

**MOUND CITY COUNCIL MINUTES
MAY 28, 2013**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, May 28, 2013, at 7:00 p.m. in the council chambers of City Hall.

Members present: Mayor Mark Hanus; Council members Mark Wegscheid, Heidi Gesch, Kelli Gillispie and Ray Salazar

Members absent: None.

Others present: City Manager Kandis Hanson, Fin Dir/Clerk/Treasurer Catherine Pausche, Community Development Director Sarah Smith, Public Works Director Carlton Moore, City Engineer Dan Faulkner, City Attorney Sarah Sonsalla, Pam Myers, Matt Willette, Jeremy Willette, Jay Green, Lindy Crawford, Blaze Fugina, Neal Henderson, Steve McDonald.

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 Councilmember or citizen so requests, in which event it will be removed from the Consent Agenda and considered in normal sequence.

1. Open meeting

Mayor Hanus called the meeting to order at 7:03 p.m.

2. Pledge of Allegiance

3. Approve agenda

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

4. Consent agenda

Wegscheid requested the removal of item 4C for discussion. Hanus requested the removal of item 4D for discussion.

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

- A. Approve payment of claims in the amount of \$189,511.01.
- B. Approve minutes of the May 14, 2012 regular meeting.
- C. (removed)
- D. (removed)
- E. Approve for 2013 Spirit of the Lakes applications, with fees waived:
 - 1. Parade Permit
 - 2. Public Gathering Permit

3. Public Dance/Live Music Permit
4. Temporary On-Sale Liquor License
5. Temporary Sign Permit
6. Fireworks Display Permit

- F. Approve Public Gathering Permit for Fishers of Men – MN Division Annual Bass Tournament Weigh-In, for entire beach area at Centerview Park on Saturday, June 8, 2013, with fees paid.
- G. Approve Public Gathering Permit for Liberty Triathlon (bike portion) on Saturday, June 8, 2013, with fees paid.

4C. Approve right of Entry Authorization for Watercraft Inspection Agreement with Lake Minnetonka Conservation District (LMCD).

Mark Wegscheid requested this item be removed for discussion and stated he would like more information from the LMCD on whether this program has been successful. Hanus stated permission was granted last year. Hanus said two AIS were pointed out on his boat when he pulled it out and he found more when he removed it from storage.

Hanus said that we would not want inspections to occur during the Spirit of the Lakes Festival. He asked what the noise level of the high pressure pumps were. Hanus invited Jay Green, Mound LMCD Representative, to provide his thoughts.

Jay Green stated Surfside would have level 1 temporary hire inspectors and there would not be a level 2 wash station. Inspections would only occur on weekends. Wegscheid asked what the protocol was if AIS was found. Green stated they could give a temporary permit to go to a temporary wash station as it is against the law to transport AIS on roads. Level 1 inspectors are not able to stop infected craft from entering the water, but they are trained to call Level 2 inspectors, who are.

Wegscheid asked to get together with Jay Green. Gillispie asked the typical inspection hours. Green estimated from 7:00 am – 4:00 pm. Salazar asked what AIS eat. Hanus stated the water clarity improves but keeping the eco-balance is the challenge. Salazar asked about impact on boats. Green stated zebra mussels get into the water intakes and cause problems and that the process to clean them out is difficult. Wegscheid asked if there are paints or metals that repel them. Green said studies are ongoing and that the results appear very situational. Hanus stated Lake Michigan is so clear the light infiltration is disturbing the plant life.

Wegscheid stated that with the large duck population as potential spreaders of AIS, he questions whether the inspection effort is futile. Green recommended not focusing on zebra mussels and milfoil. Other threats are on the horizon and that with over 900K registered boats in Minnesota; relatively few lakes are infested, so he believes the program is having an impact. Ultimately, Green is concerned with a movement to privatize the lakes and he supports public access. The inspection process includes requiring boats to pull plugs when exiting lakes. Stickers were given out in the past, but now just logs are kept. Green is not aware of literature being handed out. Hanus asked how much is being spent on inspections and what percentages of boats are from the four patrolled launches in Lake Minnetonka compared to other lakes. Gillispie asked if the grants are renewed annually. Discussion ensued and Green stated MCWD covers half the cost and that grants have been renewed.

Salazar asked how you get a fine. Green said an officer can pull you over for having the plug in or having any AIS visible on the boat being trailered.

MOTION by Wegscheid, seconded by Salazar, to table Item 4C until further information can be obtained. All voted in favor. Motion carried.

4D. Approve Vehicle Compliance Agreement for Public Works Superintendent Ray Hanson

Hanus explained history of policy and asked Hanson where he lives and what vehicle it is. The employee lives in Chanhassen and it is a Ford F150.

Hanus pointed out agreement on Page 1349 last sentence. Hanus requested that sentence be clarified to tie de minimis use for only on the way to and from work.

MOTION by Hanus, seconded by Salazar, to approve the Vehicle Compliance Agreement subject to the correction in the language as stated. All voted in favor. Motion carried.

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

Pamela Myers, President of the Westonka Historical Society Board, thanked Council and Staff for inviting them to reside at City Hall. An Open House has been set for 10 a.m. – 2 p.m. for the public on June 15th and elected officials and families are invited to come at 9:00 a.m. Please RSVP to the City Manager. Activities may include KARE 11 and other news organizations.

Kandis Hanson introduced a special guest, Lindsey Crawford, who is interning this summer from Mankato State University. Lindy Crawford introduced herself and stated she is working with the Fire Department updating policy and procedures. Hanus welcomed Crawford to the City.

6. Planning Commission Recommendation:

- A. **Public Hearing –** Planning Case No. 13-18
Review of Conditional Use Permit Amendment - Local
Government Buildings in R-1 District
2415 Wilshire Boulevard (PID No. 24-117-24-21-0034)
(City Hall and Public Safety Campus)
Recommendation: Approval with Conditions

Smith provided an overview of the CUP Amendment. Smith stated the most significant change is that the Wilshire Boulevard parking will be changed from three (3) parallel spaces to seven (7) angled parking spaces and an addition of a canopy on the north side that will be considered a secondary entrance.

The Planning Commission reviewed the application at the May meeting. The Planning Commission questioned whether parking could be changed on Maywood Road. Staff recommends that be undertaken with the 2016 street improvement project if needed. Planning Commission noted that no bike rack is provided at either building. Planning Commission did recommend approval. Smith stated she has received no comments from public. Hanus asked for any discussion/questions from Council.

Mayor Hanus opened the public hearing at 7:59 p.m. and upon receiving no comment, closed the public hearing at 7:59 p.m.

Hanus said the packet comments on signage were vague and he wants signage to be very clear. He likes the secondary access and angled parking. Gesch asked if the CUP covers changes on the interior. Smith stated CUP covers use. Moore stated all interior work quotes have been received. Hanson stated portions of the glass will be removed and grills will be added. Gesch stated at Police Commission meeting that the Police Chief was surprised that the City would remove barriers and that other cities are looking at adding security. Hanson stated other mitigating security measures have been added, including panic buttons and that staff is concerned about customer service. Hanus asked about bike racks. Hanson said other areas need to be evaluated like Surfside Park. Wegscheid asked about security with the lower level access.

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

RESOLUTION NO. 13-62: RESOLUTION APPROVING CONDITONAL USE PERMIT AMENDMENT FOR 2415 WILSHIRE BOULEVARD PID NO. 24-117-24-21-0034

Hanson gave Gene Hostettler credit for working as the architect on the project for mostly in-kind and his determination to get good pricing. Moving date is set for October 23rd and both locations will be closed. October 24th City Hall will be open in the new space. Hanson stated the move is being done by City personnel.

7. Steve McDonald, representing Abdo, Eick & Meyers, LLP, presenting the 2012 Comprehensive Annual Financial Report and Management Letter and requesting action receiving the same.

Steve McDonald referred to the Management Letter and the required disclosures. The opinion was unqualified and there were no findings with regard to internal controls. Two new GASBs were implemented that dealt with terminology and summary classification of amounts. McDonald referenced the General Fund fund balance. He stated the General Fund revenue is comprised of 81% tax receipts which are not very diverse. Peer Group per Capita comparisons of expenditures showed Public Safety was higher, but the rest were under. Ratio analysis shows the debt service coverage is less than 100%, which means other sources than cash are being used. Peer Group consists of cities with populations between 2,500 and 10,000. Hanus asked if there was data on age and improvements on the cities. New accounting standards in 2014 will require some additional work for reporting on pensions. McDonald thanked the Council.

MOTION by Hanus, seconded by Salazar, to receive the Annual Audit Report for 2012. All voted in favor. Motion carried.

8. Dan Faulkner, consulting City Engineer, recommending approval of Resolution Accepting 2nd Low Bid and Returning Bid Bond to Low Bidder, as requested, for the 2013 Lift Station Improvement Project, City Project No. PW-13-03, at Three Points Boulevard.

Faulkner stated five (5) bids were received and the low bidder asked to have his bid and bond removed due to significant errors in the bid. Options include rejecting all bids and to rebid in hopes for a low bid. Staff does not recommend that as they do not anticipate a lower bid. Second option would be to award to the low bid. The third option, which staff recommends, is to approve the request to return the low bid and award to the second low bidder.

Hanus asked what the low bid was compared to the second low bid. Hanus asked why engineering estimate was below all the bids. Hanus is wondering if we have to rebid. Faulkner said it was across the board and that BMI used lower unit prices and that it is hard to find comparable projects. Hanus asked for impact on budget and Pausche stated it will be incorporated in the next rate increase discussion but does not have an impact on the 2013 operating budget. Salazar asked about the mathematical error on the low bid. Hanus stated it appears we do not want to do business with this company. Moore stated the City is not able to negotiate the bid once received.

Gesch asked why the engineers estimate is off \$110,000, which is 30%. Faulkner stated if they have to invest more time, it will cost the City more money. Hanus stated is it reasonable to expect bids to be lower or higher. Faulkner stated often higher. This is a free market and where the bids came in there were savings in the street project to help offset. Hanus asked if the project was too small to interest bidders. Faulkner pointed out they received five (5) bids.

MOTION by Hanus, seconded by Gesch, to adopt the following resolution

RESOLUTION NO. 13-63: RESOLUTION ACCEPTING THE WITHDRAWAL OF THE BID SUBMITTED BY NORTHDALÉ CONSTRUCTION COMPANY, INC. AND RETURNING THE BID BOND AND AWARDING THE CONTRACT TO THE SECOND LOWEST BIDDER, MINGER CONSTRUCTION, INC. FOR THE 2013 LIFT STATION IMPROVEMENT PROJECT (PW 13-03), LS C1, 4922 THREE POINTS BOULEVARD

9. Catherine Pausche, Finance Director/Clerk/Treasurer, presenting discussion on City Code Amendment to Change Closing for On-Sale Liquor Establishments from 1:00 a.m. to 2:00 a.m. Closing Time, as Petitioned by Owners of Willette Companies, Inc, d/b/a Carbone's Pizzeria Bar & Grill.

Pausche stated the owners of Carbone's requested the Council reconsider the bar closing time and gave background on the current code language. The request is that the City follow state law and remove the additional restriction of 1 a.m. closing time to 2 a.m. subject to the owners obtaining an additional license from the state.

Discussion ensued and the Mayor gave background on conversations with the owners. Jeremy Willette, owner, asked if code language could allow for a ½ hour window after serving hours to allow customers to finish up. State statute does not address.

MOTION by Gillispie, seconded by Gesch, to direct Staff to prepare a code amendment related to alcoholic beverages as discussed. All voted in favor. Motion carried.

10. Executive session for the purpose of the City Manager Performance Evaluation.

At 8:40 p.m. Mayor Hanus announced that the Council would go into closed session for the purpose of performing the City Manager's performance evaluation. The meeting reconvened at 9:28 p.m.

Mayor Hanus announced that the Council had completed the performance evaluation of the City Manager.

11. Information/Miscellaneous

Mayor Hanus stated he did not have much to add to the MCWD AIS report since there is not much the City can do about the MCWD being in charge. Hanus is comfortable with the language as is unless it changes to dictates, but does not see a need to provide comments.

- A. Comments/reports from Council Members/City Manager
None were offered.
- B. Minutes: Docks & Commons Commission – May 16, 2013
- C. Reports: Finance Department – April 2013
Fire Committee Meeting Agenda – May 22, 2013
- D. Correspondence:
Letter – Resignation by Joyce C. Nelson – May 17, 2013
Letter – Minnehaha Creek Watershed District – May 22, 2013

12. Adjourn

MOTION by Salazar, seconded by Gesch to adjourn at 9:35 p.m. All voted in favor. Motion carried.


Attest: Catherine Pausche, Clerk



Mayor Mark Hanus