

MOUND CITY COUNCIL MINUTES
September 27, 2016

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, September 27, 2016, at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Wegscheid, Council Members Kelli Gillispie, Ray Salazar, Heidi Gesch, and Jennifer Peterson

Members absent: none

Others present: City Manager and Public Works Director Eric Hoversten, Administrative Assistant Mary Mackres, Community Development Director Sarah Smith, Consultant Planner Rita Trapp, City Engineer Dan Faulkner, Assistant City Engineer Brian Simmons, City Attorney Troy Gilchrist, Mike Dudzinski, Kayla Dudzinski, Nicole Brodzik, Edward Molitor, Timothy Babb, B.J. Johnson, Keith & Debi Kullberg, Rita Hughes, Derek & Chantelle Jordahl, Wil Lapham, and Jennifer Fritzler

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. Pledge of Allegiance

3. Approve agenda

Hoversten added a page addition to the agenda providing an expansion on the definition of expenses for park dedication fees. Hoversten added this as a part of item 8, pg 2352A.

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

4. Consent agenda

Salazar requested that Item 4B be removed from consent agenda so that item be amended to read "in celebration of Christmas".

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

A. Approve payment of claims in the amount of \$391,326.54

B. Removed

C. Approve Pay Request No. 4 and Final from Pember Companies, Inc. in the amount of \$10,171.85 for the 2015 Lift Station Improvement Project, City Project No. PW-15-04

D. Approve Pay Request No. 6 and Final from Geislinger & Sons, Inc. in the amount of \$43,663.96 for the 2014 Street and Utility Improvement Project - West Three Points Boulevard Utilities, City Project No. PW-14-01

E. **RESOLUTION NO. 16-116: RESOLUTION AUTHORIZING MAYOR AND CITY MANAGER TO EXECUTE A PERMANENT UTILITY EASEMENT**

F. **RESOLUTION NO. 16-117: RESOLUTION APROVING A VARIANCE AND AN EXPANSION PERMIT FOR 1575 BLUEBIRD LANE, PLANNING CASE NO. 16-28 AND 16-29, PID NO. 12-117-24-43-0044**

4B.REMOVED - Cancel Regular Meeting scheduled for December 27, 2016

Salazar asked that this item be removed to add "in celebration of Christmas."

MOTION by Salazar, seconded by Gesch, to approve Item 4B of the consent agenda. All voted in favor. Motion carried.

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

Ryan Jaeger, 13690 Teresa Place, Eden Prairie. Jaeger is owner and operator of Paddle Tap boats on Lake Minnetonka. Jaeger is here to bring the Council's attention to Article 1, Chapter 50 of the Mound city code which was amended in 2014 to prohibit businesses to operate on Lost Lake channel. Jaeger would like the Council to reconsider this amendment. He would like to be able to pick up and drop off passengers at Lost Lake and maybe even store his boats there in the summer. Jaeger added that all transactions are currently done online with no transactions on the boat or at the dock

Salazar asked for clarification. Jaeger stated he wants to dock his boats at the Lost Lake public boat slips. Jaeger says the slips are often times empty and thought this would be a good utilization of the docks.

Peterson asked if Jaeger had measured the size of the slips to see if the boats would fit. Jaeger responded that the boats would fit.

Mayor Wegscheid recalls discussion on this in the past. Wegscheid's concern is with the current Lost Lake slip owners and that the slips at Lost Lake are set up for transient parking with no overnight parking.

Jaeger says he is currently parking his boats near Lord Fletchers and storing them off-site there as well. Jaeger says the Lord Fletchers site is working fine, but he is looking for an alternate location as some customers would prefer not to be picked up at Lord Fletchers. Jaeger added that parking is a big issue around Lake Minnetonka and that the Lost Lake slips are nice with ample parking nearby.

Mayor Wegscheid stated that if Council has further thoughts about this they should funnel through the City Manager for future discussion.

6. Public Hearing

A. Action on Resolution Adopting Assessment for 2015 Street, Utility, and Retaining Wall Improvement Project - Grandview Boulevard, City Project No. 15-01 - Levy #19365

Dan Faulkner, City Engineer from Bolton & Menk, is here to hold the public assessment hearing for the public improvement project. This meeting was advertised in the local paper and each benefiting property owner was sent a notice of this hearing. All legalities have been covered.

Faulkner summarized the process of the public improvement project. Bolton and Menk created the Feasibility report which was authorized in August of 2014 for the improvement of Grandview & Tuxedo. Both of these projects were in the City's capital improvement program. The Feasibility Report was prepared and brought to Council in October 2014. At that time, public improvement hearing was held in November 2014.

Faulkner stated that during the public hearing meeting in November 2014, residents brought forward the possibility of installing sidewalks on the street project on Grandview. He said due to this new option, the public hearing was extended. After polling residents, it was determined that there was not enough support for the installation of sidewalks. At the public hearing in December 2014, the Council authorized the project move forward without the addition of sidewalks. In April 2015, the public bid process occurred resulting in the bid being awarded to Geislinger and Sons. Faulkner added that the final wear course was completed in June of 2016 with the project being substantially complete except for some punch list items.

Faulkner added that the improvements made during the project were the road bed, curb & gutter, water main replacement, force main replacement, storm sewer improvements, storm sewer line replacement, and an added sidewalk from Bellaire Lane to the school entrance on the north side which was paid by school district.

Faulkner stated that residential properties are assessed on a unit basis and a buildable lot is equal to one equivalent residential unit with different assessments based on properties that abut two streets, larger residential units, school district property and commercial properties.

Faulkner stated one section of the street was built thicker due to amount of traffic on Grandview that section.

He added that the term of the assessment is 15 years at 5% interest.

Gillispie asked why the engineering costs for the project are 32 ½%, which is a big jump from previous street project which have been around 20%.

Faulkner explained the reason for the increase in engineering costs is because the contractor was difficult to work with and the work on the project was extended out due to this and some redesign issues which needed additional engineering.

Hoversten conveyed that the issue relates to the productivity of the contractor and the project was supposed to be complete by last year. The City had to intercede in September of 2015 and withhold the contractor's ability to open up the next portion of Tuxedo to Brighton phase. Hoversten added that because the City had to intercede, the ability to collect liquidated damages was lost and the slow production rate of the contractor made for a slower placement rate by the contractor equates to more supervision by engineers and hence the higher engineering costs.

Gillispie asked that for future projects that staff note which contractor was used and be aware of these issues and if that contractor bids for another project that this issue is documented.

Mayor Wegscheid opens the public hearing at 7:23 p.m.

Faulkner mentioned if there are any questions about specific items in a resident's yard, the Senior Inspector from Bolton & Menk is available in the adjacent room for discussion of these items.

Timothy Babb, 2084 Grandview, inquired about the forced main from Dutch Lake to Hillcrest, was it a 6" pipe? Per Brian Simmons, it was a 6" pipe. Babb also asked if the residents were going to be charged an additional \$10,000 for the retaining wall work. Babb said that there were two people who only worked two days to patch up the old retaining wall.

Faulkner stated that the wall was not in the assessable costs to the residents.

Babb stated that the grass that was to be replaced did not take root and it is all crab grass and weeds. Faulkner agrees that the restoration was unacceptable. The contractor was notified of that. Faulkner has arranged to have a different contractor to get dormant seeding and the prep work for that seeding will take place this week though Babb most likely won't see any grass until next spring.

Mayor Wegscheid closes the public hearing at 7:27 p.m.

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

RESOLUTION NO. 16-118: RESOLUTION ADOPTING ASSESSMENT FOR 2015 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT - GRANDVIEW BOULEVARD, CITY PROJECT NO. PW-15-01, LEVY # 19365

7. Planning Commission Recommendations

Serenity Hill on Halstead Bay Redevelopment Project

Applicants: D. J. Andersen Design Group and Winsted Investments LLC

Rita Trapp, City Planning Consultant, asked to hold public hearing and give consideration to Comprehensive Plan amendment and rezoning of the property at 6639 Bartlett Boulevard. Trapp added that the applicant is D.J. Andersen Design Group and Winsted Investments and their request is to rezone from R-1 single-family residential to R3 multiple-family residential. Trapp added the request is part of a larger development that is both in Minnetrista and Mound. City is currently in the middle of review process for variance. The Comprehensive Plan process and rezoning takes longer and that is why it is being brought forth tonight.

This project is called Serenity Hill on Halstead Bay. The entire project will be on 11.34 acres with 60 units in five residential buildings on the 10.3 acre site in Minnetrista and 10 units in one residential building on the 1.57 acre parcel in Mound. Trapp provided a plan, which is not under discussion this evening, showing the 10 unit building. The Comprehensive Plan and the rezoning request are the items up for discussion tonight.

Trapp stated the City Comprehensive Plan designates this area for low-density residential, which is one to six units per acre. The applicant is requesting it be rezoned to medium-density residential, limiting to seven to 12 units per acre.

In reviewing this Comprehensive Plan amendment, staff kept in mind the vision for Mound which talks about a full service community that is residential in nature. This type of development would provide diversity in the housing stock. Staff feels the re-zoning changes will be appropriate for this site.

Staff feels this plan is an appropriate use for this parcel as this area has been sat for redevelopment for a number of years.

Trapp stated that during the Planning Commission meetings the public wanted to ensure that the parcel is only rezoned if this project goes through. This condition has been added to the rezoning request.

Trapp conveyed that if this project does not go through, any development on this site would need to start from the beginning with the rezoning request and public engagement processes would be involved.

Trapp stated the public hearing was originally scheduled for Oct. 4 and the review of the Plat and Conditional Use Permit will be rescheduled and notice of cancellation was sent out. She added that once a new meeting has been rescheduled appropriate notices will be sent out.

Mayor Wegscheid is interested in Minnetrista's process. Trapp says Minnetrista has moved through the process and have approved the Comprehensive Plan. Minnetrista has added similar rezoning conditions if the project does not go through. Smith commented that Mound and Minnetrista may do a joint presentation to the Met Council.

Mayor Wegscheid opens public hearing at 7:39 p.m.

William Lapham, lives at 6627 Bartlett and owns 6625 Bartlett adjacent to proposed project. Lapham stated that none of the documents that are being discussed were provided to homeowners in the area. He would like to see the documents that detail the stipulation be put in to effect if the project doesn't occur the zoning would have to start over. Lapham would like to see the documents and is concerned about loopholes in these documents. Lapham doesn't want low income housing next to him.

Smith stated that the documents are in the Council packet and there is a copy of the packet here tonight for review with resolutions and comments included in the packet. Smith stated that it is not normal and customary to send packets to neighbors but the City can provide these documents if requested.

Lapham is concerned about the watershed and completion of drainage in a timely manner. Hoversten commented that the Council packet is available online for download.

B.J. Johnson, 6655 Halstead, one lot removed from beach house. He stated he is frustrated with Mound's ability to disseminate information to constituents. Johnson says he could find information with Minnetrista and asked why he couldn't go to Mound's website and find information? Johnson says the City should provide information online. Johnson received a

letter making reference to an attached document, but there was no document attached. Johnson is concerned that the neighbors cannot make a judgment or determination if this is good or bad if they get no documentation.

Johnson noted that every time a project comes forward on this site, a developer proposes 60, 70 units and then it gets chopped down to something more reasonable. Now, it's going to be 70 units no matter what. Johnson feels that this is a high density project that they have to live next to. Johnson asks that the City provide constituents with adequate information before the meetings.

Gillispie informed Johnson that the Council packets go online only a few days prior to the meeting and the City Council does not get this information weeks in advance.

Dan Iverson, developer of the Serenity Hills project, said that this project is done in partnership with Minnetrista. Iverson suggests that if a resident doesn't see the documents they are looking for on the Mound website to go to the Minnetrista site. Iverson states that he has provided more than enough information for both cities.

Mayor Wegscheid closes public hearing at 7:53 p.m.

- A. **Public Hearing** - Consideration to amend City Code Chapter 129 to rezone property at 6639 Bartlett Boulevard (PID No. 22-117-24-43-0007) from R-1 Single Family Residential to R-3 Multiple Family Residential (PC Case No. 16-24)
- B. Consideration of Comprehensive Plan Amendment to re-guide the property at 6639 Bartlett Boulevard from Low Density Residential to Medium Density Residential (PC Case No. 16-33)

Requested Actions

- i. i. Approve Resolution approving Comprehensive Plan Amendment to re-guide property at 6639 Bartlett Boulevard

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

RESOLUTION NO. 16-119: RESOLUTION ADOPTING A COMPREHENSIVE PLAN AMENDMENT FOR 6639 BARTLETT BOULEVARD, PLANNING CASE NO. 16-33, PID NO. 22-117-24-43-0007

- ii. ii. Approve Ordinance to rezone property at 6639 Bartlett Boulevard

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

ORDINANCE NO. 12-2016: ORDINANCE APPROVING REZONING OF 6639 BARTLETT BOULEVARD FROM R-1 SINGLE FAMILY RESIDENTIAL TO R-3 MULTIPLE FAMILY RESIDENTIAL, PLANNING CASE NO. 16-24, PID NO. 22-117-24-43-0007

- iii. iii. Approve Resolution to allow for publication of Ordinance by title and summary (requires 4/5s vote of City Council to approve)

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

RESOLUTION NO. 16-120: RESOLUTION AUTHORIZING PUBLICATION OF AN ORDINANCE BY TITLE AND SUMMARY

- 8. Sarah Smith, Community Development Director, providing an overview of ordinances regarding collection and use of Park Dedication Fees.

Smith provided the Council in their Council packets with a history and summary regarding regulations for park dedication. Smith stated, when a property is subdivided, it requires either a cash contribution or dedication of land as part of the development. Smith added that if you subdivide a property with a single family home on it which creates another buildable lot or a subdivision is three or less lots, this is termed a minor subdivision and the City collects, as part of the plat, one park dedication fee for the new lot being created.

Smith stated the overall intent is that you either dedicate land to accommodate the development and provide amenities for that particular neighborhood or you collect an appropriate fee for the minor subdivision. She added when there is a major subdivision; there is a different fee structure and land dedication structure in which City requires the dedication of land in the amount of 10% of the total square footage of the land or a dedication of cash in the amount of 10% of the assessed value of land per Hennepin County tax records. Smith stated that from a procedural standpoint fees are taken with the recording of the final plat with Park fees put into a separate account and are not to be used for ongoing maintenance. Money is meant for improvements and enhancements of parks and open spaces.

Smith added that staff prepared a list of acquisitions from park dedication fees to the Council. Smith said that staff wanted to share with the Council what the rules say, what the flexibility is, and what the guidelines are.

Mayor Wegscheid thinks there should be four things that should put out there for the Council to discuss:

- 1) Mound's percentage of 10% is a bit of a barrier to development. There is not a lot of space left to develop. As an example, Minnetrista's fee is 5%. As the community is nearly built out, staff should look to the future and how to adjust to losing that revenue stream.
- 2) What does the City do in the future to address that loss of revenue?
- 3) Mound has 30+ parks already. Staff and Council need to look at the parks we have and validate the ones that are lesser used. All of these parks take money to maintain.
- 4) Transparency of process is very important. Look at Information provided; at the very least, the Parks Commission should review this account quarterly and how that money is being spent.

Gesch is the Parks Commission Council liaison. Gesch stated that in the past, the Parks Commission talked about what they would like to see done in the City. Gesch and the Parks Commission never believed there was enough cash to spend. In retrospect, the Parks Commission would have liked to have more input on how the money was spent.

Mayor Wegscheid says that the Parks Commission should question some areas where the park dedication fees were spent. Gesch said that it would be great to have more input before money is spent. Gesch always thought the Parks Commission had no money.

Salazar agrees with Gesch. Was the sign for \$15,000 a good idea?

Mayor Wegscheid says reviewing the park dedication fee summary is a point of engagement for the Parks Commission.

Salazar stated that Mound has 30 parks that are all different. Does the City need that many parks? He added that if the City is going to own parks, they should own them and take care of them. Salazar says Parks should look good.

Wegscheid suggests to the Council that this issue of park dedication fee use should go back to the Parks Commission. They should review the fee percentage and survey surrounding communities to see what they charge. Wegscheid also asks the Parks Commission to look at the future and the park dedication fund and how can City can recoup diminishing funds? Wegscheid added that the Parks Commission needs to decide how to review the fund account and what the criteria for decisions and follow through with quarterly, annua or whatever is decided review. Wegscheid added that the Parks Commission should evaluate the number of Parks in the City and do a conscious inventory.

Smith suggests that since the park dedication fees are part of the subdivision regulation it would be advantageous to go through the Planning Commission for vetting as well. Trapp says the Council should consider input from residents about their use of parks in their neighborhoods.

Mayor Wegscheid suggests a joint commission of the Planning Commission and the Parks Commission to address.

Peterson asks if there is a way to get a quick evaluation of the costs for maintaining specific parks. Hoversten says staff can do a basic summary of costs.

MOTION by Wegscheid, seconded by Salazar, to direct staff to follow up with the Parks and Open Spaces Commission on the points mentioned regarding park dedication fees. All voted in favor. Motion carried.

MOTION by Wegscheid, seconded by Salazar, to direct staff to follow up with the Planning Commission to address points mentioned regarding park dedication fees. All voted in favor. Motion carried.

9. Action to approve minutes from the September 13, 2016 regular meeting

MOTION by Salazar, seconded by Gesch, to approve minutes from September 13, 2016 regular meeting. Wegscheid, Gesch, Salazar, Peterson voted in favor. Gesch abstained. Motion carried.

10. Discussion and possible action on responding to request to appoint one representative to participate in a task force organized to develop a legislative proposal for reforming Metropolitan Council governance.

Mayor Wegscheid suggests naming a committee of two council people with one alternate and in seeing the direction this is moving there should be representatives of the city participating with the Met Council. Wegscheid feels that it is good to take the proactive step of creating a committee.

MOTION by Wegscheid, seconded by Salazar, to create a Metropolitan Council Task Force Committee. All voted in favor. Motion carried.

It was determined that Salazar and Gillispie will be the Mound Council representatives for the task force committee, with Wegscheid as the alternate.

11. Information/Miscellaneous

A. Comments/reports from Council Members

Hoversten noted the following meetings/special events:

- Special meeting workshop set for November 1, 2016
- Regular City Hall hours resume on November 1, 2016 (M-F 8:00 - 4:30)
- November Council Meeting is rescheduled to November 9, due to the General Election
- Planning commission meeting for November will be moved to November 18

B. Reports:

C. Minutes:

D. Correspondence: WeCAN - September 1, 2016

12. Adjourn

MOTION by Gesch, seconded by Salazar, to adjourn at 8:25 p.m. All voted in favor. Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk