

**MOUND CITY COUNCIL MINUTES**  
**January 10, 2017**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, January 10, 2017, at 7:00 p.m. in the Council chambers of the Centennial Building.

Members present: Mayor Mark Wegscheid, Council Members Ray Salazar, Jennifer Peterson, and Jeff Bergquist

Members absent: Kelli Gillispie

Others present: City Manager and Director of Public Works Eric Hoversten, Administrative Assistant Mary Mackres, Director of Community Development Sarah Smith, Consulting Planner Rita Trapp, City Engineer Dan Faulkner, Lauren Miller, Tiffany Lynn Nguyen, Tommy Clobes, Alee Otteson, Lauryn Grinde, Riley Ingbreton, Hunter Baem, AJ Bomar, Ben Aolbus, Oben Howard, Addy Davis, Owen Doot, Cody Rolighed, Brian Burriss, Pamela Larsen, Quinn Tive, Erika Whaley, Pete Norton, Brendan Dreyer, Millie Snyder, and Charlie Bailey

*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 7:00 p.m.

**2. Oaths of Office by City Manager Eric Hoversten**

Hoversten thanked all for participating in the process of running the City and swore in Mayor Mark Wegscheid, Council Member Ray Salazar, and Council Member Jeff Bergquist.

- A. Mayor Mark Wegscheid
- B. Council Member Ray Salazar
- C. Council Member Jeff Bergquist

**3. Pledge of Allegiance**

**4. Approve agenda**

Hoversten introduced a packet with emerging information on Item 8 on the agenda, the Serenity Hills project. These new pages will be numbered pages 278A - 278K.

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

**5. Consent agenda**

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

- A. Approve payment of claims in the amount of \$945,475.18
- B. Approve minutes: Dec 13, 2016 Regular Meeting

- C. RESOLUTION NO. 17-01: RESOLUTION APPOINTING KELLI GILLISPIE AS ACTING MAYOR FOR 2017**
- D. RESOLUTION NO. 17-02: RESOLUTION APPOINTING CITY COUNCIL MEMBERS AS REPRESENTATIVES OF THE CITY COUNCIL TO COMMISSIONS AND COMMITTEES FOR 2017**
- E. RESOLUTION NO. 17-03: RESOLUTION APPOINTING FINANCE DIRECTOR/CLERK/TREASURER CATHERINE PAUSCHE AS ACTING CITY MANAGER FOR 2017**
- F. RESOLUTION NO. 17-04: RESOLUTION APPOINTING FIELD OFFICER STEWART SIMON AS ASSISTANT WEED INSPECTOR FOR 2017**
- G. RESOLUTION NO. 17-05: RESOLUTION APPROVING THE PURCHASE OF AT LEAST A \$20,000 BOND FOR THE CITY FINANCE DIRECTOR/CLERK/TREASURER**
- H. RESOLUTION NO. 17-06: RESOLUTION DESIGNATING THE OFFICIAL DEPOSITORIES FOR 2017**
- I. RESOLUTION NO. 17-07: RESOLUTION DESIGNATING THE LAKER AS THE OFFICIAL NEWSPAPER FOR 2017**
- J. Approve request for commercial kennel license for Mound Emergency Management Division, waiving the fee
- K. RESOLUTION NO. 17-08: RESOLUTION MAKING A SELECTION NOT TO WAIVE THE STATUTORY TORT LIMITS FOR LIABILITY INSURANCE PURPOSES**
- L. Set Joint Special Meeting Workshop of the Mound Planning Commission and City Council, for the purpose of discussing Planning Commission 2017 Work Plan and Projects: Feb 21, 2017, 7:00 pm
- M. RESOLUTION NO. 17-09: RESOLUTION AUTHORIZING VOLUNTEER RECOGNITION PROGRAM**
- N. RESOLUTION NO. 17-10: RESOLUTION AUTHORIZING SUBMITTAL OF 2017 GRANT APPLICATION FOR RECYCLING AND EXECUTION OF GRANT AGREEMENT**
- O. RESOLUTION NO. 17-11: RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE STATE OF MINNESOTA REGARDING ELECTRONIC ACCESS TO MINNESOTA COURT DATA ON BEHALF OF THE CITY OF MOUND**
- P. RESOLUTION NO. 17-12: RESOLUTION RECOMMENDING CONTINUATION OF CDBG FUNDING OF WESTONKA COMMUNITY ACTION NETWORK (WeCAN)**

Q. Approve First Amendment to Employment Agreement between City of Mound and Eric P. Hoversten

R. **RESOLUTION NO. 17-13: RESOLUTION APPROVING SIGN VARIATION/MODIFICATION FOR 5218 BARTLETT BOULEVARD, RESCINDING RESOLUTION 16-74**

S. **RESOLUTION NO. 17-14: RESOLUTION GRANTING APPROVAL OF BOARD OF ADJUSTMENT AND APPEALS REQUEST FOR PROPERTY AT 2354 WILSHIRE BOULEVARD**

T. **RESOLUTION NO. 17-15: RESOLUTION APPROVING APPLICATION FOR AQUATIC INVASIVE SPECIES PREVENTION GRANT FUNDING FOR CHANGEABLE MESSAGE BOARD SIGN AT SURFSIDE PARK**

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

Mayor recognized students and asked for someone to represent the group and come to the podium. Tiffany Nguyen, 2365 Commerce, stepped up. She said Alan Hubert and Bob Keel are their teachers. Mayor Wegscheid inquired what the students have learned thus far in their government classes. Ms. Nguyen stated that they have learned about the three branches of government, including the job and responsibilities of the President.

Mayor Wegscheid says that the Council is made up of people who stepped up, just like Ms. Nguyen tonight. He added the citizens of Mound voted them into office to represent citizens' interests. Mayor Wegscheid encouraged the students to get involved in their community.

7. **Visit by Hennepin County Commissioner Jeff Johnson**

Jeff Johnson, Hennepin County Commissioner, said he represents half of Mound, with Commissioner Jan Callison representing the other half of Mound. Johnson said the County's budget was \$1.8 billion last year and this year's budget increased to \$1.9 billion which resulted in a property tax levy increase of just under 5%. Johnson stated that he did not support any of the recent budgets as Johnson doesn't believe in increasing property taxes. Johnson says this because he believes there are many areas in Hennepin County where spending is not necessary. Johnson doesn't think that there is a need to increase the property tax levy year after year and doesn't believe it is sustainable to increase it by 5% per year.

Johnson has been pushing hard to change the way Hennepin County contracts for services. Johnson said the County has thousands of vendors providing human service programs and those vendors are paid according to how many people they serve instead of by the outcome of the program, i.e., how many people's lives were changed because of the program.

Another change Johnson stated he would like to see is the way that the County pays their employees. Johnson would like to see the County pay according to performance instead of just "lock step".

Mayor Wegscheid asked a question on behalf of Council Member Gillispie who wanted to know if Commissioner Johnson is aware of the efforts for the Met Council reform.

Johnson says there are a lot of different ideas out there about the Met Council. Johnson is not a fan of the Met Council and feels that they have gotten completely out of control. Johnson feels there is a need and a purpose to have a regional body to help with sewers, buses, etc. and he feels the Met Council is no longer doing what they were intended to do; which is to work collaboratively with cities to help cities succeed. Instead, he said they are trying to decide how cities should grow.

Johnson said the members of the Met Council are not elected and does not think that is appropriate. Johnson's ideal solution would be to eliminate the Met Council and start over with a body that has responsibilities and powers that are much more constrained than what they are now. Some say this is not realistic, but Johnson definitely thinks that the Met Council needs to change the way they work and Johnson will be at the Capitol this year helping to make that change happen.

Mayor Wegscheid asked Johnson to explain how is it that the County property taxes were raised, but the budget was lowered. Johnson stated that the property taxes are 33-35% of the budget and when federal funding is dropped the County needs to increase the property taxes to keep those programs running.

Mayor Wegscheid asked Johnson, for the benefit of the students in attendance, how many County commissioners there are. Johnson stated there are seven Hennepin County Commissioners, each representing a different part of the County.

**8. Planning Commission Recommendations**

- A. Serenity Hill on Halsted Bay Project  
6639 Bartlett Boulevard  
Applicants: K.J. Anderson Design Group and Windsted Investment LLC

**Public Hearings** for review of Major Subdivision-Preliminary Plat (Case No. 16-27) and Conditional Use Permit (Case No. 16-25) Applications  
**Consideration** of Variance (Case No. 16-26) Applications

Rita Trapp summarized the action requested by the applicant for the Serenity Hill on Halsted Bay Project. Trapp said the application is for a number of items, including approval of a preliminary plat, a conditional use permit (CUP) for a Shoreland Planned Development Area (PDA) to build multi-family housing with more than six units, and multiple variances.

Mayor Wegscheid explained to the audience that after Ms. Trapp goes through the summary, there will be a public hearing where there will be an opportunity for the public to come forward and speak up, if they so choose.

Trapp stated that the Council approved a Comprehensive Plan amendment and a rezoning for the site in September and this project was discussed at length at that time. She added that the project has finished going through agency approvals and she is working on submitting to the Met Council next which, if approved, would start the project. Trapp said the Resolutions before the Council tonight are predicated on the Met Council's approval of the project.

Trapp said the project site was rezoned to R3 multi-family residential which means a density of 7-12 units per acre. She added that there will be three lots as part of the preliminary plat

with only one in Mound. Trapp said the plat will include the beach house which is larger than normally allowed but staff feels this is realistic as the beach house serves the entire complex.

Trapp said the variances requested for the project are related to sides and shape of the parcel. She added there are also variances are for side yard setbacks of the condominium building which were deemed reasonable by Staff and the Planning Commission. The side setback variances would keep the building wholly on the Mound side, making it easier for address and tax purposes. Setback request is 9-10' though the requirement is 44 feet. Trapp said there is also a building height variance being requested and this is due to the architectural feature on top of structure (tower), which is 9' in height. Trapp said the bulk of the project is meeting the minimum requirement of 35'.

Trapp stated that the beach house is 2400 square feet in area. This will be a gathering place for the community. There are two areas for community gathering on the site: the pool area and the beach house. The beach house will have a day-use dock, which will not allow overnight parking nor docks for residents. Trapp noted one change since the Planning Commission reviewed the plan which is that the trail from the Mound building to the beach house has been eliminated due to the topography making the trail unable to meet ADA accessibility requirements.

Trapp stated that the lot area per dwelling is meeting City requirements and the Applicant has shown further refined building materials than previously shown to the Planning Commission. Trapp said the Planning Commission requested the developer work with the concerns from neighbors about the possible impact of the project. Owner has agreed to add additional screening or landscaping with additional trees on property to the north and a new proposed fence to the south of the property to replace the existing fence. Trapp said the proposed new fence will be 6' and 8'.

Trapp read a letter, for the record, from Rita and Terry Hughes, neighbors to the property. The Hughes' would like an eight foot high fence rather than the planned 6 foot fence. Staff is in support of a 6' fence for the majority of property with a rise to 8' in the area of property next to the house and then back down to 6' to the lakeshore. Trapp said the fence would need to be an additional variance as the City Code does not allow a 6' fence through much of the property nor does it allow an 8' fence at all.

Trapp said the City of Minnetrista has finished their review and approvals and the comprehensive plan amendment from the Met Council.

Trapp added the supplemental information included in the packet were for the upgraded building materials including the fence materials. Trapp noted that an email from Jason Gottfried was received on behalf of Hennepin County, with comments regarding the Minnetrista portion of the project. Trapp said the City received comments were also received from Xcel Energy but didn't pertain to the City portion of the project.

Mayor Wegscheid asked if there still needs to be a variance granted for the fence. Trapp stated that the fence variance could be included in variances in front of the Council tonight, by adding additional findings and conditions to the resolution if the Council was comfortable with these changes. Trapp noted that the DNR is comfortable with what is being proposed regarding the fence.

Salazar asked if the proposal by staff is 8' for the entire length of fence? Trapp says that staff is proposing 6' to the property line to the house, then three sections of 8', then back to 6' to the shore.

Hoversten stated that the Hughes' house sits a little bit closer to water's edge than the beach house and an eight foot fence gives them privacy on their deck while the 6 foot fence preserves the Hughes' view of the lake. Smith says the family is looking for the most relief they can get and the Hughes' wants to preserve the single family nature of the house.

Salazar asked if this proposal has been explained to the family. Smith said that, yes, the family felt the 6, 8, 6 was a reasonable option and accomplishes what they want to accomplish, whereas a wrought iron fence accomplishes nothing in regards to screening purposes. Salazar stated that he wants to keep the neighbors happy.

Dan Anderson, Serenity Hills project developer, brought up two things about the fence. Anderson said the fence is going to cost \$42k and he wants the fence to look good on both sides. Anderson also noted that the landscape plan has plenty of planting on the side of the development and those plants will be much taller in the future which will also aid in screening.

**Mayor Wegscheid opened the public hearing at 7:46pm.**

Brian Burris, 6675 South Saunders Lake Drive, asked if this whole plan has already been approved or if this meeting is to approve the idea of allowing the development. Trapp stated that the first approval done in September was to approve the idea of the project and the Council is now reviewing and approving the actual site plan and what the plan of the development will look like. Trapp said the decision tonight is how the development looks and how the site is developed and this is open for comments tonight.

Burris stated that there are a number of snowmobilers who use that piece of land to get onto the lake. Mayor Wegscheid stated that there have been lots of opportunities previously to come forward and make comments regarding the project. Trapp stated that this was always private property and there was always the potential for the property to be developed into something else and that people really shouldn't have traversed it with snowmobiles.

Lauryn Winegar (Grinde), 5865 Beachwood, asked who would be responsible for the upkeep of the fence. Mayor Wegscheid stated that the fence is the property of the development.

Dan Anderson said that they are giving an easement to the neighbor and will give the neighbor ownership of the fence. Anderson said they gave the Hughes' 1.6' of land and put the fence on their property. He added, Serenity Hills will maintain their side of the fence with the neighbor who must maintain their side of the fence

**Mayor Wegscheid closes the public hearing at 7:50pm.**

Mayor Wegscheid said he feels comfortable that there are two Council members who have seen this project through the whole process and another being on the Planning

Commission. Wegscheid wants to commend Dan Anderson for working with community and going above and beyond on the project plans.

Requested Actions

- i. Approve Resolution to approve Major Subdivision-Preliminary Plat of Serenity Hill on Halstead Bay

MOTION by Salazar, seconded by Peterson, to approve resolution. All voted in favor. Motion carried.

**RESOLUTION NO. 17-16: RESOLUTION APPROVING THE PRELIMINARY PLAT- MAJOR SUBDIVISION OF SERENITY HILL ON HALSTEAD BAY**

- ii. Approve Resolution to approve Conditional Use Permits and Variances for Serenity Hill on Halstead Bay

Trapp introduced the following additions/changes to the Resolution on page 193 of the packet:

- #8. A variance to allow a fence between the home at 6641 Halsted Avenue and the project.

Additions/changes to the Resolution on page 196, under findings of fact:

- #10. The proposed fence will provide additional screening to buffer the home at 6641 Halsted Avenue from the proposed intensified use of the adjacent property as a beach house and gathering area for the project. A fence is additionally needed due to the existing, sloping topography of the site.

Additions/changes to the Resolution on page 197 under conditions:

- #6. The proposed fence between 6641 Halsted Avenue and the project site shall be limited to 6 feet in all areas with the exception of the portion of the fence between the middle/rear of the house to the south edge of the deck which is allowed up to 8 feet in height. The new fence cannot be constructed below the 931.5 elevation unless a permit is received from the Minnehaha Creek Watershed District. The fence must be constructed at a 933.0 RFPE as required by City Code.

MOTION by Salazar, seconded by Peterson, to approve resolution with amendments. All voted in favor. Motion carried.

**RESOLUTION NO. 17-17: RESOLUTION GRANTING APPROVAL OF CONDITIONAL USE PERMITS AND VARIANCES FOR SERENITY HILL ON HALSTEAD BAY**

- 9. Dan Faulkner, City Engineer of Bolton & Menk, requesting discussion/action on Resolution Receiving Report and Authorizing Preparation of Plans and Specifications and Ordering Advertisement for Bids for the 2017 Lift Station and Forcemain Improvement Project, City Project No. PW-17-05

Dan Faulkner addressed the Council with the 2017 Lift Station and Commerce Blvd. forcemain project. Faulkner stated these were originally two projects within the five year capital

improvement program which have now been combined to this one report. Faulkner said the project also includes a generator replacement.

Faulkner said the Commerce Blvd. Lift Station C5 is one of the City's failing lift stations with steel structure that is corroding and pumps which are needing replacement. Faulkner added this will be the 20<sup>th</sup> of 30 lift stations being replaced and the City is moving ahead with this particular project in order to coordinate with the Trident Development Senior Living project. Faulkner said there is a need to move the Lift Station to the west side of Commerce and an easement will need to be granted from Trident which the City hopes to include as part of the development agreement with Trident. Faulkner said the other part of the project, the Commerce Blvd. forcemain replacement is being included in the project as this area was under future consideration for replacement and it is more efficient to do it now while the Lift Station work is being done in the same area.

Faulkner said the actual improvements to the lift station would be to abandon the existing station and build new pre-cast concrete wet well structure containing two submersible pumps; a new control panel with SCADA remote monitoring equipment; an on-site emergency back-up generator; and a magnetic meter manhole to monitor flows in real-time.

Faulkner stated the total estimated cost for the project would be \$802k. He said the work schedule is dependent on how quickly Trident wants to move forward with their development. Faulkner added that Bolton & Menk typically likes to send the project out for bid in March or April as there is a long lead time on the equipment order and Faulkner said the project could most likely be completed by late September or early October.

Salazar asked about the relocation of the lift station and if Trident is amenable to that change. Hoversten stated that Trident just closed on the property on Dec. 29, 2016 and Trident is just beginning with their plans and hasn't shared their timeline with the City yet. Hoversten added, once Trident has the sewer access connection (SAC) determination from the Met Council the City will then have a conversation with Trident in regards to the C-5 Lift Station and its capacity for handling flow.

MOTION by Salazar, seconded by Bergquist, approving resolution. All voted in favor. Motion carried.

**RESOLUTION NO. 17-18: RESOLUTION RECEIVING REPORT AND AUTHORIZING PREPARATION OF PLANS & SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR THE 2017 LIFT STATION AND FORCEMAIN IMPROVEMENT PROJECT, CITY PROJECT NO. PW-17-05**

**10. Information/Miscellaneous**

Hoversten reported that the Council will resume the normal meeting schedule in 2017 which is the second and fourth Tuesdays of every month and noted the following other meetings:

- Feb 21, 7pm - joint special meeting/workshop with City Council and Planning Commission
- Feb 27, 6:30pm - volunteer recognition dinner

Hoversten stated that the Orono Police Chief reminds residents and business owners of their crime prevention services to prepare and protect you from incidental crime. Contact Eric

Hoversten at City Hall or the City of Orono police department. The police dept. will then send a crime prevention specialist to work with the resident.

- A. Comments/reports from Council Members
- B. Reports: Finance: YTD Nov 2016  
Mound Fire: Nov 2016 & Dec 2016  
Harbor Wine & Spirits: Dec 2016
- C. Minutes: Planning Commission - Dec 6, 2016
- D. Correspondence: Met Council Environmental Services, Oct 27, 2016  
LMCC Commission Meeting Dates

**11. Adjourn**

MOTION by Peterson, seconded by Salazar, to adjourn at 8:11 p.m. All voted in favor.  
Motion carried.

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Mayor Mark Wegscheid

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Attest: Catherine Pausche, Clerk