

MOUND CITY COUNCIL MINUTES
October 25, 2016

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, October 25, 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, Director of Finance and Administrative Services Catherine Pausche, Nicole Brodzik, Aubrie Gould, Megan Lachenmayer, Blake Hopkins, Jan Callison, George Linkert, Andrew Whitmore, Ariel Crawford, Noah Brammer, Kari Johnson, Neil Schmalz, Grant Sterne, Katie Priericz, Shane Wiskos, Calvin Christenson, Alex Otteson, and Bobby Kohman.

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 7:06 p.m.

2. Pledge of Allegiance

Mayor Wegscheid introduced high school students in the audience and asked the group to select a representative to come forward.

Noah Brammer, 5880 Sunnybrook Lane, Minnetrista, stated the majority of the students at the meeting tonight are from Mr. Heal's Advanced Government class.

Wegscheid pointed out to the students that the Council is also a body that has been selected by the community to represent them.

3. Approve agenda

Hoversten noted a replacement page 2682 has been provided which specifies the estimated value for the developer items. Hoversten apologized for omitting the County Commissioner's update and request that be added as Item 5.1 to the agenda.

MOTION by Salazar, seconded by Gesch, to approve the agenda as amended.
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 \$865,908.56

B. Approve Resolutions Receiving Feasibility Reports and Setting Public Improvement Hearings:

- a. RESOLUTION NO. 16-133: RESOLUTION RECEIVING FEASIBILITY REPORT AND CALLING FOR HEARING ON THE 2017 STREET, UTILITY, AND RETAINING WALL IMPROVEMENT PROJECT - LYNWOOD BOULEVARD/FAIRVIEW LANE, CITY PROJECT NO. PW-17-01**
- b. RESOLUTION NO. 16-134: RESOLUTION RECEIVING REASIBILITY REPORT AND CALLING FOR HEARING ON THE 2017 STREET, UTILITY, AND RETAINING WALL IMPROVEMENT PROJECT - WILSHIRE BOULEVARD/MAYWOOD ROAD/HIDDENVALE LANE, CITY PROJECT NO. PW-17-02**
- c. RESOLUTION NO. 16-135: RESOLUTION RECEIVING FEASIBILITY REPORT AND CALLING FOR HEARING ON THE 2017 STREET, UTILITY, AND RETAINING WALL IMPROVEMENT PROJECT - TUXEDO BOULEVARD - PHASE III, CITY PROJECT NO. PW-17-03**

C. RESOLUTION NO. 16-136: RESOLUTION APPROVING MASTER PARTNERSHIP CONTRACT WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION

D. RESOLUTION NO. 16-137: RESOLUTION APPROVING CHANGE ORDER NO. 1, 2016 STREET, UTILITY & RETAINING WALL IMPROVEMENTS - BARTLETT BOULEVARD, CITY PROJECT NO. PW-16-01

E. RESOLUTION NO. 16-138: RESOLUTION APPROVING CHANGE ORDER NO. 2, 2016 STREET, UTILITY & RETAINING WALL IMPROVEMENTS - BARTLETT BOULEVARD, TUXEDO BOULEVARD PHASE II AND MAYWOOD ROAD/CYPRESS LANE, CITY PROJECT NOS. PW-16-01, PW-16-02, PW-16-03

F. Approve a 1-Day to 4-Day Temporary On-Sale Liquor License for Our Lady of the Lake Catholic Church's November 5, 2016 CCW Luncheon Fundraiser

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

None offered

5.1 (added)Hennepin County Commissioner's Update provided by Commissioner Jan Callison

Jan Callison, Hennepin County Commissioner for Mound provided updates on Hennepin County and the county preliminary budget for 2017.

Callison stated the Ridgedale Library will undergo a significant renovation in the spring of 2017 and will be closed for 8-10 months as it has been 20 years since the last major upgrade. She added that library computers, meeting rooms, and mechanical systems need upgrading and added that the Courts and the Social Service center will remain open during this renovation.

Callison stated that the capital improvement plan shows that the Mound Westonka Library is due to be refurbished in 2021. She added that this will be a \$6 million project and the community will be engaged in the process.

Callison reminded everyone that there is an election in two weeks and that electronic poll books have been added in Hennepin County to make the process more efficient and secure. Callison said there won't be paper roster books for election judges to look through and judges will use an iPad device to look up voters' information.

Callison said 99,000 early voting ballots have been issued with 56,000 ballots returned as of October 24th.

Callison reported pregnancy prevention efforts in the County have been a focus and has been successful. Callison said there were 477 babies born to teen moms in 2015 compared to 1,170 in 2007, noting teenage moms are much more likely to need social services than other mothers. Callison noted the percentage reduction in the County was higher than that of the State of Minnesota.

Callison reported the County is also looking at changes to recycling to focus on organics as a result of a mandate from the State. Callison said the County is encouraging people to shift to organics recycling and the City is eligible to receive score funding from Hennepin County to help in this area. She stated County staff are proposing an ordinance in Hennepin County to ask haulers to offer the option of organics recycling with participation in the program tied to score funding. Callison added that this program could be coming in early 2017.

Callison said the County property tax base for 2017 is back to the pre-recession 2008 level, but noted that the percent of the tax base that is due to apartments has grown and the percent of the tax base due to single-family residential has gotten smaller, therefore a higher percentage of tax burden has shifted to apartments. In addition, Callison noted new construction, additions and renovations for almost every City in the County has not gotten back to the 2008 level for property taxes.

Callison informed the Council that the County maximum levy was set at a 4.49% increase but the County is expecting the budget will be reduced slightly overall due to declines in programs not funded by property taxes offsetting increases in programs funded by taxes. Callison added there are a number of things that change in a budget and one of those changes is the use of body cameras. She added that many cities in Hennepin County including the Sheriff's office are asking for body cameras which will affect the County's workload as jurisdictions have to store the information. If information is used on a case with the County attorney it would need to be reviewed, transcribed, and stored and at an additional cost of \$5 or \$6 million.

Callison stated that child protection is also another significant budget area and state standards have changed which affects the County's workload. She stated child protection is a State mandated service the County must provide and in 2008 the County had 11,000 cases reported to child protection services and in 2016 the County is anticipating 22,000 reported cases. Callison added each reported case needs to be investigated and the County attorney, social services and foster homes can be involved which will result in a substantial increase in the County staff workload.

The second area Callison wanted to bring up is the Minnesota Eligibility Technology System (METS), which is the computer system the County uses to deal with the MNSure program. The

METS is provided by the state and doesn't work as well as the County's system, but noted the State is now requiring that more of the County's cases be put on the METS system also increasing time and expense.

Callison stated the proposed County property tax levy increase would be \$84 per year for the median valued home in Mound, which is \$213,000.

Gillispie asked Callison if she has a stance on the Metropolitan Council Governance Reform Committee. Callison commented that she only saw what was in the newspaper and Hennepin County has not expressed a position on this issue yet.

Gesch asked Callison why there would still be a need for a 4.49% property tax increase if the County budget was decreasing. Callison explained that the property taxes are used areas where there are no state resources, like for libraries, whereas social services are supported by state or federal funds. She added that when there is a funding gap, property tax revenues make up for the gaps. She said her examples of more staffing needed for the MNsure computer system and child protective services are examples of funding gaps.

Gillispie asked about organics recycling. Callison stated that trash haulers would have to offer organics recycling as an option for Hennepin County residents. Gillispie asked about costs. Callison said that she has not seen what the increase in costs are. Gesch asked if Hennepin County passed an ordinance requiring trash haulers to provide organics recycling and a hauler wasn't able to provide this service, would the hauler be unable to serve in Hennepin County? Callison said she doesn't think that would happen. Gesch stated she would like Hennepin County to think about the small community-based haulers. Salazar asked if organics is better for recycling. Callison said that the organics recycling reduces the materials going to a landfill by using them in a composting facility instead. Salazar asked if the residents' trash bills will increase. Callison stated that residents will have to opt in to the program and cities receive funds from the County for participating in recycling programs. Gillispie asked that the County focus on helping small businesses in this organics recycling process.

6. Planning Commission Recommendation

- A.** Public Hearing - Review of application from Tom Penn, on behalf of Sojourn Adult Day Services LLC, for proposed amendment to Conditional Use Permit for property located at 5200 Maywood Road

Smith presented a request submitted by Tom Penn, on behalf of Sojourn Adult Day Services whose current use of the facility is an adult day care. Smith said the original CUP had a cap of 30 participants which was amended to 40 program participants and now is asking for a cap of 50 participants due to increased demand.

Smith stated operations at Sojourn would not change and adding 10 participants will add an additional 1 or 2 employees and 2 or 3 vehicle trips in the morning and afternoon at Sojourn.

Smith stated the CUP amendment requires a public hearing and this request has been reviewed by the Planning Commission and they have recommended approval. Smith noted thirty to 35% of the participants are from Mound.

Smith stated that staff recommends approval of the CUP request with the conditions outlined in the summary. She said one of the original conditions of the CUP was the

execution of a shared parking agreement with St. John's Church which allows the use of 15 parking spaces. That agreement is valid for five years, with an option for a five-year renewal.

Smith said the City Attorney reviewed and recommended that the replacement agreement be prepared to include 2010 CUP and be supplemented by actions that approved the 2011 amendment as well as the 2016 amendment.

Wegscheid asked if there would be any additional cost to St. John's or Sojourn to update the agreement. Smith said she does not foresee that. Gesch asked if there would be additional attorney time involved for the City. Smith said she does not think it would involve much more time for City Attorney.

Smith commented that no one from the public attended the planning commission meeting when the CUP was reviewed. Smith did receive a phone call from an interested person with a question regarding the current route for busing. Smith stated there would be no issue with the current busing route and noted that individual did not return her call.

Requested Actions

- a. Action on Resolution amending and restating conditional Use Permit approved by Resolution No. 10-71 and Resolution No. 11-43 for property located at 5200 Maywood Road

Mayor Wegscheid opened the public hearing at 7:38 p.m. and upon receiving no comment, closed the public hearing.

Gesch asked if there was any feedback from anyone within the 350 foot area of Sojourn, recalling that concerns for street parking were noted in the past.

Smith said that she did not receive any phone calls or anything in writing about parking and said she has been driving by the facility at different times of day to get a gauge for the parking and sees a few cars parked on the east side of Hidden Vale Lane. The concern expressed by Sojourn was that requiring other building tenants to enter into a parking agreement as part of the CUP would be difficult. Smith says there could be people parking on the street, but it is a public street and open to parking by anyone unless so signed. Smith also stated that if parking becomes a problem the City has the opportunity to revisit the issue.

Co-director of Sojourn, Kari Johnson, 5200 Maywood, said she recalls a meeting in 2013 with concern about parking, which was mostly about the smaller companies in the building and their parking needs but those companies are not there anymore. Johnson said she has seen a dramatic decrease in parking needs and noted Sojourn staff park in the church parking lot or on Maywood Road.

Wegscheid asked Johnson for her opinion on the shared parking agreement renewal.

Johnson said that the need is overwhelming for the vulnerable people that need Sojourn's services and it would be a shame to turn people away, so if the City needs Sojourn's assistance to help with any additional attorney costs they are willing to help out.

Gesch asked if the increase in participants would include two to three more vehicles. Johnson said Sojourn is working with Metro Mobility in order to make fewer trips.

Gesch asked what is normal now with regards to traffic. Johnson says that a rough estimate is one transit link bus and two to three Metro Mobility buses per day.

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

RESOLUTION NO. 16-139: RESOLUTION APPROVING AMENDED AND RESTATED CONDITIONAL USE PERMIT AMENDMENT FOR PROPERTY LOCATED AT 5200 MAYWOOD ROAD

7. Discussion/consideration of Major Subdivision - Final Plat ("Indian Knoll Manor") and Development Agreement for Indian Knoll Manor apartment remodel/addition and new townhome construction project located at 2020 Commerce Boulevard and 5524 Spruce Road

Applicant: IKM Limited Partnership / Aeon

Smith presented three requests for actions related to the Indian Knoll Manor (IKM) project regarding the redevelopment of the IKM property including the adjacent property at 5524 Spruce. Smith said the proposal is for the redevelopment of the property, including a substantial remodel and addition to the current apartment building, adding five new apartments to the complex and 10 new townhomes. She added, the preliminary plat, conditional use permit, expansion permit, and variances were granted in July and this is the second part of the subdivision procedures.

Smith stated the HRA has been requested to sign the final plat for the project and it has since been determined that the recording of deed will take place prior to the final plat being recorded. Smith added that the City Council will be a signer of the official mylar recorded at Hennepin County.

Smith said the arrangement and layout of the final plat is consistent with the previously approved plat. She stated conditions referenced in the final plat are that the Council and the developer enter into a developer agreement which has been put together by staff and reviewed by the City Attorney and Aeon's team. Smith mentioned that the developer is responsible for the payment of 9 trunk fees for sewer and water, which is the same number determined by the Met Council when they reviewed the site plan. The City attorney prepared a title opinion ensuring that everything is in good working order.

Smith stated there is a third action tonight which includes the termination and rescinding of the previous actions on the previous parking lot project. She stated the new project will have site activities that are current and related to the plan development area and conditional use permit granted back in July and noted that the development agreement mentions that the park dedication requirement has been met.

Smith reminded to the Council that the final plats do not require review by the Planning Commission per code and do not require a public hearing making this activity more of a housekeeping and administrative function.

Smith states that it is important for the Council to understand that the order of recording is in the appropriate order.

Blake Hopkins and Aubrie Gould from Aeon shared additional graphics on the project and thanked City staff for all the feedback and assistance over the last year and a half and noted that the project is just 3 ½ wks from closing. Hopkins noted that Aeon has received an email from Hennepin County that the plat has been approved and Hopkins presented material samples and color schemes for the project. Hopkins stated the existing IKM building will be white, with brown and blue gray accent colors while the townhomes will be blue and brown with the windows edged in white.

Wegscheid commented that overall, this is great for all parties involved.

Gillispie asked about the exterior materials and is pleased that they are long lasting and hardy.

Requested Actions

- a. Action approving Major Subdivision - Final Plat for Indian Knoll Manor

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

RESOLUTION NO. 16-140: RESOLUTION APPROVING THE MAJOR SUBDIVISION - FINAL PLAT FOR INDIAN KNOLL MANOR

- b. Action approving Development Agreement for Indian Knoll Manor

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

RESOLUTION NO. 16-141: RESOLUTION APPROVING DEVELOPMENT AGREEMENT FOR INDIAN KNOLL MANOR

- c. Action approving Resolution terminating Resolution No. 89-141 for fence height variance and Resolution No. 05-119 for conditional use permit and variance for property located at 2020 Commerce Boulevard

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

RESOLUTION NO. 16-142: RESOLUTION TERMINATING VARIANCE APPROVED BY RESOLUTION NO. 89-141 AND CONDITIONAL USE PERMIT AND VARIANCE APPROVED BY RESOLUTION NO. 05-119 FOR PROPERTY AT 2020 COMMERCE BOULEVARD

- 8. Approve minutes from October 11,2016 regular meeting

MOTION by Salazar, seconded by Gesch, to approve minutes from October 11, 2016 regular meeting. Wegscheid, Salazar, Gesch, and Gillispie voted in favor, Peterson abstained. Motion carried.

9. Information/Miscellaneous

A. Comments/reports from Council Members

Hoversten noted the following meetings/special events:

- Regular City Hall hours resume on October 31, 2016 (M-F 8:00 - 4:30)
- Special meeting workshop set for November 1, 2016
- November Council Meeting is rescheduled to November 9, due to the General Election
- Planning commission meeting for November will be moved to November 15
- City offices closed on November 11 in recognition of Veterans Day

Gillispie informed everyone that the Westonka Community and Commerce will host a free tailgating event including food and beverages, prior to the Mound Westonka football game on Saturday, October 29.

- B. Reports:** Finance Dept. - August 2016
- C. Minutes:**
- D. Correspondence:** Planning Commission Openings
City of Mound - Notice of Election - November 8, 2016
LMCD - October 14, 2016 - Appointment of 2017 LMCD Board Members

10. Adjourn

MOTION by Gesch, seconded by Gillispie, to adjourn at 8:05 p.m. All voted in favor. Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk