

MOUND CITY COUNCIL MINUTES
November 24, 2015

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, November 24, 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

Members absent: Council Member Jennifer Peterson

Others present: Director of Public Works Eric Hoversten, Administrative Assistant Mary Mackres, Assistant City Engineer Brian Simmons, City Engineer Dan Faulkner, Director of Community Development Sarah Smith, Director of Finance and Administrative Services Catherine Pausche, Interim City Manager Bob Derus, Katie Morford, Douglas Dion, Ray Chamberlain, Jackson Long, Nancy Long, Marjorie Lemke, Steve Hudak, Bev Beno, Laden Acanal, Chuck Levake, John Petersen, Gene & Becky Hill, Tom Lavoie, Andrew Sletten, S. Johnson, John & Kristin Beise, Andy Weigman, Cheryl Goode, Dave Goode, Jim Bedell, Dan Jensen, Julianna Aurondola, Ralph Kempf, Todd Courneya, Glenda Sime, Brett and Thea Herdendorf, Carolyn & Howard Leopold, T. Emry, Sophie Nagel.

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 students from Westonka High School who were at meeting to observe. Laden, an exchange student from Turkey, introduced herself as a representative from Westonka High School.

3. Approve agenda

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 \$253,711.13

B. Approve minutes: Nov 17, 2015 Special Meeting - Town Hall

C. Approve policy ADMIN-003 Vacation of Public Lands Leading to Public Water

D. RESOLUTION NO. 15-135: RESOLUTION APPROVING VARIANCES TO ALLOW SIX (6) FOOT WEST SIDE SETBACK AND 40 PERCENT HARDCOVER FOR 1989 LAKESIDE LANE, PLANNING CASE NO. 15-19, PID NO. 18-117-23-23-0077

E. RESOLUTION NO. 15-136: RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENT WITH HOISINGTON KOEGLER GROUP INC.

- F. Approve pay request No. 11 and final from GMH Asphalt Corporation in the amount of \$11,800.90 for the 2013 Street, Utility and Retaining Wall Improvement Project, City Project Nos. PW-13-01, PW-13-02, PW-13-05
- G. Approve payment of invoice from Braun Intertec in the amount of \$4,572.00 for construction testing services, Three Points Boulevard West Street Improvements, City Project No. PW-14-01
- H. Approve payment of invoice from American Engineering Testing, Inc. in the amount of \$2,870.45 for construction testing services, 2015 Street, Utility and Retaining Wall Improvements - Grandview Blvd. and Tuxedo Blvd., City Project Nos. PW-15-01 and PW-15-02
- I. Approve Pay Request No. 2 from Pember Companies, Inc. in the amount of \$7,691.58 for work completed on the 2015 Lift Station Improvement Project, City Project No. PW-15-04

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

None.

6. **Action approving minutes from November 10, 2015 regular meeting**

MOTION by Salazar, seconded by Gesch, to approve the minutes. The following voted in favor: Wegscheid, Gesch, Salazar. The following voted against: none. The following abstained: Gillispie. Motion carried

7. **Public Hearing**

Brian Simmons, Assistant City Engineer, presenting the revised feasibility report for the 2016 Street, Utility, and Retaining Wall Improvement Projects and requesting action on resolutions ordering improvements and preparations of plans

Simons stated nothing significantly has changed since last feasibility report to the Council. Simons stated that the Bartlett Boulevard reconstruction project has an estimated cost of \$1.2 million. The assessable street cost is estimated at \$472,000 based on the City paying 1/3 of the assessable cost.

The Tuxedo Boulevard project has an estimated total cost of \$801,000 with an assessable street cost of \$415,000.

The Cypress Lane and Maywood Road project has an estimated total cost of \$541,000 with an assessable street cost of \$196,000.

Simons stated the three projects will not expand the size of the street and will use existing sidewalks and curb stops if in good condition. The assessable cost to residents is the cost for replacing a standard width street. Simons noted the projects will also replace and upsize a significant amount of water mains and that there will be minimal sanitary sewer work. The storm sewer catch basins will be replaced if needed and additional catch basins will be added to improve drainage in some areas. The Bartlett and Tuxedo projects will include retaining wall improvements.

Simons stated that after the October 27 meeting when the original feasibility report was presented, he met with City staff to evaluate the Equivalent Residential Units (ERU's)

related to the three projects. The Lakewinds Condominiums wasn't part of the original feasibility report / assessment roll but has been added and all Lakewinds residents have been notified of potential assessments. Staff then re-evaluated the costs and assessments of the project with the additional ERUs attributable to Lakewinds, which reduced the estimated assessment amount per ERU.

Staff also looked at factors which affect the assessment to the properties adjacent to the project and completed a Comparative Worth Analysis which recalculated the assessments so no residential property owner would pay beyond a \$6600 assessment per ERU. This maximum assessed amount has been the standard for projects completed in the past 11 years. Simmons stated any amounts above the \$6600 would be funded by the City's special debt levy.

Simmons noted assessed values of the reconstruction is \$7,307 per ERU for the Bartlett Boulevard project. Commercial property assessment estimates have not changed and will pay the full assessed amount. Salazar says it may not be fair that the residential properties don't have to pay the full 2/3 assessment as other residents have done in the past.

Mayor Wegscheid asked Simmons to comment on the Municipal State Aid (MSA) funds available to pay for a portion of the projects. Simmons said the City uses these funds to build stronger and wider streets per the state aid standards, but that the MSA funds are independent of the assessment process because the assessment amount only reflects a standard street.

Simmons said the estimated Tuxedo assessment is \$7,701 spread across 33 ERU's. Cypress and Maywood ERU is \$6,786 with the commercial properties taking up a large portion of the assessment.

Salazar and Simmons discussed the particulars of these projects and if it was equitable to cap the assessed amount to each ERU. Hoversten suggested that the Council take into account what the value of a new street is in front of any lot and question the amount of traffic and people who benefit from the improvements in addition to just looking at the number of people who live on the road. Hoversten noted using the \$6600 comparable value of the improvements is more fair to property owners on these roads that have fewer ERU's than past reconstruction projects but are used by a greater number of residents as they serve as feeder streets.

Gillispie also noted there is less utility infrastructure to reconstruct on these projects compared to the past projects and therefore other funds are not available to help defray the street assessment costs.

Simmons presented the timeline for completion of the projects. Bids would be accepted in March 2016. Construction would begin in June 2016 and be completed by June of 2017 with an assessment hearing scheduled for the Summer/Fall of 2017.

Simmons noted that the assessable amount above the \$6600 cap is estimated to be \$62,000 which would be funded by the special debt levy. Hoversten added the assessment will be certified to the County in November of 2017, so any unpaid balance would be spread over 15 years and begin with property taxes payable 2018.

Public Hearing for the Bartlett Boulevard Project

Mayor Wegscheid opened the Public Hearing at 7:35 p.m.

David Goode, 4991 Bartlett. Goode stated that he has lived there 22 years. Goode stated there are no sidewalks on Bartlett and it is used as a thoroughfare with heavy use by commuters and residents walking along the street as well as commercial trucks which are driving over the 30mph speed limit. Goode stated that the width of Bartlett enhances the tendency of drivers to speed on the street. Goode encourages emergency vehicles to use other roads whenever possible, to paint bike and pedestrian lanes and to consider installation of speed bumps to slow traffic down for safety.

Ray Chamberlain, 4913 Bartlett, said he is also concerned with width of Bartlett. When Bartlett nears Norwood the street gets narrower. He asked if the whole section of Bartlett could be widened. Simmons commented that the City will be replacing water mains but not the sanitary sewer. Hoversten stated the sewer lines in this area are structurally intact and future repairs will be done by sewer cure-in-place lining which does not require extensive excavation. Hoversten stated this is a more precise method in repairing sewer systems and will be completed city-wide based on more immediate need.

Chamberlain asked about parking during the project. Simmons stated residents will be able to use their driveways most of the time during the project and will be notified when their access will have to be blocked. Simmons commented that residents will be able to get in and out of their properties during the morning and evening.

Jim Bedell, 2627 Wilshire, stated he owns 2 commercial properties on Bartlett. Bedell asked why there is a \$1M difference between Tuxedo and Bartlett projects. Simmons and Hoversten commented there is a \$400K difference in the projects which is due to the sidewalk replacement on Tuxedo.

Mayor Wegscheid closes public hearing for Bartlett at 7:44 p.m.

Mayor Wegscheid commented that there was good feedback from residents. There was no further discussion by the Council.

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

A. RESOLUTION NO. 15-137: RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS FOR 2016 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT - BARTLETT BOULEVARD - CITY PROJECT NO. PW-16-01

Public Hearing for the Tuxedo Boulevard Project

Mayor Wegscheid opened the Public Hearing at 7:46 p.m.

John Beise, 3124 Tuxedo Blvd., read a statement with 5 points of concern regarding residents in the project area:

- 1) The high percentage of partial ERUs on Tuxedo Blvd. Beise and residents are asking the city to look for a solution to help level out the cost imbalance for this project in comparison to previous projects.
- 2) The ERU system for assessing property owners seems unfair. Calculations for Seahorse, Grandview, and now Lakewinds are different than previous standards. Beise questioned why Lakewinds wasn't assessed with more ERU's.
- 3) Tuxedo assessments are high because utilities can be serviced instead of replaced. Residents are asking this to be considered when setting a fair assessment rate for Tuxedo.
- 4) The age of Tuxedo and how long it will last. This road was replaced in 1990 and is already past due for replacement again. Due to high traffic on this road Beise stated Tuxedo will need to be replaced twice as often as any other city road in Mound. Residents on Tuxedo will be paying double since they will pay twice as often as other residents of Mound due to it being a main collector street.
- 5) Proposed optional cap of \$6600 is still high. Beise suggests the ERU cost should only be about \$5,585.

Nick Peterson, 3136 Tuxedo, asked if the retaining wall was getting replaced on Tuxedo and Simmons said retaining walls are going to be reconstructed. Peterson asked what else is being replaced under Tuxedo. Simmons stated that there will be some digging and repairing of valves and hydrants and storm sewer replacement.

Bev Beano, 3000 Tuxedo, brought up the number of potholes on Tuxedo. She noted the heavy equipment and traffic using Tuxedo. She believes these vehicles are over the tonnage limits. She asked if Tuxedo will be stripped and was informed that this will be done during project.

Vince Forystek, 3131 Inverness, stated there are no driveways onto Tuxedo from the Lakewinds Condos. There is nothing Lakewinds does with Tuxedo. He stated the building and driveway are actually on Wilshire.

Hoversten commented that Wilshire at the front of Lakewinds is a county road and the assessment is not based on where your driveway is but if your property affronts the street. Forystek noted there sidewalk narrows and there are no street lights operating in the area. Forystek also asked the City to clean up the leaves in the area.

Brad Herdendorf, 3118 Tuxedo, wanted to get a better understanding of the policy on determining assessments.

Mayor Wegscheid closed the public hearing for Tuxedo at 8:03 pm.

Mayor Wegscheid responded to the points of consideration which John Biese presented during the public hearing including the ERU procedure which the Mayor stated he felt the staff recommendation was fair. Simmons responded to the Lakewinds ERU question. He described that he took the frontage of the Lakewinds property which is 171 feet and divided by 60 which is the standard frontage of city lots and came up with the 3 ERU's. This is based on the comparative worth of the benefit of the project to the property.

Gesch stated the frontage is on both Tuxedo and Wilshire but Simmons noted Wilshire is a County Road and will not be assessed for future improvements.

Mayor Wegscheid thinks this calculation may need to be reviewed again. Hoversten stated there will be another assessment hearing at the end of the project.

Mayor Wegscheid re-opened the Public Hearing for the Tuxedo Project at 8:22 pm.

Chuck Lavake, Lakewinds Condo on-site manager, said he spoke with city engineer and staff and that they were given a dollar amount of \$125 per condo when he spoke with city staff. He is the manager of Lakewinds and told these residents of this estimated assessment.

Tom Lavoie, stated he has holdings at Lakewinds. There are 189 units at Lakewinds, though they vary in size. He stated the property is mostly the building and parking lot. He also stated most of the people at Lakewinds don't know where Tuxedo is as residents use Wilshire to get out of parking lot.

Ralph Kempf, 3675 Togo Road, owns property at Lakewinds Condos. He stated the length of the entire project is very long and Lakewinds should not be assigned 1/3 of the project costs. He believes that assessment would not be fair.

Mayor Wegscheid closed the public hearing for Tuxedo at 8:30.

Mayor Wegscheid and Bob Derus conferred on the resolution which will be voted on without the ERU's being established at this time. Gesch noted the 4th "whereas" in the resolution does have the ERU amount assigned and should be removed from the resolution. Mayor Wegscheid noted that staff will continue the analysis of the Lakewinds Condos and total ERU's and stated that there will be another public hearing on the ERU's in 2017.

MOTION by Gesch, seconded by Salazar, to approve the resolution as amended with the 4th whereas stricken and directing staff to continue the analysis of the Lakewinds Condo assessment and how it impacts the overall project. All voted in favor. Motion carried.

B. RESOLUTION NO. 15-138: RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS FOR 2016 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT - TUXEDO BOULEVARD - PHASE II - CITY PROJECT NO. PW-16-02

Public Hearing for Cypress/Maywood project discussion opened by Mayor Wegscheid at 8:38 p.m.

No one came forward.

Mayor Wegscheid closes public hearing for Cypress/Maywood at 8:39 p.m.

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

C. RESOLUTION NO. 15-139: RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS FOR 2016 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT - CYPRESS/MAYWOOD - CITY PROJECT NO. PW-16-03

8. Information/Miscellaneous

A. Comments/reports from Council Members/Interim City Manager

Mayor Wegscheid reminded the audience not to forget the End of Prohibition Sale at Harbor Wine and Spirits on December 3rd.

B. Minutes: Docks and Commons Commission - Sept 17, 2015

C. Reports:

D. Correspondence: Lake Minnetonka Conservation District Board Appointments

9. Adjourn

MOTION by Gesch, seconded by Salazar, to adjourn at 8:41 p.m. All voted in favor. Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk