

MOUND CITY COUNCIL MINUTES
October 8, 2013

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, October 8, 2013, 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 Gillispie and Ray Salazar

Members absent: None.

Others present: City Manager Kandis Hanson, Fin Dir/Clerk/Treasurer Catherine Pausche, Public Works Director Carlton Moore, Dan Faulkner, Pat Meisel, Paul Meisel, Mike Werth, Susan Chambers, Hassan Kaakani, Lynn Blakeway, Brian Sherry, Rick Jostrom, and Amy Sundell.

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 Councilmember 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 7:00 p.m.

2. Pledge of Allegiance

3. Approve agenda

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

4. Mayor Hanus with Recognition award to City Manager Kandis Hanson for 20 years of service.

Mayor Hanus presented the certificate from the International City Managers Association (ICMA) recognizing City Manager Kandis Hanson for 20 years of dedicated service to local government. Hanson gave a brief overview of her career to date.

5. Consent agenda

Gillispie requested the removal of item 5D as she wishes to abstain from the vote for that item. Hanus asked for the removal of item 5E per the request of a CBD participant.

MOTION by Salazar, seconded by Gillispie 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 \$251,478.25.
- B. Approve minutes of the September 24, 2013 regular meeting.
- C. Approve One Day Liquor License for Our Lady of the Lake Catholic Church for their annual fashion show fundraiser on Saturday, November 2, 2013 with fee paid.
- D. Removed.

- E. Removed.
- F. Approve Pay Request No. 2 and Final from Allied Blacktop Company in the amount of \$8,568.00 for the 2013 Seal Coat Project, City Project No. PW-13-08.
- G. Approve Pay Request No. 1 from Minger Construction, Inc. in the amount of \$221,953.35 for the 2013 Lift Station Improvement Project, City Project No. PW-13-03.
- H. Approve Pay Request No. 10 and Final from GMH Asphalt Corporation in the amount of \$937.52 for the 2011 Street, Utility, and Retaining Wall Improvement Project, City Project Nos. PW-11-01, PW11-02, PW11-04.
- I. Approve Pay Request No. 12 from GMH Asphalt Corporation in the amount of \$87,058.02 for the 2012 Street, Utility, Lift Station, and Retaining Wall Improvement Project, City Project Nos. PW-12-01, PW12-03, PW-12-04.
- J. Approve Pay Request No. 5 from GMH Asphalt Corporation in the amount of \$1,185,304.80 for the 2013 Street, Utility, and Retaining Wall Improvement Project, City Project Nos. PW-13-01, 13-02, 13-05.
- K. **RESOLUTION NO. 13-91: RESOLUTION APPROVING EXPANSION PERMIT FOR 5116 WATERBURY ROAD – PID NO. 25-117-24-12-0207**

5D. Approve Public Gathering Permit for Westonka Community and Commerce for the Mound Tree Lighting at Auditors Road on Thursday, November 21, 2013 with fee being paid from cancellation of the Scarecrow Stomp.

Kelli Gillispie requested Item 5D be removed because she wishes to abstain from voting.

MOTION by Salazar, seconded by Gesch, to approve item 5D. The following voted in favor: Hanus, Wegscheid, Gesch, and Salazar. The following voted against: None. Gillispie abstained because she is the Vice President of Westonka Community and Commerce. Motion carried.

5E. RESOLUTION NO. 13- : RESOLUTION APPROVING 2013 CENTRAL BUSINESS DISTRICT (CBD) PARKING MAINTENANCE ASSESSMENT ROLL TO BE CERTIFIED TO THE COUNTY AUDITOR AT 6% INTEREST – LEVY #18642

Mayor Hanus requested Item 5E be removed per the request from one of the property owners being assessed.

Pat Meisel, 5501 Bartlett Boulevard, stated she understands there was a lot of snow but she takes issue with having to pay anything since she provides the majority of the parking. Meisel stated she does not feel the City is honoring the agreement to maintain the parking lot.

Hanus stated with so few participants perhaps the agreement should not exist. Meisel stated then the parking will revert back to private and will be monitored and fees charged for use. She feels the other tenants will be upset. She has a problem with amount of taxes she is paying as well.

Pausche stated that in the 2010 agreement the City stated it would no longer subsidize the program and that outsourcing was necessary when the supervisors stopped plowing. The City agreed to coordinate the plowing and maintenance and charge back based on the formula.

Hanus stated he did not see how the current assessment could be changed but that it could be revisited on a go-forward basis. Meisel stated she made edits on the agreement and it should be reviewed and that the credit per space provided should be increased. Gillispie stated she could not vote to approve the assessment without seeing the agreements. Hanus agreed.

MOTION by Salazar, seconded by Gesch, to table item 5E until a future council meeting. All voted in favor. Motion carried.

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

None were offered.

7. Public Hearings

A. Carlton Moore, Public Works Director, requesting action on a Resolution Adopting an Assessment for the 2012 Street, Utility, Lift Station, and Retaining Wall Improvement Project – North Island Area – Levy No. 18639 – Continuation from September 24, 2013.

Moore explained the hearing was continued because of the correction on the calculation and subsequent mailing of notice requirements. Dan Faulkner, City Engineer, stated he was available for questions. Mayor Hanus continued the public hearing at 7:29 pm and invited people in the audience to come forward.

Susan Chambers, 4840 Bedford Road, asked if residents pay for retaining walls. Hanson stated retaining walls are paid for by the City. Hanus explained the process for street project assessments. Chambers questioned why the project was necessary and Hanus explained the infrastructure is old and requires replacement. Chambers stated a new driveway and apron was redone and she incurred damages inside her home due to the construction. Hanus stated she would have to provide evidence of that and bring it back to the Council for consideration. Moore clarified she is being charged for ½ a unit because she is on the corner and nothing more. Hanson stated the assessment is included in the taxes over 15 years at 5%. Pausche stated there is a deferred assessment application but it is difficult to qualify. Chambers asked will she be assessed for the other road and Hanson indicated yes in a year from now.

Hassan Kaakani, owner of 4861 Brunswick Road, asked what the formula was to determine the assessment. Hanus stated the City treats all properties equally and that linear feet are not used for residential assessments. Kaakani asked about early pay-off and Pausche stated he should contact the City when he is ready to pay it off and interest will only accrue through that date. Kaakani stated he never received the original notice.

Lynn Blakeway, 4824 Longford Road, is a landlord and asked how the costs are allocated and questioned why the road had to be done.

Brian Sherry, 4424 Denbeigh Road, cited how much his taxes have increased since he purchased the house in 1985 and says he should not be assessed. He said other cities don't charge for streets. Sherry provided a written objection of the assessment to the City Clerk. Mayor Hanus says cities charge for streets, either by assessment or through taxes.

Susan Chambers, 4840 Bedford Road, stated concern over slippery conditions and cars hitting retaining walls. She requests the city to plow sooner or more often or to provide additional parking if people can't get up the hill. Mayor Hanus said Staff will review the snow removal conditions. Chambers stated the construction caused the wood work in her house to crack. Hanus stated she needed to provide proof that the damage was caused by construction in order for the Council to consider it.

Rick Jostrom, 3021 Brighton Boulevard, asked if there was a breakdown of \$5,349 because it seems excessive and he wants to know how the interest rate was determined. He owns two properties in the project. Mayor Hanus asked for Staff to provide the information to Jostrom.

Jostrom also asked for a summary of the project. Jostrom asked why the street had to be redone. Jostrom stated he is disappointed he has to be charged after the high tax and utility bills and wonders where all the money is going. Hanus stated City has been cutting back and taxes are at 2008 levels. Pausche stated the assessment rate is approximately 2% over the blended rate of the bonds. Pausche stated the 15 year term bonds are at a higher interest rate as well as there is a cost to administrate.

Amy Sundell, 2754 Cardigan Lane, wanted to express appreciation for the project and followed all the project approvals and understands how the amounts were calculated.

Mayor Hanus closed the hearing at 8:08pm.

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

RESOLUTION NO.13-92: RESOLUTION ADOPTING ASSESSMENT FOR 2012 STREET, UTILITY, LIFT STATION, AND RETAINING WALL IMPROVEMENT PROJECT – NORTH ISLAND AREA – LEVY NO. 18639.

B. Action on Resolution Adopting Assessment for Delinquent Municipal Utility Bills.

Mayor Hanus opened the public hearing at 8:11pm.

Susan Chambers, 4840 Bedford Road, stated she previously claimed a hardship due to a house fire and no action was taken. Chambers questions why she was charged minimum fees when no water was used during reconstruction. Chamber stated area cities charge less for properties that are vacant. Hanus stated City of Mound policy is to assess a minimum charge because the City has maintenance costs in keeping the service available. Hanus said there is a policy for tax deferment for service members, the elderly, and disabled who qualify.

Mayor Hanus closed the public hearing at 8:21pm

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

RESOLUTION NO. 13-93: RESOLUTION ADOPTING ASSESSMENT FOR DELINQUENT MUNICIPAL UTILITY BILLS AND CERTIFYING TO THE COUNTY AUDITOR AT 6% INTEREST – LEVY NO. 18640.

C. Action on Resolution Adopting Assessment for Miscellaneous Expenses and Certifying to the County Auditor.

Mayor Hanus opened the public hearing at 8:22pm and upon no one coming forward, closed the public hearing.

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

RESOLUTION NO. 13-94: RESOLUTION ADOPTING ASSESSMENT FOR MISCELLANEOUS EXPENSES AND CERTIFYING TO THE COUNTY AUDITOR AT 6% INTEREST – LEVY NO. 18641

8. Action on Resolution Receiving Feasibility Report and Calling for Hearing on the 2014 Street, Utility, and Retaining Wall Improvement Project – Three Points Boulevard, City Project No. PW-14-01.

Dan Faulkner stated a feasibility report is required under Minnesota State Statute to determine if the project is necessary and whether or not the City has a way to fund. Mayor Hanus stated this is not the public hearing, and Faulkner stated the Public Hearing is scheduled to be held on November 12, 2013. Faulkner stated there is \$680,000 assessable street cost and \$400,000 will be funded through Municipal State Aid. This is the first street project under State Aid. Mound shares in gas tax revenues because it is one of the cities with more than 5,000 in population. The City has designated 8 miles of City streets as "State Aid" streets. Up to 20% of streets can be designated as State Aid. Utility infrastructure is estimated to be \$2 million. Faulkner stated retaining wall repairs versus replacement has been assumed and pedestrian ramps will be added.

Faulkner reviewed a PowerPoint presentation which included the map of Three Points Boulevard and pointed out the width changes and stated the plan is to completely reconstruct the street to meet State Aid standards. Faulkner stated while the street widths meet the standard, the depth of material does not, so complete replacement is necessary. Faulkner discussed other improvements that will be a part of the project and the various assessments for residential, commercial, and multi-family units. Faulkner suggested assessing the Seahorse Condominium Association not on a per unit basis (108 units), but on an area-equivalent of residential units (ERU) basis, similar to what was done with Indian Knoll Manor in 2009. Faulkner stated taking total area / 10,000 per lot minimum results in 35.6 ERU's. That would result in each condo owner receiving a 1/3 unit assessment, or \$1,400.

Faulkner reviewed project costs and proposed schedule.

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

RESOLUTION NO. 13-95: RESOLUTION RECEIVING FEASIBILITY REPORT AND CALLING FOR HEARING ON THE 2014 STREET, UTILITY, AND RETAINING WALL IMPROVEMENT PROJECT – THREE POINTS BOULEVARD, CITY PROJECT NO. PW-14-01

9. Carlton Moore, Public Works Director, requesting action to purchase playground equipment with grant from Game Time

Carlton Moore stated the City applied for a grant for \$22,200 from the vendor who provides playground equipment. The remaining funds will come from the \$26,000 in park dedication funds. Moore requested action to approve acceptance of the grant and stated the Parks Commission will review at their next meeting and will have time to figure out where to place the equipment.

Hanus requested that the Parks Commission reevaluate the assessment of park equipment needs to determine what really needs replacement and take into account the amount of use the parks get and to consider if two smaller structures could be used instead.

Salazar asked if there were any conditions to the grant. Moore stated the only condition is the purchase must be made by the end of October as it is on a first come first serve basis. Moore stated it will be stored over the winter and installed by City Staff in the spring.

MOTION by Hanus, seconded by Salazar, to approve the purchase of the park equipment using park dedication funds and the matching grant. All voted in favor. Motion carried.

10. Information/Miscellaneous

- A. Comments/reports from Council members/City Manager
City Manager Kandis Hanson stated the Fall Wine Sale at Harbor Wine and Spirits is in effect through October 19th.
- B. Minutes: Planning Commission – September 3, 2013
- C. Reports: Finance Department – August 2013
Website Statistics – August 1, - September 30, 2013
WeCAB – August 2013
- D. Correspondence: CenterPoint Energy letter – September 23, 2013

11. Adjourn

MOTION by Salazar, seconded by Gesch to adjourn at 8:56 p.m. All voted in favor. Motion carried.



Attest: Catherine Pausche, Clerk



Mayor Mark Hanus