

**MOUND CITY COUNCIL MINUTES**  
**August 28, 2018**

The City Council of the City of Mound, Hennepin County, Minnesota, met in rescheduled regular session on Tuesday, August 28, 2018 at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Wegscheid, Council Members Kelli Gillispie, Jeff Bergquist and Ray Salazar (Arrived at 7:15 p.m.), and Jennifer Peterson

Members absent: None

Others present: City Manager Eric Hoversten, Community Development Director Sarah Smith, Administrative Assistant Rebecca Kress, Richard Strand, Beth Gieseke, Steven Gieseke, and Jason Zattler

*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 Wegscheid called the meeting to order at 7:00 p.m.

**2. Pledge of Allegiance**

**3. Approve Agenda, with any amendments**

**MOTION** made by Bergquist, seconded by Gillispie, to approve the agenda with no amendments. All voted in favor. Motion carried.

**4. Consent Agenda**

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

- A. Approve payment of claims in the amount of \$275,510.39
- B. Approve minutes: 8-15-18 Rescheduled Regular Meeting
- C. Approve Pay Request #2 in the amount of \$41,959.12 to Minger Construction for the 2018 Lift Station Replacement and Sewer Re-alignment Project, PW-18-03, 05
- D. Approve Miscellaneous project-related pay requests for 2017 Street, Utility, and Retaining Wall Improvement Project PW 17-01, 03 and Emergency Storm Sewer Repair on Auditors Rd.
- E. **RESOLUTION NO. 18-84: RESOLUTION AFFIRMING THE CITY OF MOUND HAS NO COMMENTS REGARDING THE 2040 ORONO COMPREHENSIVE PLAN**
- F. **RESOLUTION NO. 18-85: RESOLUTION AFFIRMING THE CITY OF MOUND HAS NO COMMENTS REGARDING THE 2040 HENNEPIN COUNTY COMPREHENSIVE PLAN**
- G. **RESOLUTION NO. 18-86: RESOLUTION APPROVING VARIANCE FOR PROPERTY AT 1680 DOVE LANE**
- H. **RESOLUTION NO. 18-87: RESOLUTION APPROVING EXPANSION PERMIT FOR PROPERTY AT 1566 EAGLE LANE**

**I. RESOLUTION NO. 18-88: RESOLUTION APPROVING SIGN VARIATION/MODIFICATION FOR PROPERTY AT 1861 COMMERCE BOULEVARD**

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

None

**6. Eric Hoversten, City Manager and Public Works Director, requesting Discussion and Action on A Resolution Approving Unbudgeted Expenditure to Repair Parking Lot Pavements in Central Business District Shared Parking Areas**

Jason Zattler, owner of 2345 Commerce Blvd, said he is representing all the members of the Central Business District (CBD) in Mound in regard to this matter before the Council. Zattler said that they are requesting to have the City share in the cost of the repairs to the shared parking areas in a 30/70 split. The City would carry the 30% responsibility and the business owners 70%.

City Manager and Public Works Director, Eric Hoversten presented information regarding the resolution to approve the unbudgeted expenditure to repair the parking lot pavements in the CBD shared parking areas. Hoversten stated that Zattler was instrumental in getting the other business owners to come together for this agreement to take place. Hoversten said that much of this area is public right-of-way, but much of it is also privately owned parking areas. Hoversten said that the City allowed access to the rights-of-way for the Met Council's contractor during the trail intercept project. Hoversten said the contractor stepped outside the right-of-way boundaries without permission and the owners worked with the contractor for a small portion of this area in the middle to be repaired as restitution for the trespass, leaving remnant areas that the ownership group is going to have repaired and asking the City to cost-share. Hoversten stated that the cost of this work, as determined by the contractor, would be around \$19K and the price is appropriate for this work. Hoversten said the City did not budget for this work. Hoversten stated that the action in front of the Council is two-fold. First, to approve an expenditure outside of the budget, however the City has the reserves in the Pavement Repair Fund which is funded by the liquor revenues. This would not be a significant issue financially for the City. Second, is the cost split consideration between the City and the property owners. Mayor Wegscheid asked if the work is a mill and overlay. Hoversten stated that this would be a full reclaim which requires removing the full depth of the pavement, make some grade adjustments to fix some of the drainage problems, and then replace the ground and put an asphalt overlay on the top. Gillispie asked about some of the areas that are not included in the area to be fixed and if there is a reason why these area are not included in the project. Hoversten stated that these areas are owned by a business owner who is not part of the original parking agreement. Peterson asked what the timing would be if this is approved. Hoversten stated that if approved it would take place this fall.

**MOTION** by Bergquist, seconded by Peterson, to approve resolution approving unbudgeted expenditure to repair parking lot pavements in Central Business District shared parking areas. All voted in favor. Motion carried.

**RESOLUTION NO. 18-89: RESOLUTION APPROVING UNBUDGETED EXPENDITURE TO REPAIR PARKING LOT PAVEMENTS IN CENTRAL BUSINESS DISTRICT SHARED PARKING AREAS**

**7. Eric Hoversten, City Manager and Public Works Director, requesting discussion on the use of Park Dedication Fees**

City Manager and Public Works Director, Eric Hoversten, presented information about Park Dedication Fees. Hoversten stated that the 2018 budget included an expenditure from this fund to replace the play structure at Sorbo Park. This expenditure came to around \$27K. There have been \$8.8K in deposits from sub-divisions and the new total of this fund is currently at \$78K. Hoversten said that there are two ways that money gets brought into this fund. First, with minor sub-divisions, which are up to four new lots, the City takes \$1,100 for each new lot created for this fund to offset the impact of those new homes on our community. Legislation allows the City to take land or cash based on language in the City Ordinances. For major subdivisions of more than 5 lots, it is a 10% land or 10% of the bare land value of the subdivided lots in total. There are some restrictions to the taking of cash in the statutes

stating that cash payments must be used only for acquisition and development or improvement of parks, recreational facilities, playgrounds, trails, wetlands, or open space based on the approved park systems plan. Hoversten stated that the question arose if Park Dedication Funds could be used to acquire a Hennepin County tax forfeited property on the south end of Lost Lake area. This acquisition would allow for further growth and better circulation of the Lost Lake area. These properties are not offered by the County very frequently and are offered to adjacent owners before open sale. Hoversten said that the property that the City acquired this spring was offered first to adjacent owners, of which the City is one and was the only bidder, so the property was acquired with the minimum bid value. Hoversten added that this would be an appropriate use of Park Dedication Funds, but that looking at the current Park inventory, the City is watching closely at a handful of parks that will be in need of play structure improvements in the next 5-10 years due to the deterioration of the wooden structures.

Mayor Wegscheid stated that when it comes to bidding on land with Park Dedication Funds, it could be deemed inappropriate if using tax payer dollars against adjacent owner bids. Hoversten stated that in this most recent instance, there were no other participants in the bidding process so this would not have been an issue. Mayor Wegscheid also stated that those funds can be used for future wetland credit purposes since the purchase will improve the wetland area around the Lost Lake area.

Gillispie asked about processes or guidelines that was used to make the decision to purchase the tax forfeited property. Hoversten stated that this was presented in the budget submission documents. Hoversten added that the current funds do not include anything from the potential Harbor District activity and it also does not include any activity from the Serenity project on Halstead Bay. The City is anticipating some additions to this fund as both of those projects complete.

Bergquist asked if the Depot building at Surfside Park is part of the Park Dedication Fund and would it qualify for the use of these funds. Hoversten confirmed that it would be included in the improvement of parks and recreational facilities. The Parks commission has incorporated into its 2019 budget submission some improvements to the carpet in the building, removal of the wall treatments, and some bathroom and kitchen updates as well. Bergquist also asked about a master plan for the Harbor District. Hoversten stated that Staff decided this would be under the Community Development budget under the professional services line item.

## **8. Information/Miscellaneous**

### **A. Comments/reports from Council members:**

Hoversten mentioned that the City is re-noticing the re-scheduled CC/HRA meeting for September 11th to begin at 6:00 p.m. School starts on Tuesday and Running of the Bays event is on September 8th. City Offices will be closed on September 3rd for Labor Day. Hoversten added that November 6 is the General Election and noted that fall is upon us.

- B. Reports: Harbor Wine & Spirits - June & July 2018  
Finance Department - July 2018
- C. Minutes: Planning Commission 05-01-18
- D. Correspondence:

## **9. Adjourn**

**MOTION** made by Gillispie, seconded by Bergquist, to adjourn at 7:35 p.m. All voted in favor. Motion carried.

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Mayor Mark Wegscheid

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Attest: Catherine Pausche, Clerk