

MOUND CITY COUNCIL MINUTES
August 11, 2015

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, August 11, 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, and Kelli Gillispie.

Members absent: Jennifer Peterson.

Others present: Kandis Hanson, Catherine Pausche, Sarah Smith, Rita Trapp, Katie Morford, Paul Berquist, Mark Overbye, Brooks Chandler, Tom Rockvam, Kathy Rockvam, Karen King, Andrew Wolf.

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

Hanson requested the dollar amounts in items 6A be changed from \$8,790,000 to \$8,380,000 and 6B from \$2,720,000 to \$2,590,000.

MOTION by Salazar, seconded by Gesch, to approve 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 \$404,214.24

B. Approve minutes: July 28, 2015 regular meeting

C. Set Special Meeting - 2016 Budget Workshop, for consideration of the 2016 Preliminary Budget and Levy: Oct 21, 6:30 p.m.

D. Approve Pay Request No. 4 from Geislinger & Sons, Inc. in the amount of \$44,890.16 for the 2014 Street, Utility and Retaining Wall Improvements - West Three Points Blvd. utilities, City Project No. PW-14-01

E. Approve Pay Request No. 1 from Midwest Asphalt Corporation in the amount of \$56,467.97 for the 2014 Street, Utility and Retaining Wall Improvements - West Three Points Blvd. Street, City Project No. PW-14-01

F. Approve Pay Request No. 2 from Geislinger & Sons, Inc. in the amount of \$296,506.88 for the 2015 Street, Utility and Retaining Wall Improvements - Grandview Boulevard and Tuxedo Boulevard, City Project Nos. PW-15-01 and PW-15-02

- G. **RESOLUTION NO. 15-85: RESOLUTION APPROVING CHANGE ORDER NO. 1 IN THE AMOUNT OF \$31,044.85 FOR THE 2015 STREET, UTILITY AND RETAINING WALL IMPROVEMENTS - GRANDVIEW BOULEVARD CITY PROJECT NO. PW-15-01**
- H. **RESOLUTION NO. 15-86: RESOLUTION APPROVING PUBLIC LANDS PERMIT FOR CONSTRUCTION OF RAIN GARDEN ON UNIMPROVED ROAD RIGHT OF WAY ADJACENT TO 6216 RED OAK ROAD**
- I. **Approve permits for Our Lady of the Lake Catholic Church for the "Incredible Festival," Sept 11-13, 2015, with fees paid**
 - 1. 1-4 Day Temporary On-Sale Liquor License
 - 2. Musical concert, with extended time
 - 3. Temporary Sign, with extended time
- J. **RESOLUTION NO. 15-87: RESOLUTION DENYING VARIANCE FOR 1729 DOVE LANE (PLANNING CASE NO. 15-13)**
- K. **Approve Public Gathering permit for Fishers of Men Team Fishing Tournament: Sat, Aug 29, 2015, Centerview Beach**

5. **Comments and suggestions from citizens present on any item not on the agenda.**
None were offered.

6. **Stacie Kvilvang, Senior Municipal Advisor/Director, Ehlers, Inc., requesting action on:**
Stacie Kvilvang explained the results of the bond sale that occurred earlier in the day which included both issues selling at a premium and below the estimated interest cost. Kvilvang noted the City's bond rating remained AA Stable and noted positive highlights from the Standard and Poors rating report which was included in the agenda packet.

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

RESOLUTION NO. 15-88: RESOLUTION ACCEPTING PROPOSAL ON THE SALE OF \$8,380,000 GENERAL OBLIGATION BONDS, SERIES 2015A, PROVIDING FOR THEIR ISSUANCE AND PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND NET REVENUES AND LEVYING A TAX FOR THE PAYMENT THEREOF

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

RESOLUTION NO. 15-89: RESOLUTION ACCEPTING PROPOSAL ON THE SALE OF \$2,590,000 GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2015B, PROVIDING FOR THEIR ISSUANCE AND PLEDGING TAX ABATEMENTS AND LEVYING FOR THE SECURITY AND PAYMENT THEREOF

7. **Planning Commission Recommendation**

A. Sarah Smith, Community Development Director, a Board of Adjustment and Appeals request for property at 2642 Commerce Boulevard to consider boat rental activities

similar to boat and marine sales which are allowed by conditional use in the B-1 District
Applicant: Mark Overbye from Gekko Boats

Rita Trapp, consultant planner from HKGI, stated the applicant is currently occupying the building at 2642 Commerce which has a Conditional Use Permit (CUP) in effect from the former owners and that they are asking for the CUP be amended.

Trapp said Staff is primarily concerned with the number of rental boats allowed as outside storage and the number of parking spaces required. Trapp said the parking issue took up the majority of discussion at the Planning Commission. Trapp displayed a site layout that the applicant is proposing and noted that Staff has concerns about the amount of space at the side of the building as well as the parking area in front of the garage doors. Trapp said the difference between rental and sales impacts the amount and duration of parking needed. The Planning Commission recommended a maximum of 4 boats on the site at any one time and 9 parking spaces plus one handicap assessable space, in addition to other conditions. Trapp noted any approved changes would be treated as an amendment to the original CUP.

Trapp said no comments were received at the Planning Commission meeting, although some verbal anonymous comments were given requesting the use remain the same noting concerns about increased traffic. Trapp noted the expensive nature of the boats should limit demand but that every CUP contains language that allows the Council to revisit the conditions at any time.

Salazar asked to clarify where the boats are supposed to be stored and Trapp said the Planning Commission limited the rental use to four boats but that it did not distinguish between inside or outside storage.

B. Public Hearing - Consideration/discussion of proposed amendments to Conditional Use Permit for property at 2642 Commerce Boulevard Planning Case No. 15-14
Applicant: Mark Overbye from Gekko Boats

Mayor Wegscheid opened the public hearing at 7:22 p.m.

Cathy Rockvam, Chapman Place resident at 2670 Commerce, asked if a representative of the LMCD is present and Hanson said the LMCD representative serves at the discretion of the City Council. Rockvam questioned how much volume one boat launch can handle as there are multiple businesses using the launch. Rockvam said the rentals are bringing large groups out with families remaining in the park all day and issues arise with alcohol use by park users by the end of the day. Rockvam said there is a lot of grid lock with kayaks, jet skis, and boats. Rockvam suggested more police patrol from 3pm to 11pm if not all night. Rockvam witnessed a trespasser on the Chapman property urinating. Rockvam said she has lived there 23 years and this is the worst it has ever been.

Mayor Wegscheid said he thought it might become an issue as things change at the launch and he recommended the Park Commission look at it.

Paul Berquist, 4365 Quass Ave, Watertown, said he offers pontoon rentals and that he has a concern with speed boats as a daily rental unit with the increased risk involved. Berquist said speed boats were rented in the past and injuries occurred. Berquist said boat clubs provide a safer option because it would reduce the risk of uneducated/inexperienced boaters on the lake.

Tom Rockvam, Chapman Place resident at 2670 Commerce, said the launch is used predominately by commercial companies and they help to maintain it. Rockvam estimates that some days the ramp serves 1,000 in and outs. Rockvam said a better police presence at Surfside Park, including a drive through with a spot light, would be an improvement.

Mark Overbye, applicant and owner of 2642 Commerce Boulevard, said Mound is considered the world headquarters for Gekko Boats. Overbye noted the boats cost \$75,000 to \$90,000 which appeals to an upscale clientele. Overbye said they can store up to 5 to 6 boats inside and it is their intention to run a sophisticated, upscale operation. Overbye said they have a virtual rental operation in place and rentals are \$800 per day which limits demand and noted that the renters are thoroughly vetted and educated. Overbye said his business and boat renters would minimally use the park and public space.

Overbye offered some numbers of timed in and outs for his company, the general public, and noted the LMCD weed harvester occupied the launch for hours one day. Overbye stated his boats max out at 43 miles per hour and he does not feel the concern for safety is as extreme as suggested.

Gillispie asked to confirm that employees launch the boats and Overbye confirmed yes. Overbye stated he carries significant product liability coverage.

Salazar asked for a description of the boats and Overbye said the standard boat length is 22 feet with a 102 inch beam. Overbye said typical speeds are 10 miles per hour for wake surfing, 22 miles per hour for wake boarding, and 26 - 34 miles per hour for waterskiing.

Hanson asked if Overbye is prepared to potentially lose a parking spot to add the handicap assessable spot and wonders if the excess parking should be directed to Bartlett Boulevard and not the park. Hanson noted circulation has to be considered in the interest of safety.

Salazar asked to clarify if the goal is to rent or sell. Overbye said the main focus is to attract dealers on a global scale and that the rental part of the business is secondary. Overbye said he is open to having some customers' park at the parking ramp if it becomes an issue.

Gillispie said she is less concerned with circulation knowing only the employees are driving the trailers.

Cathy Rockvam asked if there are rules addressing the rental of private boats. Hoversten said a commercial registration is required. Gillispie suggested the Rockvam's contact the Hennepin County Water Patrol. Overbye said a commercial operators permit is required and sales tax must be collected. Salazar noted the liability associated with rentals should be a deterrent to renting private watercraft.

Mayor Wegscheid closed the public hearing at 7:55 pm.

Wegscheid said the owner is demonstrating a thorough understanding of his clientele and the business and the Council maintains the right to revisit. Wegscheid also noted that the other issues regarding demand on the launch and conduct in the park will be addressed through the Parks Commission and Police Commission.

Requested Actions:

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

RESOLUTION NO. 15-90: RESOLUTION APPROVING BOARD OF ADJUSTMENT AND APPEALS REQUEST AT 2642 COMMERCE BOULEVARD

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

RESOLUTION NO. 15-91: RESOLUTION APPROVING AMENDMENTS TO THE CONDITIONAL USE PERMIT FOR PROPERTY AT 2642 COMMERCE BOULEVARD

8. Discussion/action to amend Public Gathering Permit for Running of the Bays half marathon and 5K run to be held on Saturday, September 12, 2015, to add dog walk event

Smith stated Hennepin County has approved the addition of the dog walk and the Council packet includes a list of staff’s conditions.

MOTION by Salazar, seconded by Gillispie, to approve an amendment to the Public Gathering Permit for the 2015 Running of the Bays Half Marathon and 5K Run to add dog walk event subject to the outlined conditions. The following voted in favor: Salazar, Gillispie, and Gesch. The following voted against: None. The following abstained: Wegscheid.

9. Discussion/action on Resolution to Amend Public Gathering Permit for Westonka Community & Commerce Dog Days to be held on Sat, Aug 22, 2015, to include dog agility/dock jumping competition

Smith summarized the additional dog agility/dock jumping competition and noted Brooks Chandler and Karen King were present if the Council had any questions.

MOTION by Salazar seconded by Gesch, to approve the following resolutions. The following voted in favor: Salazar, Wegscheid, and Gesch. The following voted against: None. The following abstained: Gillispie.

RESOLUTION NO. 15-92: RESOLUTION TO AMEND THE PUBLIC GATHERING PERMIT FOR WESTONKA COMMUNITY & COMMERCE DOG DAYS TO BE HELD ON SAT. AUG. 22, 2015, TO INCLUDE DOG AGILITY/DOCK JUMPING COMPETITION

10. Information/Miscellaneous

- A. Comments/reports from Council Members/City Manager – none offered
- B. Minutes:
- C. Reports: Fire Commission Meeting - July 29, 2015
Harbor Wine & Spirits - July 2015
- D. Correspondence: CenterPoint Energy Letter - Aug 3, 2015

11. Adjourn

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

Attest: Catherine Pausche, Clerk

Mayor Mark Wegscheid