

**MOUND CITY COUNCIL MINUTES**  
**January 12, 2016**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, January 12, 2016, at 7:00 p.m. in the council chambers of the Centennial Building.

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

Members absent: Kelli Gillispie

Others present: City Manager and Public Works Director Eric Hoversten, Community Development Director Sarah Smith, Administrative Assistant Mary Mackres, City Attorney Melissa Manderschied, Field Officer Stewart Simon, Katie Morford, Marc Clement, Gene Hostetler, Kevin Retterath, Max Teplitski, Alexander Teplitski

*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**

Mayor Wegscheid acknowledged Eric Hoversten as the new City Manager.

**3. Approve agenda**

Mayor Wegscheid noted that pages 100-104 in the agenda packet have been replaced with pages 100-104.1.

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

**4. Consent agenda**

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

A. Approve payment of claims in the amount of \$268,748.10

B. Approve minutes:

Dec 8, 2015 Regular Meeting

Dec 15, 2015 Special Meeting - Emergency Training & Sewer Update

**C. RESOLUTION NO. 16-01: RESOLUTION APPOINTING HEIDI GESCH AS ACTING MAYOR FOR 2016**

**D. RESOLUTION NO. 16-02: RESOLUTION APPOINTING CITY COUNCIL MEMBERS AS REPRESENTATIVES OF THE CITY COUNCIL TO COMMISSIONS AND COMMITTEES FOR 2016**

- E. RESOLUTION NO. 16-03: RESOLUTION APPOINTING FINANCE DIRECTOR/CLERK/TREASURER CATHERINE PAUSCHE AS ACTING CITY MANAGER FOR 2016**
- F. RESOLUTION NO. 16-04: RESOLUTION APPOINTING FIELD OFFICER STEWART SIMON AS ASSISTANT WEED INSPECTOR FOR 2016**
- G. RESOLUTION NO. 16-05: RESOLUTION APPROVING THE PURCHASE OF AT LEAST A \$20,000 BOND FOR THE CITY FINANCE DIRECTOR/CLERK/TREASURER**
- H. RESOLUTION NO. 16-06: RESOLUTION DESIGNATING THE OFFICIAL DEPOSITORIES FOR 2016**
- I. RESOLUTION NO. 16-07: RESOLUTION DESIGNATING THE LAKER AS THE OFFICIAL NEWSPAPER FOR 2016**
- J. Approve request for commercial kennel license for Mound Emergency Management Division, waiving the fee
- K. RESOLUTION NO. 16-08: 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 2016 Work Plan and Projects: Feb 16, 2016, 7:00 pm
- M. Confirm Open Book meeting by Hennepin County Assessors for May 4, 2016 from 5:00 pm to 7:00 pm to be located at the Centennial Building, 5341 Maywood Road, Mound
- N. RESOLUTION NO. 16-09: RESOLUTION APPROVING PUBLIC LANDS PERMIT FOR SELECTIVE TREE REMOVAL, VACANT CITY LOT, PID 23-117-24-34-0103 IVO 6168 SINCLAIR CT**
- O. RESOLUTION NO. 16-10: RESOLUTION AUTHORIZING STAFF TO DIRECT CONSULTANT TO MIGRATE EXISTING GIS DATA DISPLAY APPLICATIONS TO HTMLv COMPATIBILITY**
- P. Approve Pay Request No. 5 from Midwest Asphalt Corporation in the amount of \$33,970.10 for the 2014 Street, Utility and Retaining Wall Improvements - West Three Points Blvd. Street, City Project No. PW-14-01
- Q. Approve payment of invoice from American Engineering Testing in the amount of \$7,195.00 for geotechnical investigative services and report for Bartlett Boulevard, City Project No. PW-16-01, Tuxedo Boulevard, Phase II, City Project No. PW-16-02 and Cypress/Maywood, City Project No. PW-16-03
- R. RESOLUTION NO. 16-11: RESOLUTION REQUESTING ADVANCE MUNICIPAL STATE AID FUNDING FOR RECONSTRUCTION OF STATE AID STREETS**

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

None

**6. Action to approve minutes from December 17, 2015 special meeting**

MOTION by Salazar, seconded by Gesch, to approve minutes from Dec 17, 2015 special meeting. All voted in favor. Motion carried.

**7. Community Development Director Sarah Smith requesting discussion/action on conditional use permit violation(s) at 4831 Shoreline Drive (Main Street Auto)**

Smith presented background information on the Conditional Use Permit (CUP) for Main Street Auto which originally was approved for the property at 4831 Shoreline Drive in 2002 for Lake Minnetonka Quality Motors. Smith stated the CUP application submitted in 2002 acknowledged that site is in a prominent location in the community as it is a gateway to Mound. Smith stated the intended use of the property, with the 2002 application, was for sale/display of high quality used vehicles and did not include automotive repair activities. The CUP allows for open display of twenty vehicles for sale on the property. Smith stated that the CUP runs with the property so that the 2002 CUP still applies and noted the property was purchased by the Teplitski family in 2009.

Smith stated that the current owners have interest in seeking an amended Conditional Use Permit and have submitted applications which were incomplete. In 2011, this property and the CUP came before Council regarding issues on the property. The issue at the time was the display and storage of commercial-type vehicles, semi truck cabs and trailers, boats, and limos. Concerns were expressed over non-passenger types of vehicles being on the property along with repair activities. The CUP was temporarily revoked by the Council at that time until the activity on the property came into compliance with the CUP. A resolution was adopted by Council reversing the revocation of the CUP in May of 2011.

Smith stated that Staff has been working for the past 12 to 18 months to assist the property owner in bringing the property into compliance with the CUP. Smith reported that the specific activities not allowed by the CUP include vehicle repairs taking place, other types of vehicles on display which are not allowed and over twenty vehicles total on display. Smith stated this information has been detailed in the summary provided to the Council in the agenda packet.

Smith stated that Staff sent a formal letter on December 17th to the owner/operator requesting contact with Staff to discuss these unresolved conditions. Smith said recent photos of the property which note activity which is not in compliance with the CUP have been included in the packet. Smith said Staff did not hear from the owner/operator regarding the requests but noted that the owner/operator of the property were invited to tonight's meeting and that they are present.

Staff offered two options for the Council to consider: a) To revoke the Conditional Use Permit in full due to non compliance, or, b) To revoke the CUP and allow for an opportunity of the revocation to be stayed when site is brought into compliance.

Max Teplitski, owner of Main Street Auto, addressed the Council. Alexander Teplitski, Max's father and co-owner was also in attendance. Teplitski stated that he disagreed with the CUP violations. Teplitski stated the 2002 CUP allows them to have no more than 20

vehicles for sale at the property. He stated that there are more vehicles in back of the property but that they are not for sale. Teplitski stated they are in the process of being inspected after being bought at auctions. Teplitski added that ninety percent of vehicles sold at the business are to local community members. Teplitski stated their employees go through the vehicles to ensure they are high quality and operational before being put up for sale.

Teplitski provided a site plan for the Council to review and stated that he considers the front of property as Shoreline Drive and part of Bartlett Blvd. and that the vehicles in that location are vehicles which are displayed for sale. Teplitski stated that there are no longer semi trucks or limousines on the property. He stated the motorcycles on the property belong to Alexander Teplitski and that they do not store or sell motorcycles on property.

Teplitski presented a plan to the Council which reflected specific placing of parking stalls for vehicles and which would amend the CUP to be able to make minor repairs to vehicles. Teplitski noted the repair activity would only be for vehicles that will be sold by the business.

Teplitski stated he would like to submit his plans tonight including the application to amend the CUP and requested that the Council not act on the revocation of CUP tonight. Teplitski requested time to correct the CUP issues and continue to operate the business in this location.

Mayor Wegscheid stated that the Council strongly supports businesses. The Mayor said he believes the owner is aware of the CUP issues but that there has been a lack of communication from the Teplitskis over the years. The Mayor stated this situation could have been avoided if the Teplitskis would have communicated with Staff. Mayor Wegscheid stated that there is a CUP in place which was agreed to, but agreed it needs to be amended. Mayor Wegscheid explained that the CUP amendment process is a bit more complicated than just handing in papers at tonight's meeting. The Mayor said he would like to see the owner meet with Staff and fully explain their business needs and work through the CUP issues.

Mayor Wegscheid stated the Council needs to decide tonight on how to move forward. Teplinski stated that he is willing to work with Smith this week to come up with a final solution to the CUP.

Mayor Wegscheid stated the CUP amendment will need to go through the Planning Commission process. The Mayor said there are a few options for the Council to consider: 1) the Council can cancel the CUP; 2) the Council can put the CUP revocation on hold until the issues are resolved. The Mayor also offered a possible third option which would give the owner until the next City Council meeting to make very strong progress on complying with the existing CUP and sitting down with staff to work through the next steps to amend the CUP. The Mayor stated if there is not enough progress by next meeting, then the Council will take further measures. The Mayor reiterated that the Council does not want to close the doors of Main Street Auto.

Gesch added she was on the Council in 2011 when the CUP violations occurred. She stated the CUP needs to be clearly delineated and understood by all parties where the vehicles for sale are going to be placed. Gesch stated it was her understanding that the vehicles for sale are only on Bartlett and Shoreline and that on a recent site visit she noted vehicles displayed for sale in another area of the property. Teplitski stated that this is

correct. Gesch says there is a gray area of interpretation of the CUP and when the Council addresses these issues there should be a clear understanding of the number of vehicles allowed and the location for the vehicles written into the CUP amendment. Mayor Wegscheid agreed with this comment. The Mayor said there are parking issues and vehicles for sale issues at the site and there needs to be clearly defined conditions so there is no need for interpretation or "reading between the lines."

Attorney Manderschied summarized procedurally what the next steps should be. Per Manderschied's observations, the Council is moving in the direction of an amended CUP. Manderschied says that such an amendment might include specifics about a site plan, display areas, repair areas, language related to signage, and storage. This would take the shape of an amended CUP that would come before the Planning Commission, who would then make their recommendation to the Council.

Mayor Wegscheid stated it will be up to Staff to ensure progress is made by the owner to work on the concerns brought before the Council or to bring the item back to the next Council meeting for discussion.

Manderschied suggested the Council table this issue to a specific date with one of the requirements being that Teplitski submit a completed and amended CUP application prior to that date. Mayor Wegscheid stated the Council is looking for something more tangible. The Mayor said the owner needs to come in and have a discussion with Smith. Smith says the Teplitskis had previously submitted applications for an amended CUP but the applications were incomplete.

The Mayor stated the Council will table the CUP until the next Council meeting with the expectation being that Teplitskis will make an effort to come in and discuss the CUP with Smith and staff.

Smith reminded the Council the CUP amendment process would need to be in accordance with the City's standard procedures and that it could take up to two months. Mayor Wegscheid stated the Council needs to address what are deemed to be the issues with the CUP amendment process. The Mayor said that the owner will need to work in good faith with Staff to address issues with the existing CUP compliance. Smith stated that she has seen some forward movement from the owner.

Salazar stated that these issues have been going on since Sept. 2011 as described in the Council packet. Salazar says that the owner has had five years to take care of the issues on the property and they still continue in 2016.

Gesch asked Smith if in 2011 was the owner instructed to get down to 20 cars? Smith said that the CUP allows for 20 vehicles for display/sale along with employee and customer vehicles.

Mayor Wegscheid says the Council is serious about these issues and expects the business to comply with the standards established in the CUP. The Mayor stated Teblitski will need to meet with Smith and Simon to bring the property up to standards in the next two weeks.

Manderschied asked if Staff has enough direction from the Council on what the Council is hoping to see on the property. Gesch asks if Staffs' understanding of the CUP is for only 20 vehicles for sale as well as a few employee and customer vehicles. Smith stated that is

correct. Smith stated that any repair activities (other than detailing) and exterior storage of non-passenger vehicles is not allowed.

Manderschied stated that the goal of the amendment is to add more information in the site plan and measurable specifics moving forward.

Salazar stated he has problem with this approach because these issues were brought to the Council in 2011. At that time the owner was told not to do these same things which the Council is discussing tonight. Salazar says we are back again with same problems as in the past. Salazar says he will not go along with option three.

Peterson says she is in agreement with Mayor regarding having a pro-business stance. Peterson says Council will work with the owner to get the CUP amended.

Manderschied says it sounds like there is interest by some of Council to table this item until the next Council meeting with the expectation that Smith would give the Council a report about the status of CUP compliance and indicate that there had been significant substantive movement towards the submittal of an application to amend the existing CUP.

MOTION by Wegscheid, seconded by Peterson, to table item until the next meeting, with all aforementioned discussion items being accomplished. The aforementioned are:

1. Meeting with Staff so that there is a clear understanding of what everything means;
2. In the time being, bringing the property compliant with the current CUP according to how Staff understands it before the next meeting;
3. To submit an amended CUP application.

The following voted in favor: Wegscheid, Gesch, and Peterson. The following opposed: Salazar. The following abstained: none. Motion carried.

**8. Information/Miscellaneous**

- A. Comments/reports from Council Members
- B. Reports: Finance: YTD Nov 2015
- C. Minutes: Planning Commission - Dec 1, 2015
- D. Correspondence: Letter from Mediacom re: rate changes 12-16-15  
Letter from Met Council re: 2016 City I/I Program 12-17-15  
Letter from MMCD re: 2015 mosquito control 11-6-15  
Letter from CenterPoint Energy re: proposed rate increase 8-3-15

**9. Adjourn**

MOTION by Gesch, seconded by Peterson, to adjourn at 7:49 p.m. All voted in favor. Motion carried.

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Mayor Mark Wegscheid

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Attest: Catherine Pausche, Clerk