

**MOUND CITY COUNCIL MINUTES**  
**January 28, 2014**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, January 28, 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 Gillispie and Ray Salazar

Members absent: None

Others present: City Manager Kandis Hanson, Community Development Director Sarah Smith, Finance Dir/Clerk/Treasurer Catherine Pausche, Public Works Director Carlton Moore, City Engineer Dan Faulkner, John Colotti, Jeanne Brustad, Donna Smith, Vern Brandenburg, Mary Opheim, Chris Remus, Keith Anderson, Ellen Lukin

*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. Consent agenda**

Gillispie requested the removal of item 4A as she wishes to abstain from the vote for that item.

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

A. Removed.

B. Approve payment of claims in the amount of \$1,103,747.96.

C. **ORDINANCE NO. 02-2014: AN ORDINANCE AMENDING CHAPTER 2 ARTICLE IX OF THE MOUND CITY CODE AS IT RELATES TO THE PARKS AND OPEN SPACE COMMISSION**

D. Approve Pay Request No. 1 and Final from Michels Corporation in the amount of \$228,375.50 for the 2013 Sanitary Sewer Rehabilitation Project, City Project No. PW-13-06.

- E. **RESOLUTION NO. 14-13: RESOLUTION ORDERING PREPARATION OF REPORT TO DETERMINE THE FEASIBILITY AND ESTIMATED COST OF WATER MAIN REPLACEMENT ON BARTLETT BLVD FROM THE LOST LAKE OUTLET BRIDGE TO WILSHIRE BLVD, CITY PROJECT NO. PW-14-08**
- F. **RESOLUTION NO. 14-14: RESOLUTION ORDERING PREPARATION OF REPORT TO DETERMINE THE FEASIBILITY AND ESTIMATED COST OF DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS, CITY PROJECT NO. PW-14-04**
- G. **RESOLUTION NO. 14-15: RESOLUTION OF SUPPORT AS RELATED TO GRANDVIEW MIDDLE SCHOOL SAFE ROUTES TO SCHOOL GRANT APPLICATION**

**4A. Approve minutes of the January 14, 2014 regular meeting.**

Gillispie indicated that she requested that this be removed from the consent agenda because she did not attend the January 14, 2014 meeting.

MOTION by Salazar, seconded by Gesch to approve the minutes of January 14, 2014 regular meeting. The following voted in favor: Hanus, Salazar, Wegscheid and Gesch. The following voted against: None. Gillispie abstained from voting. Motion carried.

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

None were offered.

**6. Jeanne Brustad, Gillespie Center President and Donna Smith with Gillespie Center update.**

Donna Smith gave an overview of the contract with the area cities and thanked the city for their support. Smith said a membership drive is currently underway as well as other fundraising and programming activities.

Jeanne Brustad, President of the Gillespie Center, delivered a PowerPoint presentation that highlighted recent activities and emphasized that the vast majority of programming is put on by volunteers.

Mayor Hanus requested that the City Council receive the Gillespie Center's 990 and annual report again for 12/31/12. Pausche said they were in the December packet and she will send them to the Council again. Brustad offered to send a monthly report from Roger Anderson the accountant. Hanus stated that was not necessary and the objective is to ensure the endowment is growing according to the agreement and the funds are restricted. Brustad stated a reserve account is also set up to take care of unplanned maintenance like roof/parking lot/carpet repair/replacement. Mayor Hanus thanked the Gillespie Center for all it does for the community.

**7. Dan Faulkner, Bolton and Menk, requesting action on a resolution receiving report and authorizing preparation of plans and specifications and ordering advertisement for bids for the 2014 Lift Station reconstruction project, City Project No. PW-14-03.**

Faulkner stated the Grandview lift station is on the north side of Grandview on Commerce Blvd. The replacement was part of the Capital Improvement Plan (CIP) for 2014. This is one of 30 aging lift stations. A total of 15 stations have been replaced from 2007 to 2013. This is the 16<sup>th</sup> and many of the remaining stations are smaller and hopefully less costly. Grandview Blvd. is on the 2015 street project and it is best to replace in advance. Current station was constructed in

the 1960's with 22 year old pumps, which are well beyond their useful life. The replacement will include a new control panel, alarm, and Scada system with antenna for remote operation and monitoring. A natural gas line will be added for the back-up generator instead of diesel. The current station is located near Dutch lake boat launch, and it is proposed to move the station as far east as possible to allow for safer operation.

The proposed cost is \$331K for construction, indirect costs of \$66K, city purchases pump at \$27K and generator at \$23K for a total of \$447K. The goal is to complete construction by the time school starts. Mayor Hanus asked what the cost of relocation is. Faulkner said it is always relocated so that the existing station can stay operational during construction. Hanus asked when the modular version can be utilized and Faulkner said staff is looking at those for some of the smaller stations. Wegscheid asked how much would storage increase. Faulkner said at least double.

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

**RESOLUTION NO. 14-16: RESOLUTION RECEIVING REPORT AND AUTHORIZING PREPARATION OF PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR THE 2014 LIFT STATION RECONSTRUCTION PROJECT, CITY PROJECT NO. PW-14-03**

**8. Discussion on State Legislature's consideration of allowing Sunday liquor sales.**

Hanus summarized the current debate happening at the legislature and in the general public. He acknowledged that the majority of the public supports Sunday sales, but that the majority of liquor store owners, both municipal and private, do not. Hanus stated the exception is the liquor stores that border other states, but that there may be other reasons Minnesota stores lose business, like Wisconsin's lower liquor tax. The majority of liquor stores are not on the border. Hanus said his research said it would be a trade-off to lower the margin or increase the price. Some consumers may be willing to pay for the convenience, but he wants people to know there are higher costs involved. Hanus said the Council won't make the decision, the legislature will, but that the Council is responsible for keeping the store profitable. Hanus said in 2007 he required the store to become profitable again or he would work to get out of the business and it did turn around.

Hanus had asked Staff what could be done to eliminate any cost impact by having to be open on Sunday. Being a small store it is more difficult to shift labor around. Hanus thought this would put some of the smaller liquor stores out of business. Hanus pointed out the information in the packet regarding sales by hour of the day. Hanus invited council or staff to give some thoughts or insights.

Salazar said he did not think this would pass in the legislature. If it were to pass, he feels we would be compelled to be open on Sundays due to the competition and because of the retail nature of the business. Salazar said as a business man, his operation is open 7 days a week and customers expect it. But since it has been this way in Minnesota for so long people are not really expecting it to change. Hanus said he also does not expect it to pass but that both political parties are split on the subject and that times and opinions can change quickly. Some estimates are 80% of the public support it. Hanus said that once the states that border Minnesota approved Sunday sales, they approved beer and wine in grocery stores shortly after, and that would be devastating to the municipal liquor business.

John Colotti, Mound Liquor Store Manager, agreed with the concerns expressed by the Mayor. Colotti emphasized the wine in grocery store lobby will reengage if this passes and will be in a stronger position. Colotti summarized the Minnesota Municipal Beverage Association (MMBA) arguments against Sunday sales and referred the council members to their website for more information.

Hanus mentioned the debt for the new building alone is reason to stay in business and that the liquor store is contributing to tax relief/the seal coat project. Salazar said he felt our liquor store has a loyal following particularly with the wine selection. Salazar stated that in Florida liquor is not well regulated and is widely available but that there is room for the specialty stores to keep the wine niche. He feels we could compete with our expertise, selection, and customer service.

Gillespie asked how many states allow liquor in grocery stores. Hanus said he thought about 12 states don't allow Sunday sales. Gillespie understands the desire as a business owner not to be open on Sunday. Salazar said he doesn't know how many blue laws still exist and feels this is the natural progression. Gillespie asked how many states control distribution and allow Sunday sales. Colotti said Washington was state controlled and recently privatized the market.

Gesch asked about the hourly sales chart and how many part-timers work during that first hour. Colotti said he opens at 9:00am as a goodwill gesture more than profitability and Hanson said there is synergy with the grocery store hours to consider. Hanus asked what the total employee count is and Colotti said 2 full time and 7 part time. Hanus asked without reducing store hours, could current part time workers cover the additional hours or would more have to be hired. Colotti said the store is too large for less than 2 workers at a time and the Mayor agreed. Gesch asked about seasonal hours. Hanus said that was experimented with and it was found confusing for the public. Colotti said in 2004 the store was open from May to mid-September from 8am to 10pm Thursday through Saturday and that it did not prove financially viable. Salazar said it typically takes 6 months for public to adapt to new hours.

Hanus said he saw the CEO of Haskell's on television and the he was very opposed to Sunday sales. The mayor reiterated no action was required but it was just an opportunity to present the different sides of the issue.

**9. Planning Commission Recommendation and Public Hearing to review Conditional Use Permit Amendment for modified plan for property at 6270 Westedge Blvd (MCES Wastewater Facility)**

Sarah Smith provided an overview of the request for an amendment to the CUP approved last summer. The request is to reconfigure the site plan with new maintenance and storage buildings, a new L38 lift station building, parking lot, driveway, landscape, and screen. The majority of the discussion during the original approval dealt with the design and height and whether temporary storage would be permitted. Smith said if the lift station design was similar to the other buildings it could be approved administratively. Otherwise, it would be brought back to the Council if the modifications were significant. Rock fascia is being proposed to give it a residential feel.

Smith stated the Planning Commission (PC) considered noise impacts. Smith stated the noise for the self-contained generator meets the Minnesota Pollution Control Agency (MPCA) requirements. The PC requested that the berm be raised if possible. Smith said staff brought it back to the PC and Council because of the movement of the standby generator from inside to a self contained unit. Staff is recommending approval with conditions. Smith stated that Chris

Remus, Met Council Environmental Services (MCES) Project Manager, Keith Anderson, HR Green Project Manager, and Ellen Lukin, architect, are present for questions.

Chris Remus pointed out the placement of the generator was to provide for maximum screening with noise directed to the North, and that the parking count remains the same, and additional screening was added.

Hanus asked if the generator is fully enclosed with four sides and Remus confirmed it was. Keith Anderson, HR Green Project Manager, summarized the noise analysis. The evaluation indicated noise levels of 47 – 49 decibels at the three houses tested. MCPA standard is 50 for nighttime hours, which are the most restrictive. Anderson reminded the Council that there is a generator there now that is old and faces the neighborhood. He stated the enclosure is insulated but that you will hear the generator when it is running. Hanus asked about the frequency of maintenance. Remus stated MCES does testing once a month for 30 – 60 minutes during normal working hours.

Salazar asked about the enclosure pictured and Anderson said that is the odor control unit and it does not make noise. Salazar asked why the same enclosure including a roof was not used for the generator in order to contain the noise. Anderson said the exhaust will still be heard and they adopted the standard industry practice.

Hanus stated another option would be to require periodic noise measurements be taken across the street and if a maximum noise level is exceeded the Council could require additional enclosures. Salazar asked what the existing generator noise level is since the City is receiving many complaints. Carlton Moore said that complaints were for a temporary generator versus the current back-up one in the building. He also stated that vibration, not noise, can be the issue. Moore suggested installing heavy duty vibration pads under the generator.

Hanson cautioned that the berm trees should be able to withstand the sand and salt from winter road treatments.

Mayor Hanus opened the public hearing at 8:41pm and upon receiving no comment closed the public hearing.

Salazar asked if the Council would consider a supplemental requirement for further mitigation if the noise exceeds the MCPA standard of 50 decibels. Smith said there is a condition on pg 214 #2 at the bottom that requires conformance with the City Code and MPCA.

Salazar asked if the CUP could be more restrictive and the Mayor said yes, but unsure if that would be necessary. Wegscheid noted the noise levels were measured outside, but people live inside the majority of the time. The Mayor poled Council members to see if they feel the CUP should be more restrictive than the MPCA standards. Gillespie said she lives by a city lift station generator and it does not bother her. Moore expressed concern that city generators are not shielded and imposing stricter standards could become a problem.

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

**RESOLUTION NO. 14-17: RESOLUTION APPROVING APPLICATION FOR A  
CONDITIONAL USE PERMIT AMENDMENT FROM METROPOLITAN COUNCIL  
ENVIRONMENTAL SERVICES (MCES) FOR WASTEWATER TREATMENT FACILITY/SITE  
AT 6270 WESTEDGE BOULEVARD, PLANNING CASE NO. 13-35**

**10. Information/Miscellaneous**

- A. Comments/reports from Council members/City Manager: None were offered.
- B. Minutes:
- C. Reports:
- D. Correspondence: Mediacom Rate Change Increase – February 2014

**11. Adjourn**

MOTION by Gesch, seconded by Gillispie, to adjourn at 8:53p.m. All voted in favor. Motion carried.



Attest: Catherine Pausche, Clerk



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Mayor Mark Hanus