAL LEVY AT \$5,544,362.00; AND APPROVING THE OVERALL FINAL BUDGET FOR 2015

- C. Action on Resolution Adopting Fee Schedule for 2015

Hanus noted the changes to the Dock fees should go before the Docks and Commons Commission, but due to the immaterial impact and the desire not to delay the decision, he is ok with taking action.

MOTION by Salazar, seconded by Wegscheid, to approve the following resolution as revised. All voted in favor. Motion carried.

RESOLUTION NO. 14-111: RESOLUTION ADOPTING FEE SCHEDULE FOR 2015

9. Planning Commission Recommendation(s)

Sarah Smith, Community Development Director, requesting discussion/action on
Planning Case No. 14-25 – Variance
1975 Lakeside Lane
Applicant: Mark Lee

Smith stated the applicant has requested the item be tabled.

MOTION by Salazar, seconded by Wegscheid, to table Planning Case No. 14-25 until January 13, 2015. All voted in favor. Motion carried.

10. Kandis Hanson, City Manager, presenting Resolution Recognizing Mark Hanus for his Years of Service at the City of Mound and Proclaiming December 9, 2014 Mayor Mark Hanus Day
Mayor Hanus recused himself from the dais and Acting Mayor Wegscheid introduced the agenda item. Hanson read the resolution aloud.

MOTION by Salazar, seconded by Gesch, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 14-102: RESOLUTION RECOGNIZING MARK HANUS FOR HIS YEARS OF PUBLIC SERVICE TO THE CITY OF MOUND, MINNESOTA AND DECLARING DECEMBER 9, 2014 MAYOR MARK HANUS DAY

Hanson invited people in the audience to come forward and make remarks. Staff Ray Hanson, John Colotti, Carlton Moore, Sarah Smith, Greg Pederson, and Kandis Hanson all thanked the Mayor for his service and support.

Senator David Osmek, 4933 Crestview Road, gave a summary of the Mayor's service over the years to the City of Mound and the sacrifices that were involved. Osmek recounted the decision not to hold a referendum when building the Public Safety Building as an example of the Mayor's flexibility, doing his homework, and talking to constituents.

Hanus thanked his fellow council members and staff. Hanson presented the Mayor with an engraved mantel clock in recognition for his service to Mound.

Mayor Hanus returned to the dais.

11. Kandis Hanson, City Manager, recognizing outgoing Commissioners for their years of service to the City of Mound

A.	Kelvin Retterath	Planning Commission	4 years
B.	Todd Peterson	Parks and Open Space Commission	6 years
C.	Mark Drahos	Docks and Commons Commission	6 years

Hanson thanked the commissioners for their purely voluntary service and presented a parting gift to Kelvin Retterath, who was in the audience. Mayor Hanus also thanked the commissioners for their service.

12. Recess for reception

Mayor Hanus recessed the meeting for a reception at 8:30 pm. Mayor Hanus resumed the meeting at 8:55 pm.

13. Greg Pederson, Fire Chief, reporting on the following:

- A. FEMA and the Minnesota Disaster Declaration DR-4182 MN, as it relates To the City of Mound

Pederson stated FEMA declared a disaster for many counties in Minnesota. Hennepin County was declared for the period 6/11/14 to 7/11/14. City staff worked together to create an impact statement of the storms during this period. Pederson thanked Accountant Noah Iverson and Administrative Assistant Vicki Weber in particular for their efforts. Staff attended information meetings to learn the requirements and determined FEMA would fund 75% of any grant and the State of Minnesota would provide the 25% match. Pederson noted that repairs to private residences where not eligible for the grant funds.

Pederson summarized the projects that were submitted for reimbursement and stated the following ones were approved for reimbursement: Island View Drive retaining wall replacement project for \$125,152.50, the Shorewood Lane manhole replacement and repair for \$6,289.50, and the lift station pumping that was subcontracted for \$14,471.25. FEMA declined the projects related to roads being underwater, which the City could contest, but then it would open up the ones that were approved for reevaluation. FEMA stated the reason for decline was that the test samples did not prove the impact and Public Works said it would take more freeze/thaw cycles to know true effect. Pederson showed pictures of the project and stated before and after photos were very persuasive in proving damage. Pederson noted projects for \$125K and over are pay as you go and smaller projects are just paid out in a lump sum.

B. Results of 2014 Insurance Services Office (ISO) Public Protection Classification Audit of the Mound Fire Department

Mayor Hanus stated the ISO rating impacts the cost of home owners insurance. Pederson said the ISO rating range is "1" best to "10" worst and noted that no Minnesota city has a rating of 1 or 2. The ISO audit takes place every 5 years. Peterson stated homeowners insurance premiums can be 65% higher for a Class 9 rating compared to a Class 5 rating. Pederson said a Minnetrista resident experienced \$5K+ in savings after an improved rating. Peterson explained the audit process and stated the rating also reflects level of service and gives credit for having auto-aid in place.

Pederson stated beginning January 1, 2015, a new rating system will go into effect and now all cities within the service area are viewed as a district, but it distinguishes between those with fire hydrants and without. ISO refers to Fire Protection Service Areas (FPSA) as those with fire hydrants and Fire Dept Supply (FSD) as those without hydrants. ISO gives a 10 if water supply is over 5 miles away. FPSA are those areas within a 1,000 feet of a fire hydrant.

Mound Fire Area Services that are FPSA received a Class 4 rating, and those that are FSD areas (Shorewood and parts of Minnetrista) received a Class 5 rating. Both ratings represent significant improvement since 1998 and Pederson noted improving the rating benefits the community and gives incentive for investment.

14. Kandis Hanson, City Manager, requesting discussion/action on Adopting Ordinance Amending Chapter 38 of the Mound City Code as it Relates to Licenses, Permits, and Miscellaneous Business Regulations

Hanson stated she received a request from the one second hand goods store owner in the City to eliminate the need for an annual background check. The police requested the flexibility to allow for an annual background check if justified due to the number of police contacts. Council Member Salazar has been in contact with the business owner and stated that the owner questions the need for the annual background check and said that it feels humiliating as he is

conducting a legitimate business and feels he has proven himself. Salazar noted the owner is maintaining good records of the purchase and sale of items.

Hanus stated the city proceeded cautiously early on due to an incident and due to the nature of the business. Hanus said he is fine with change as written.

MOTION by Salazar, seconded by Wegscheid, to approve the following ordinance. All voted in favor. Motion carried.

ORDINANCE NO. 12-2014: AN ORDINANCE AMENDING CHAPTER 38 OF THE MOUND CITY CODE AS IT RELATES TO LICENSES, PERMITS, AND MISCELLANEOUS BUSINESS REGULATIONS

15. Information/Miscellaneous

- A. Comments/reports from Council Members/city Manager

Hanus stated he would like to start a new tradition in Mound that he will start the first meeting in 2015 until Wegscheid is sworn in like many other levels of government do. Hanus said it sets the right tone and provides for continuity of the office.

Salazar wished everyone a Merry Christmas.

- B. Minutes: Docks and Commons Comm (*Draft*) – Dec. 1, 2014
Parks and Open Space Comm (*Draft*) – Dec. 2, 2014
- C. Reports: Harbor Wine & Spirits – Nov. 2014
Finance Department 10/31/14 YTD
- D. Correspondence: Letter awarding grant to Westonka Historical society
for the Centennial Building Mechanical System
(HVAC) Evaluation project: Nov. 21, 2014
Letter of resignation from Dustin Koskela: Nov. 28, 2014
Invitation to retirement party for Carlton Moore: Dec. 18

9. Adjourn

MOTION by Salazar, seconded by Gesch, to adjourn at 9:41 p.m. All voted in favor. Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk

Note: Approval of minutes took place at 1/27/15 meeting with new Mayor.