

MOUND CITY COUNCIL MINUTES
October 13, 2015

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, October 13, 2015, at 7:00 p.m. in the council chambers of the Centennial Building.

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

Members absent: none

Others present: Director of Finance and Administrative Services Catherine Pausche, Director of Public Works Eric Hoversten, Community Development Director Sarah Smith, City Engineers Dan Faulkner and Brian Simmons, Katie Morford, Doug Kaiser, Mark Saliterman, Holly Johnson, Shawna Johnson, Fred Polkey, Nancy Taran, Derek Ervin, Scott Kivisto, Jason Helland, Ben Bunn, Rhonda Bunn, Timothy Gorlov, Nathaniel Reinitz, Susan Baker, Max Avalos, Dana Reinitz, Jamie Yarger, Elizabeth Arkadie, Marie Everson, Len Princivalli, Kent Friedrichsen, Dan Bot, Loren Pellett, Joe Bruns, Richard Brannrud.

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

Mayor Wegscheid noted there were replacement pages for 2579, 2646 & 2647 of the Council packet as well as additional information provided for item 6A.

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

4. Consent agenda

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 \$429,905.37

B. Approve minutes: Sept 22, 2015 regular meeting

C. Approve Special Meeting for December 15, 2015 at 6:30 pm - Emergency Response Training and Sewer Infrastructure Update

D. RESOLUTION NO. 15-108: RESOLUTION AUTHORIZING DRIVEWAY AND APRON REPAIRS AT 6012 EVERGREEN ROAD

E. RESOLUTION NO. 15-109: RESOLUTION AUTHORIZING A FLEET AND EQUIPMENT INSPECTION MAINTENANCE, AND TRAINING CONTRACT

F. RESOLUTION NO. 15-110: RESOLUTION AUTHORIZING A PUBLIC WORKS SHOP GARAGE BAY ROOF REPAIR PROJECT

- G. Approve payment of invoice from Braun Intertec in the amount of \$3,448.00 for construction testing services, Three Points Boulevard West Street Improvements, City Project No. PW-14-01
 - H. Approve Pay Request No. 2 from Midwest Asphalt Corporation in the amount of \$197,833.29 for the 2014 Street, Utility and Retaining Wall Improvements - West Three Points Blvd. Street, City Project No. PW-14-01
 - I. Approve Pay Request No. 3 from Geislinger & Sons, Inc. in the amount of \$461,304.58 for the 2015 Street, Utility and Retaining Wall Improvements - Grandview Boulevard and Tuxedo Boulevard, City Project Nos. PW-15-01, PW-15-02 and PW-15-03
 - J. Approve Pay Request No. 1 from Pember Companies, Inc. in the amount of \$85,714.10 for the 2015 Lift Station Improvement Project, City Project No. PW-15-04
 - K. Approve payment of invoice from Midwest Asphalt Corporation in the amount of \$5,807.00 for repair of manhole at Three Points Boulevard and Maple Manors Court
 - L. Approve payment of invoice from Geislinger & Sons, Inc. in the amount of \$6,910.99 for replacement of sewer service out of existing manhole at Hillcrest Road and Grandview Boulevard
 - M. RESOLUTION NO. 15-111: RESOLUTION APPROVING DRIVEWAY EASEMENT AGREEMENT OVER PID NO. 24-117-24-41-0165**
 - N. RESOLUTION NO. 15-112: RESOLUTION APPROVING A SUBDIVISION EXEMPTION FOR 5913 FAIRFIELD ROAD, PID NO. 23-117-24-42-0120**
 - O. RESOLUTION NO. 15-113: RESOLUTION APPROVING MINOR SUBDIVISION FOR 5901 BARTLETT BOULEVARD, PID NO. 23-117-24-42-0006**
 - P. RESOLUTION NO. 15-114: RESOLUTION APPROVING THIRD AMENDMENT TO THE SUBDIVISION AGREEMENT FOR THE LANDINGS ON LOST LAKE**
 - Q. Approve a 1 Day to 4 Day Temporary On-Sale Liquor License for Our Lady of the Lake Catholic Church and School's October 29, 2015 Iron Chef Sauce Cook-Off Fundraiser
5. Comments and suggestions from citizens present on any item not on the agenda.
Holly Johnson, 3142 Devon Lane, addressed the Council with a question about item E on the consent agenda which was the Resolution Authorizing a Fleet and Equipment Inspection, Maintenance and Training Contract. Johnson and she and her husband own Westside Auto Service and would like the opportunity to bid on the contract. Johnson also asked how the process worked. Eric Hoversten stated the notice for bids was sent out and the City did receive six bids. The lowest bid was from a qualified individual. Pausche stated the City is not obligated to reach out to all businesses in the community though in the future Westside will be offered an opportunity to make a bid on this service. Pausche stated the current contract for this service is on a month to month basis and will be rebid in the future.
6. Public Hearings
- A. Action on Resolution Adopting Assessment for Delinquent Municipal Utility Bills and Certifying to the County Auditor at 5% Interest - Levy # 19112.

Pausche explained the City is following state statute which allows cities to assess delinquent bills which are six or more months overdue as of the assessment date. Pausche stated this process saves the City money by not having to administer a collections function. The City sent out a public notice of the pending assessments and sent letters to both renters and property owners. Delinquent utility bills remain with the property even if the property is rented out. Pausche stated that those people who have delinquent utility bills have until November 13th to pay before the costs are assessed to the 2016 property tax bill.

Mayor Wegscheid opened the public hearing at 7:07pm.

Jamie Yarger, 4621 Manchester Road, brought forward a \$152.00 delinquent utility bill that she believes was incurred by the former property owner. Pausche explained that this discrepancy may have been missed by the title company who should have caught the utility bill when doing the title search. Pausche gave Ms. Yarger her contact information to discuss this further.

Dan Bot, owner of 4828 Lanark Road, said his prior renters incurred a \$2,000 water bill and he is not able to collect from them. Wegscheid stated this has happened in the past but the City has no way to collect these bills without sending the assessment to the property owner. Council Member Salazar explained that the avenue for payment is for the landlord to address this with the former tenant and possibly take the issue to small claims court.

Pausche said the City has \$500,000.00 in delinquent utility bills which it needs to recover. The City will bill either the renter or owner and is also willing to send duplicate bills to landlords, but they need to request it.

Mayor Wegscheid closed the public hearing at 7:16pm.

Requested Action:

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

RESOLUTION NO. 15-115: RESOLUTION ADOPTING DELINQUENT MUNICIPAL UTILITY BILLS AND CERTIFYING TO THE COUNTY AUDITOR AT 5% INTEREST LEVY #19112

- B. Action on Resolution Adopting Assessment for Miscellaneous Expenses and Certifying to the County Auditor at 5% Interest - Levy # 19113.

Pausche explained that the abatements are for items such as mowing the lawns of properties which are meet the nuisance criteria of the City Code. Pausche explained that property owners have until November 13th before the costs are assessed to the 2016 property tax bill.

Mayor Wegscheid opened the public hearing at 7:18 pm.

Elizabeth Arkadie, 6056 Hawthorne Road, wanted to know what the abatement was and when it occurred. Arkadie said she moved in during the year and has been taking care of

the property since she moved to Mound. Pausche said she can call the City to obtain the information.

Mayor Wegscheid closed the public hearing at 7:20 pm.

Requested Action:

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

RESOLUTION NO. 15-116: RESOLUTION ADOPTING ASSESSMENT FOR MISCELLANEOUS EXPENSES AND CERTIFYING TO THE COUNTY AUDITOR AT 5% INTEREST - LEVY # 19113

- B. Action on Resolution Adopting Assessment for Hazardous Building Abatement And Certifying to the County Auditor at 5% Interest - Levy # 19120

Pausche explained this is concerning one property with a large assessment.

Mayor Wegscheid opened the public hearing at 7:21 pm and upon receiving no public comment, closed the public hearing at 7:22.

Requested Action:

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

RESOLUTION NO. 15-117: RESOLUTION ADOPTING ASSESSMENT FOR HAZARDOUS BUILDING ABATEMENT - LEVY # 19120

- C. Action on Resolution Adopting Assessment for 2014 Street, Utility, and Retaining Wall Improvement Project: Three Points Boulevard East, Three Points Boulevard West Utilities, Three Points Boulevard West Street, City Project No. 14-01 - Levy # 19111

Dan Faulkner gave a summary of the cost information for the 2014 project. Faulkner stated the proper notices were sent two weeks in advance of this meeting and published in the Laker newspaper.

Faulkner presented the history of the reconstruction project. Faulkner stated he came before the Council with the Feasibility Report which was requested in September of 2013. The Feasibility report is required for specially assessed projects. The Council approved the project in October 2013 and the public approval hearing was held on November 12, 2013. The Council did authorize the project and bid opening. There was only one bid which was received in response in April 2014 and staff recommended rejection of the bid as it was 30% above the cost estimate.

Staff reexamined the bid and suggested to split the project up between east and west halves and split the west end of the project into a separate utility and a separate street project in order to reduce costs. The east end of the project was completed in 2014 and the west street and utility projects took place in 2015. Faulkner stated all three project costs are substantially complete and the combined assessable costs are lower than the original cost estimate.

Faulkner stated that per the City Assessment Policy, residential lots are assessed on a per unit basis or a fraction of a unit if there are two or more properties and are abutting city streets. City lots are counted in the total number of units. Multi-units are assessed at 75% of the units. For high density residential units like Sea Horse condominiums, they take the total area divided by 10,000 SF to determine the equivalent residential units. Faulkner stated commercial property is assessed as a combination of area and number of commercial properties which are in the project area.

Faulkner showed the cost summary of estimate vs. final and noted some of the costs are higher than the estimates due to the bid climate. Faulkner noted the assessable street cost was based on the standard 28 foot wide city street and any extra width and depth is paid for by the City. The City assesses 2/3 of the assessable street costs. Faulkner noted that new concrete aprons, curb and gutter construction are required and that the City policy is to assess the costs if the structure did not exist or meet the new standards before the project began. These were extra assessments on top of the standard assessment.

Faulkner displayed the assessment hearing notice which was sent to affected residents and highlighted the option to pay off before November 13th or costs will be assessed to property taxes at 5% over 15 years. Partial payments in \$100 increments are also accepted.

Faulkner also stated that if a resident does contest the assessment, the property owner would have to submit a written objection to the City Clerk at tonight's meeting. Faulkner stated residents with concerns about the project rather than the assessment can speak with the inspector in the conference room tonight.

Salazar asked about the bids coming in high when the price of oil has been low this past year. Brian Simmons, Assistant City Engineer, said he looked into the factors which led to the price increase and found limited contractor availability due to large projects in other areas of the metro was the main factor. Simmons noted the second round of bids were more competitively priced and that the price of bituminous is not immediately affected by the price of oil.

Gillispie suggested the difference between the bid amount and final amount also be included in the cost summary so the impact of change orders could be compared.

Mayor Wegscheid opened the public hearing at 7:42pm.

Doug Kaiser, 1701 Shorewood, stated he was contesting the assessment he received for the concrete apron. Kaiser was assessed for \$583. He was told that aprons have to be concrete but Kaiser stated his driveway was concrete. Faulkner said the driveway did not have concrete curbing and the standard apron prior to construction and the driveway was a concrete slab which met the bituminous and wasn't an apron. Faulkner stated the grade of road was slightly lowered during the project. Kaiser said the contractor cut back 5 feet which Faulkner stated is a standard procedure.

Faulkner stated that in previous street projects when property owners had a similar situation with a driveway flat to the street, the existing driveway was removed and replaced by an apron and that the associated costs were assessed.

Discussion ensued about the standards and necessity of the removal of the concrete driveway for the construction of the apron at 1701 Shorewood. Council members were looking for before and after pictures of the project. Discussion continued about the individual assessment of the property.

Eric Hoversten stated that the City has standards for curb and gutter and concrete aprons which are constructed before the road is filled in. The new construction must meet the established City standards in order for the new construction to properly meet the new street pavement. Hoversten stated the driveway at 1701 Shorewood was not a proper concrete apron and would not meet the pavement properly. Hoversten emphasized the driveway apron, or lack thereof, did not meet the City standards and therefore had to be replaced and should be assessed.

Mayor Wegscheid stated the Council would like to see the photos of the driveway before the project was completed and what it looked like after the construction. Kaiser showed photos on his phone of the completed project to the Mayor.

Hoversten explained the process which is completed by the contractor on a street project. This process includes removal of the ends of driveways in order for standard replacement aprons on all affected properties.

Brian Simmons presented a document which showed the height of the new road at center was increased 6 inches so that the 2% crown would be maintained to the curb line.

Mayor Wegscheid asked Kaiser when the driveway was put in and Kaiser said it was completed by the previous property owner and thought it was 12 years ago. The Mayor asked if the permit process should have detected the standards and Hoversten said the standards may not have been the same 12 years ago.

Beth Schmitt, 5420 Three Points Blvd. #204, Sea Horse Condominiums questioned why residents whose streets feed into Three Points were not assessed for the project. Gesch stated that the City picks up a portion of the costs of all construction projects and that the full cost doesn't get assessed to property owners. Gesch explained that residents of the City will have the use of all streets and the City picks up a portion of construction costs which are borne by all taxpayers in the City whether they live on the street or not. Gesch said all residents on City streets will have received an assessment by the time the street projects are complete.

Lana Litzkow, 5450 Three Points Blvd. #614. Litzkow stated she lives at Sea Horse as well. Litzkow asked why the assessment wasn't charged per linear foot and how the City came up with a 10,000 square foot lot as determination for calculating the equivalent residential units for Sea Horse.

Hoversten said the per unit approach has been used versus market value/linear footage with the thought being every property owner would pay a fair share over the life of the street reconstruction projects.

Gesch said both sides of the conversation regarding how to structure the assessment has been debated over the years and Wegscheid said this is the policy that was adopted at the onset and can't be changed. Gillispie stated that even if assessments are done differently by other cities, she believes this assessment formula works for Mound.

Susan Baker, 5300 Three Points Boulevard, wanted to confirm there will be no assessment for the final wear course or the top layer of the street and Hoversten confirmed there is no additional assessment for the final layer of street.

Hoversten said the philosophy of waiting to do the wear course is to have the reconstructed road, prior to placement of the wear course, to be tested under winter weather conditions and freeze and thaw cycles. The street construction is under a warranty and waiting one year to put on the wear course extends the warranty and provides the opportunity to identify problem areas while still under warranty.

Mayor Wegscheid closed the public hearing at 8:28pm.

Requested Action:

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

RESOLUTION NO. 15-118: RESOLUTION ADOPTING ASSESSMENT FOR 2014 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT - THREE POINTS BOULEVARD EAST; THREE POINTS BOULEVARD WEST UTILITIES; THREE POINTS BOULEVARD WEST STREET; CITY PROJECT NO. PW-14-01 LEVY # 19111

7. Council Members Jennifer Peterson and Heidi Gesch Requesting Action on a Resolution Approving an Interim City Manager Independent Contractor Agreement

Peterson stated that she and Gesch met with staff to develop a process for evaluating and interviewing candidates for the interim position. The team interviewed three candidates. Peterson stated the candidate chosen will work 15 hours a week and assist in the hiring process of a new City Manager.

Requested Action:

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

RESOLUTION NO. 15-119: RESOLUTION APPROVING AN INTERIM CITY MANAGER INDEPENDENT CONTRACTOR AGREEMENT

8. Information/Miscellaneous

A. Comments/reports from Council Members/City Manager
Mayor Wegscheid invited and encouraged the public to apply for a commission vacancy in the POSC and DCC (non-abutting dock holder). Applications are available on the City website or call City Hall for an application or more information.

B. Minutes: Planning Commission - Sept 1, 2015

C. Reports:

D. Correspondence:

9. Adjourn

MOTION by Gesch, seconded by Gillispie, to adjourn at 8:33 p.m. All voted in favor.
Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk