

MEDINA CITY COUNCIL MEETING MINUTES OF APRIL 17, 2007

The City Council of Medina, Minnesota met in regular session on April 17, 2007 at 7:00 p.m. in the City Hall Chambers. Mayor Crosby presided.

I. ROLL CALL

Members present: Crosby, Smith, Johnson, Cavanaugh arrived at 8:00 p.m.

Members absent: Weir

Also present: City Attorney Troy Gilchrist, City Engineer Tom Kellogg, Finance Director Jeanne Day, City Planning Consultant Jennifer Haskamp, City Administrator Chad Adams and Recording Secretary Kelly Schmidt.

II. PLEDGE OF ALLEGIANCE

III. ADDITIONS TO THE AGENDA

IV. APPROVAL OF MINUTES

A. Approval of the April 3, 2007 Regular City Council Meeting Minutes

It was noted on page 6, the first paragraph, third sentence, it should state: "He does not want it to be a conditional guarantee."

*Moved by Johnson, seconded by Smith, to approve the April 3, 2007 Regular City Council meeting minutes as amended. **Motion passed unanimously.***

B. Approval of the April 4, 2007 Board of Appeals and Equalization Meeting

It was noted on page 2, the seventh paragraph, Mayor Crosby questioned the amount and requested staff confirm the accuracy.

*Moved by Smith, seconded by Johnson, to approve the April 4, 2007 Board of Appeals and Equalization meeting minutes subject to staff confirmation of the reduction amount. **Motion passed unanimously.***

V. CONSENT AGENDA

Adams stated a letter from Nutri-Green was included on the table to Council members relating to consent agenda item 4A.

Smith asked to remove item A from the consent agenda.

Johnson asked to remove item B from the consent agenda.

A. ~~Approve Weed Control and Fertilization Agreement with Green Stuff Lawn Treatments~~

B. ~~Approve Lawn and Ground Services Agreement with J&B Lawn, Tree and Stump Removal~~

- C. Accept \$20,000 Donation from Hamel Volunteer Fire Relief Association and Allocate to Hamel Volunteer Fire Department Capital Equipment Fund
- D. Accept Donation of Trees from Metro West Inspection
- E. Approve American Legion Consumption and Display Permit
- F. Approve Well No. 6 Change Order No. 1
- G. Approve Disposal of 1975 Ford Tanker Truck for \$530
- H. Approve Medtox as City Drug and Alcohol Testing Vendor
- I. Resolution Granting a Conditional Use Permit to Robert R. Hopper for an Accessory Structure
- J. Resolution Granting Preliminary Plat Approval for James Lane III for Property Located - 2605 Hamel Road

*Moved by Smith, seconded by Johnson, to approve the consent agenda with Items A and B removed. **Motion passed unanimously.***

- A. Approve Weed Control and Fertilization Agreement with Green Stuff Lawn Treatments

Adams stated staff sent reference checks on the bidders and didn't receive any negative feedback and therefore they selected the low bidder. Included in the bid contract were the terms and conditions of the bid sheet, with everybody getting the same sheet.

Johnson asked if in terms of the bid sheet, the specifications were the same, the theory was the same, but according to the letter submitted, the bid proposal was different from that of the request. Adams stated Brad Erickson, 2486 Bobolink (Nutri-Green), was here to address Council.

Johnson asked if the bid defined specification, stating the letter stated the specifications on the bid were different from the City's request. Erickson stated that in his professional opinion, the bid spec sheet was not adequate and for the amount of money the City has been paying, he felt the City could be doing much better.

Adams stated the City had been using Tru-Green Chemlawn for several years and have been very happy with their services, but they were not the low-bidder, nor was Nutri-Green. He stated staff reviewed industry applications and were informed they were standard, before implementing into the scope of services.

Erickson stated it may be the industry standard, but he believed their proposal was above that. Erickson felt Nutri-Green could do a better job and provide better products for the same price.

Smith asked what Poly Sulfur coated release was. Erickson stated they use Poly Sulfur coated release because the sulfur needs time to degrade and release, which provides a longer window of nutrient release. Crosby asked if it was biodegradable. Erickson stated it is photodegradable.

Johnson stated the bid variations create a challenge on how to provide a fair decision and asked Erickson how he would handle that in the future. Erickson said they would continue to do it right, actually providing 2 months of coverage within one. Erickson stated he wouldn't bid as requested.

Smith stated the lowest bid, being a native son, should be given to Erickson. She also stated the difference amount is less than \$150. She referenced the Policy providing bids to favorite sons, stating Nutri-Green should get the bid if they are in compliance. Her main concern is that the City get to a point of having great grass without chemical usage.

Johnson stated it becomes extremely subjective. If policy has been developed, it should be followed. He didn't feel they should overturn staff's decision after they've gone out and followed good public policy in soliciting bids.

Gilchrist stated from a legal standpoint of the quote process, the specs were requested a specific way. If Nutri-Green included more than was specified, it didn't really meet the bid specification requirements. He also stated if they wanted to fall outside the specs advertised, they would have to look at re-opening the bids.

Crosby stated they would need to accept one of the bids that met the requirements or re-open the bids.

Smith stated he met the specs. Johnson stated no, he's telling them he met the specs and none of them knows if they are superior products. Erickson stated they are.

Adams asked what would happen if Green Stuff or Chem Lawn were to make a similar argument that their services or products were superior to what was specified. Smith stated Erickson met the specs. Adams doesn't believe the contractor being a local resident is a sole justifiable reason for awarding the services. Erickson stated if it was re-bid with what his proposal included, he is confident that True Green and Green Stuff's bids will go up dramatically.

Johnson stated he wanted to hear Erickson's point, but he supports staff's recommendation.

Smith suggested that on new bids, the City do a two-track bid process, bidding for the stated requirements allowing the option of getting something more or better than requested.

Johnson stated that nothing prevents bidder from submitting an alternate bid. He didn't think they should deviate from the spec.

Moved by Johnson to accept staff recommendation's to award the bid to Green Stuff Lawn Treatments for Weed Control and Fertilization.

Motion seconded by Crosby for further discussion.

Smith asked that the City look into better performance standards in the future and check into it what the City currently has. She stated the standards may be higher than what's being used. Adams stated they could certainly look into it again and wouldn't mind modifying it in the future.

Johnson stated they have to follow the process, stating the University of Minnesota makes statements, but they are not endorsing a specific product.

Motion passed unanimously.

B. Approve Lawn and Ground Services Agreement with J&B Lawn, Tree and Stump Removal

Crosby asked if J&B Lawn was a Medina resident. Adams stated they were not. Crosby stated they received a letter from a constituent suggesting the City use Designing Natures.

Crosby asked if Designing Nature was a Medina resident. Adams stated it is his understanding they were not a Medina business, but some employees of the company may be.

Smith stated she was concerned about staff's letter regarding equipment and manpower stating there is not a lot of staff. Adams stated the recommended contractor doesn't have a lot of employees now, but that doesn't mean he wouldn't be increasing and advised the City should give the contractor an opportunity to perform the services.

Smith stated a responsible bidder has the staff and equipment to perform the service. Adams stated Public Works Foreman Scherer noted the concern, but did not recommend against their services. Adams is still recommending they go with J&B Lawn.

Adams stated if J&B Lawn fails to perform the services, the City has the right to cancel the contract. Johnson asked how failure to perform is defined. Crosby stated you can terminate the contract for any reason. Johnson asked if the fee would be pro-rated. Adams replied yes.

*Moved by Smith, seconded by Johnson, to approve the Lawn and Ground Services Agreement with J&B Lawn, Tree and Stump Removal with the addition stating either party may terminate for any reason and in the event of termination, payment will be made for services provided to the day of termination. **Motion passed unanimously.***

Johnson stated in the future, he would like the insurance requirement provided at bid submission. He suggested setting policy for when requesting bids, they are able to show proof of insurance already in place. Smith asked how high the liability is. Adams stated a million dollars. Adams stated they would have the City named on the policy as well.

VI. COMMENTS

A. Comments from Citizens on Items not on the Agenda

There were none.

B. Park Commission

Park Commission Ben Benson stated the Commission took a tour on Saturday and visited areas of concern. The Commission would be meeting on the 18th to discuss their concerns.

Smith stated she would hope to see several improvements and asked to for a background on the ongoing projects.

Benson stated they are currently working on the Hamel Legion, the plaza, flagpole, Veteran's Memorial and the expansion of playground and movement basketball court. He stated they would be reviewing rainwater for 2008.

Smith reminded everyone the VFW and American Legion are donating the Veteran's Memorial.

Benson stated the Hamel Lions would be making a donation for the playground and equipment improvement.

C. Planning Commission

Planning Commissioner Mary Verbick reported that the Planning Commission met regarding the Leuer Concept Plans.

Crosby asked what the Commission's recommendation was. Verbick stated they were not recommending a Comprehensive Plan Amendment.

Johnson asked what the recommendation was. Verbick stated it would be the business plan versus the residential because they were not recommending the amendment. She stated there were also some residential concerns.

Verbick stated the Commission also had an update of Comprehensive Plan Advisory Panel from staff. She stated there would be an open house coming up for the Open Space Plan.

VII. OLD BUSINESS

A. Resolution Granting Preliminary Plat Approval for Richard Burke and Ralph Miller for Property Generally at the Intersection of Hamel Road and Tomahawk Trail

Adams stated the item needing discussion involved a legal opinion on park dedication fees.

Gilchrist spoke with Ron Batty and both concurred that the way the code is currently set up, every sub-division of land would apply. He also added that it would apply even if no new lots were to be created.

Crosby asked if it involved a lot line rearrangement would it require a park dedication fee. He stated according to City Code 820.65, division rearrangement, it would apply.

Crosby asked if it is being platted. Kellogg stated it's being platted.

Crosby asked if it's just a lot line rearrangement, why and when was a decision made to plat. Haskamp stated it has been discussed as a tool and there was a joint decision made between applicant and City on what they wanted to do.

Crosby asked what the dedication fee, in terms of land, would be. Adams stated in terms of land, staff would like to make a trail along the west or the east side of Tomahawk Trail, allowing a 15-foot easement. Adams stated if the City chose not to take the land, the maximum fee price of \$8,000 per unit would be imposed, for a total of \$16,000, which includes a credit for one existing unit.

Crosby stated Doug Dickerson believed it would be appropriate to have a trail on the west side of the road. Smith asked if they would have to move the road. Crosby stated it would be along the east side not the west side. Adams stated the Park Commission would make that recommendation to Council.

Smith asked if that is why the City is requesting the fee. Crosby stated they would prefer to have the trail.

Gary Roller gave the history of trying to acquire property for Richard Burke. He stated he has had several previous discussions with the City, each with an outcome of no park dedication fee being required. It would be a revision and rearrangement of two parcels into one parcel with no subdivisions or development. He felt the intent and purpose of park fees was to protect the City and its residents by the cost of development not borne by the City. He also reminded Council that Burke has done a lot of things over and above with the Park and Recreation Department

Paul Chamberlain, legal counsel for Burke, stated he appreciates the approval, but objects to the park dedication fees. He stated that in city code 820.17 defines subdivision and lot rearrangement, stating there would be no additional lots. Chamberlain cited Callus vs. Bloomington. He stated fees must specifically relate to the subdivision or it's not constitutional.

Crosby stated he agreed that it came from staff originally with no park dedication recommendation. He asked Chamberlain how he can interpret subdivision and rearrangement as not being a sub-category subdivision.

Chamberlain stated they are not subdivisions of each other, stating they are separate.

Gilchrist suggested the point Council is raising, is that there are sub-division regulations, only various ways in which one can subdivide land. He stated the division rearrangement does allow Council to give certain exceptions to the provisions that would normally apply. He stated they are requesting a Plat, they could choose to withdraw the request and resubmit under division rearrangements.

Chamberlain said he understood the decision, stating it defies the constitution.

Gilchrist stated there is a provision that is provided allowing the person to pay under written protest and can continue to process and has 60 days for court.

Crosby asked if there were any lot line arrangements in the City's history. Adams stated that he was not aware of any in his time and stated each situation is often unique. He stated the Dairy Queen had some questions raised related to park dedication fees because it was a lot combination.

Crosby stated the garden-variety lot rearrangement should not require a park dedication fee.

Smith stated that it would be considered a new lot. Johnson stated it's the potential of a new lot, it allows the soil test to be met for a future lot development.

Crosby didn't understand how they could have a plat without a sub-division. Smith stated anybody could move lot lines.

Crosby stated a plat is just the surveying instrument.

Cavanaugh arrived at 8:00 p.m.

Smith stated she would like to take the attorney's advice and his recommendation is to charge the park dedication fee.

Chamberlain stated if they had been told there would be a fee, they would have gone a different direction.

Crosby stated he has mixed feelings, he felt both parties were right. He stated they aren't creating another lot, it's a simple lot rearrangement.

Smith stated it's not a simple lot rearrangement, its several rearrangements. Crosby stated they aren't creating any lots.

Crosby stated it has been before this Council previously with a recommendation for approval without a park dedication fee. He questioned if that was the reason there wasn't a subdivision fee. He suggested that historically the attorney's position was different on the matter.

Gilchrist stated in talking with Batty, it hasn't been.

Crosby stated he is only going from history.

Haskamp has spoken to Roller several times before and through their discussions, at some point in time a decision to go with a preliminary plat was made. She stated that Roller has been told park dedication fees would not be applicable based on past staff and legal counsel discussion.

Roller stated that it was not initially going to be a plat, stating staff previously recommended the plat.

Adams stated if Council decides not to go ahead, it wouldn't preclude the City from taking a park dedication in the future. Adams recommended that language be placed into the resolution to this affect and advised Haskamp that such language be available this evening.

Crosby recommended no park fee and to have staff come up with a policy to determine whether all plats require such a fee and clarify where such fee is payable with a lot line rearrangement.

Moved by Smith, seconded by Cavanaugh, to approve Resolution granting preliminary plat approval for Richard Burke and Ralph Miller with no park dedication fee for the property generally at the intersection of Hamel Road and Tomahawk Trail.

Smith stated they are striking item #14 in the recommendations.

Adams asked if it would be replaced with the language stated.

Haskamp stated that if the applicant should choose to subdivide in the future, they would be subject to a park dedication fee on the existing lot and the created lots.

Crosby requested that the records show no park fee is being collected.

Haskamp asked if item #14 could be replaced with the following language. "The applicant shall be aware that all future subdivision affecting any of the property involved within this lot line rearrangement shall be subject to park dedication, including those lots which are created by this plat."

*Moved by Smith, seconded by Cavanaugh, to approve the resolution with amended language to #14. **Motion passed unanimously.***

B. United Properties – Request for Preliminary Plat, Site Plan, Conditional Use Permit and Variances for Multi-Use Development – 3575 Sioux Drive

Planning Consultant Haskamp presented her report addressing the request for preliminary plat, site plan, CUP and variances for the multi-use development of the 3575 Sioux Drive. She stated there were some engineering plan changes and architectural plans were updated. The traffic modeling has also been updated. There have been some additional items that have come up. A fence that is actually on the United Properties property and it was discovered the Metropolitan Council owns property in the middle of this property.

Crosby asked if the Met Council property was servicing a sewer or a pipe. Kellogg stated it's the meter station for the interceptor.

Haskamp stated that this property was not identified on the plat at the last meeting. She stated in order to plat this property, this would need to be omitted from anything being proposed. All the exhibits and engineering documents needed to be updated.

Smith asked if would be within 50' setback of Elm Creek, which is supposed to be no mow. Haskamp stated it would be.

Crosby asked if they would need it. He also asked if there was any reason why a separate access would be necessary.

Haskamp stated they would need it and she has not personally dealt with the Met Council.

Smith asked if a letter has been received from Met Council.

Haskamp stated it's included in the packet. The Met Council is fine with the plans as requested at the current moment. She stated there would need to be some type of easement allowed.

Smith is concerned the about activity relating to the setback.

Haskamp had a discussion with the developer not meeting the requirements.

Smith stated they also show cutting down trees, which would not be acceptable. Haskamp stated that eight trees are proposed to be cut down and that according to the ordinance, it becomes allowable and exempt.

Smith stated the trees hold the bank from eroding and the shoreline ordinance would apply, not the City ordinance. Haskamp stated the shoreline ordinance reads intensive vegetation occurring within the impact zone. Smith asked if it wouldn't be considered intensive vegetation.

Crosby stated the issue isn't the trees, it's the preservation of the bank.

Smith stated it is an impaired creek. She asked about the road and if the mechanical would be screened.

Haskamp stated the coffee shop roofline might be a concern. She also stated the developer has met the conditions Council has set forth.

Crosby stated he understood the Planning Commission approved the 15 conditions suggested by staff and added three conditions. He asked if the Commission was not aware of Met Council or fence issues. Haskamp stated that was correct.

Smith stated they were not aware of any Elm Creek Watershed District requirements. Haskamp stated the developer went with comments given from the Watershed on their submittal package. Smith stated they didn't address the rules that the Watershed District has. Haskamp stated their response was on what the Watershed provided. Smith stated there has to be a plan.

Crosby stated he would like to start with the 18 items the Commission has provided. He suggested accepting the Planning Commission's recommendation on the variances and deal with the items in question one on one.

Crosby recessed the meeting at 8:47 p.m. Crosby reconvened the meeting at 8:55 p.m.

Kellogg stated he misinformed the Council at the last meeting. The report stated it would be a 1 – 2 percent increase in traffic on Sioux Drive and Hwy 55. That was considered a background grow factor. The latest accurate information available was from 2004. Staff looked at 1995 – 2005 data in terms of traffic counts and found there was about 7½ percent increase in those ten years. He stated they are confident in the numbers that are starting with.

Kellogg stated another concern brought up was that residents didn't feel there were actual delays due to the train. He stated staff physically went out and took count. The average was about 20 seconds too short. They concluded with the revised model with the worst case scenario, the 2020 model with SRF Consulting, stating their 2030 volumes would double.

Johnson stated concern with the stacking that occurs on the north side of the train tracks and asked if it would extend beyond the access road. Kellogg stated he would have Boji address that. He also stated they added an access directly across from the proposed United Properties property to the 2020 model.

Crosby asked if it would be a plus or minus for Sioux Drive. Kellogg said it would be an issue in 2020.

Bruce Boji, Westwood Services, Senior Transportation Analysis, presented the proposed traffic scenarios. Crosby asked if the scenario was post development 2008. Boji stated that is correct. Council had discussion on the scenarios.

Crosby asked Mr. Simmers to comment on any items not previously brought up.

Eric Simmers, United Properties, clarified the MetCouncil issue and believed the solution would be to take the frontage road through a back route on a grassy paver road, designed for nine or ten tons and it's covered with grass.

Crosby asked why it would need to be a road and asked why they couldn't use the parking area. Simmers stated the MetCouncil was uncomfortable with it.

Crosby asked if it would be a regular truck. Simmers stated it was a honey wagon and it would only visit the site once a year. Smith asked what if Elm Creek asked them not to use it, would MetCouncil be willing to use the parking lot. Simmers stated they would be fine with it.

Crosby asked Simmers if it has an easement with Ferrelgas. Simmers stated they do and they agreed not to use their property to the east.

Ryan Westrom, Westwood Services, stated they would use Grass Pave II, which is plastic with a membrane on top of a gravel base with grass planted on top. He stated it's being used for fire lane travel around buildings.

Crosby asked in terms of it being pervious, unmolested dirt, what the degree of absorption would be. Westrom stated it's comparable to a grass yard.

Johnson asked if it was comparable to soil as well and Westrom replied yes.

Crosby stated his opinion would be to get Met Council to use their parking lot. Smith stated it would be a good solution for fire lanes. Kellogg stated it would be a good test for that application. Smith asked if it was the first time it has been used. Westrom stated no.

Crosby asked Simmers about the fence issue. Simmers stated he and Reg Pederson have discussed it. He stated Pederson suggested moving the intersection slightly. Simmers stated the impact for fence is very minimal. He is confident they'll be able to satisfy both parties.

Smith asked how far away is the roadway from fence, she is concerned about screening. Simmers suggested putting up an opaque fence or something that's not seeable.

Adams asked Simmers if he was preparing to shift the road. Simmers stated yes, slightly at the tail end of it. Adams wanted to make sure it's not going to require moving the current road or right a way, which could trigger a re-plat.

Simmers stated the trees on the bank would have their roots left intact and they would plant more decorative trees. He wouldn't grub the trees to put the slopes at risk.

Smith suggested Simmers work with Elm Creek Watershed District to develop a native species plan for the set back. She stated that will be one of the conditions she will be requesting.

Simmers stated he would be happy to accommodate the native vegetation request and work with the Watershed on the trees. He stated he has made application to the LGU, stating the City is the governing body.

Kellogg stated the City is the LGU per administration of the Wetland Conservation Act, but it is not the LGU for any other reason. Simmers stated he stood corrected.

Smith stated the Commission felt it was an incomplete plan and it needed support. She requested the plan be approved by Elm Creek for the vegetation.

Simmers stated his opinion on the traffic perspective is that the traffic generator should be placed north of the railroad.

Crosby asked about the project time phasing. Simmers stated from a practical standpoint, all three buildings would be built at same time. He stated the credit union in late spring, coffee shop shortly after and the strip retail next year.

Reg Pederson felt confident they'd make this work. He requested that the City would be the watchdog, making the developer and him reach an agreement. Pederson stated the piece of property might need an easement.

Crosby stated the City would like to make sure that the easements are granted so a road gets built for the connection.

Haskamp stated it's all platted not but sure if it's constructed.

Kellogg added staff has not seen the version of the roadway being proposed.

Smith asked if the road needed to change. Kellogg doesn't believe it would.

Pederson stated there would be a grade difference and suggested a 15' opaque fence.

Crosby asked if it would be the entire property line. Pederson stated pretty much all along the line. Crosby asked if a frontage road was to be constructed, how would it relate. Pederson stated the grade would have to drop down.

Smith stated she would add #4 with regard to the Elm Creek set back, vegetation and tree removal preservation plan be prepared in conjunction with the Elm Creek Watershed District.

Crosby stated it should say something about the bank erosion as well.

Smith stated her other issue is item #18 regarding the garbage. Simmers stated it is built inside the structure. Smith stated #18 could be deleted.

Cavanaugh asked that a petition waiver be included for any future turn lanes.

Johnson thanked everyone for collaborating.

Crosby encouraged applicant to convince the Met Council to use applicant's property.

Johnson asked that all landscaping be done on the islands. Haskamp stated it was an oversight, it should have been included.

Crosby directed staff with a list of amendments. Council's recommendations are as follows:

- 1) New #4 requiring language related to the vegetative and tree preservation plan in the bank with Elm Creek
- 2) Striking #18
- 3) Supplementing #9 with #9a verifying pervious surfaces
- 4) #12 rooftop be screened
- 5) Use of Grass Paver road
- 6) Architectural fence
- 7) Add the understanding that party acknowledges awareness of the proposed Hwy 55 development as presented to City in special meetings.

*Moved by Johnson, seconded by Cavanaugh, to direct staff to prepare resolutions for preliminary plat, site plan, conditional use permit and variances for multi-use development – 3575 Sioux Drive with amendments requested. **Motion passed unanimously.***

Smith suggested Simmers' involvement in the community to help fill the tenant spaces, since he will be part of the Uptown Hamel group.

C. Road Material Bids

Adams presented the staff report and stated there is not a major non-compliance issue.

Smith stated she felt they are in compliance. Adams stated there might be some minor administrative issues that can be worked out later.

*Moved by Smith, seconded by Cavanaugh, to approve the Midwest Asphalt for I and II contract road material bids with modifications. **Motion passed unanimously.***

Johnson stated a concern with the hours of operation and would like to create some control after 5 p.m.

Adams stated staff could request a change in the CUP and see if occupant or landowner would be willing to do so.

Adams stated they could go out this summer and check for violations, stating they can't just issue changes on the existing CUP without a violation that may initiate a conversation to change conditions.

Gilchrist stated the City could change the CUP if the owner agreed.

Crosby stated it should be unconnected to the current bid. He asked staff to contact the owner to see if they would be willing to make the change.

VIII. NEW BUSINESS

A. Medina Water and Sewer System Expansion to City of Corcoran

Cavanaugh stated he wanted to remove himself from discussion, due to a possible conflict of interest.

Adams provided background and introduced Jessica Cook, Ehlers and Associates,

Cook gave a brief background on the water rates and connection fees for Southwest Corcoran. She also stated they would need to determine if Corcoran would need to impose any financial risks or burdens on the City of Medina and its ratepayers. The City will need to look at adding another water tower.

Crosby asked what the base cost difference would be for the water tower. Cook stated it would be \$400,000. Council had discussion on fee and rates.

Johnson stated the goal is for Council to provide assurance that this is the route they want to pursue. He suggested directing staff to craft documents and move forward with a deal in Corcoran.

Adams stated they are asking Council to accept the report and direct staff to continue negotiations.

*Moved by Johnson, seconded by Smith, to accept the financial analysis report from Ehlers to Medina and direct staff to construct documents and move forward with the Water and Sewer system expansion to City of Corcoran. **Motion passed unanimously.***

B. Concept Plan for Residential Development on Willow Drive

Haskamp presented the staff report on the residential Concept Plan. The Planning Commission reviewed both Concept Plan requests and felt residential would be too dense for the site. The Commission felt it might be more appropriate if it were a mixed-use property.

Crosby stated it is not imminent and suggested the applicant contact the Open Space Task Force to let them know what they wanted done with the property.

Tom Goodrum, Schoell Madson, presented the residential design. He stated the goal is to find out what is an appropriate use for the property. Crosby asked which the owner prefers. Goodrum stated the applicant's preference would be residential development.

Johnson stated the residential area of concern was if it would fit into the community and the amount of traffic it would create. He suggested it all be contained within the one complex with a few entry points.

Cavanaugh questioned the direct access to Pioneer and Willow Drive. He stated he would like to see more cul-de-sacs and removing the access to main road. He would like to see a mix of office and residential.

C. Concept Plan for Commercial Development on Willow Drive (Business Park District) – Michael Leuer

Haskamp presented the staff report on the requested business Concept Plan, stating it would be consistent with guiding and zoning. They would be able to go forward as is. The plan didn't address scaling on the individual lots. She stated wetland delineation, storm water management and traffic generation were some of the discussion points at the planning meeting.

Goodrum presented the design plan. He stated they already have interested parties in the site. The business park would be done nicely to meet City standards and be sensitive to the neighborhood.

Crosby asked how many employees there would be in the end. Leuer stated no firm calculations have been given yet.

Cavanaugh asked if the buildings would be office or warehouse. Leuer stated they would be flex use.

Crosby stated the mix use would create problems for parking. He asked what the footage of each project would be. Leuer stated around 800,000 square feet for both.

Crosby suggested that when it's presented to the Task Force, it have the approximate square footage and number of employees listed. He would also like to know if the topography lends itself to this type of use.

Goodrum asked Council's opinion on which density works and what the appropriate land use would be.

Verbick asked if the outlines drawn present the potential parking lot or is it just the building. Mark Metzger stated it represented both.

Verbick stated a business owner had some safety and noise concerns. She stated residents thought the apartment building was too close to the railroad as well as noise concerns.

Chamberlain stated it would require a change in zoning. This could only be done under the conditions of changes in condition or changes in the goals.

Crosby asked Chamberlain if Burke's property was contiguous. Chamberlain said yes.

Chamberlain asked for clarification on the semi use and so forth, stating permitted uses aren't really geared toward industrial use. In his opinion its intent is for an office building and not warehouse. The residential would need to be consistent with rural residential, which would be favorable by the community.

Crosby stated Council is looking at it in the larger context. Smith stated there will be zoning changes.

Johnson stated the community filled out a survey and they wanted to preserve green space, his reaction is that the industrial park does more to preserve green space. It is also consistent with current zoning regulations.

Crosby stated he has a hard time identifying with either Concept Plan. He would like to see some inventive residential and high-density residential housing.

Cavanaugh asked what type of jobs would be available in the office warehouse. He stated he is more in favor of a business campus type park.

Smith didn't think a business park next to a residential area would be appropriate or workable. She liked the idea of a campus and she would like to see a mixed use a blend with green space. She didn't believe the railroad tracks would be an issue. She realizes it is a difficult property to see as mixed use and create an arrangement suitable to the topography.

Crosby stated three Council Members would consider inventive mixed-use project and the fourth Council Member requested an office park with more open space.

Haskamp requested that Council provide an advance request if they wanted it reviewed at Advisory Committee on April 30th.

IX. CITY ADMINISTRATOR REPORT

A. City Planner Appointment - Update

Adams recommended closing the search for City Planner. He stated he is not recommending an appointment from the applicant pool. He asked Council for direction for seeking planning director position.

*Moved by Cavanaugh, seconded by Smith, to direct staff to prepare a job description for a planning director position. **Motion passed unanimously.***

Adams stated he may look into using a search firm to conduct the process based on time.

B. Special Meeting Request for May 1, 2007 – General Administrative Items

Adams asked to Council to cancel the May 15th Special Meeting.

*Moved by Smith, seconded by Cavanaugh, to cancel the May 15th special meeting and approve the special meeting request for 6:00 p.m. at City Hall on May 1, 2007. **Motion passed unanimously.***

C. Solid Waste Removal Agreements

Adams stated the solid waste agreements expire on June 30, 2007 and they are looking for direction from Council to continue on the same path with little changes, consolidate geographic area with one provider, or continue to have two separate providers and the possibility of organic composting.

Cavanaugh asked for a comparison on what other City's are paying. He would like to make sure the residents are getting good value. Adams stated he is not sure if an analysis was done, but will bring that back to the next meeting.

Adams asked for a recommendation and stated staff could draft an RFP for one license city-wide.

Crosby asked why the City has the authority to delegate.

Smith stated it's State law. She stated an RFP would be good and would also like to add an RFP with organic.

Crosby asked what the RFP would be for and does it need specification.

Adams asked if it would be for the entire City or two RFP's for different areas. Smith thought the City would get a better deal using the same vendor.

Cavanaugh asked the purpose of having two different haulers in the past has been.

Adams and Gilchrist stated that in the past the purpose was to spread it around to avoid the fear of monopolistic take over and to minimize traffic.

Smith stated the City really needed to do some aggressive recycling.

Johnson stated they need to define the specification.

Smith would like to see more on recycling versus garbage.

Johnson asked what exactly was organic. Smith stated it's food waste and paper that can't be recycled which equals more than half of what's in the garbage. It's beneficial in tipping fees.

Adams asked if it was the consensus to keep separate the recycling from the garbage. Smith suggested keeping it separate.

Adams asked Council for direction of using one provider throughout the City and to include organic.

Johnson stated the options were either traditional, and with option of organic as an additional. He asked if they would seek out a bundle deal with Wright-Hennepin Recycling Commission.

Adams stated he would have staff look into it.

*Moved by Johnson, seconded by Cavanaugh, to direct staff to prepare an RFP for one city-wide license, with an option for organic collection. **Motion passed unanimously.***

Adams clarified staff will bring the RFP back to Council for further discussion.

Smith stated if the City went with organics collection, they would need some help on containers. She would like to submit a grant application.

Crosby advised Smith and staff to make the grant application.

D. Quarterly Financial/Budget Update

Jeanne Day provided financial overview of 1st quarter and requested Council's direction on future updates. She broke the funds down between general, water and sewer fund.

Cavanaugh asked about planner reimbursable expenses. Day stated they are now taking better measures to capture the in-house reimbursement costs.

Cavanaugh asked if there would be systems in place to capture those. Adams stated it's now done on a daily basis on a spreadsheet and they actually went back to 2006 and reallocated some reimbursements.

Johnson asked about the sewer fund and why there was a loss being budgeted. Day stated it's phasing increases over a number of years. There would be a loss until the inflationary increase appears.

Johnson stated that each fund should operate on a self-sustaining basis. He requested Day look into it and bring it back to Council.

Adams stated with the sewer fund having a large fund balance, staff may find that the rates are too high, thus leading to the annual budget amounts.

Johnson stated the City should be operating on a break-even basis. The funds could be used to offset the budget rather than assuming they could bond everything.

Adams stated they would like to provide the detail analysis through a future rate analysis before decisions are made.

Day stated that the water rate impact that's being projected out is building up the cash flow so it won't affect the future infrastructure bonding. The City will be able to stable enough in fund balances to project that out.

Johnson asked about the performance of investments. Day stated it's actually quarterly a Mark to Market report on the investment portfolio. She stated she would be updating Council on a quarterly basis.

Johnson stated he would like to see the action on fund transfers, he would like the report to actually show the action. Day stated she could add the column.

Johnson would also like to see what the assumption is on rates. Day stated that some of the items are established at fixed rates over a majority of years.

Adams asked if this would be the type of quarterly report Council would like to see.

Johnson stated with the level of questioning he went through with the auditors, this level of report is necessary.

X. MAYOR & CITY COUNCIL REPORTS

Crosby stated that he would like to discuss on a future agenda the City's position on issues beyond City borders. He also stated Council office hours would remain the same

for May, then there will be a three-month suspension. He would hope to advertise them differently in the fall.

XI. APPROVAL TO PAY THE BILLS

Motion to approve the bills, order check numbers 030743-030815 for \$191,381.08 and payroll check numbers 020046-020049 for \$52,521.37.

*Adams added Check #30680 for \$715.00 to Sunburst Lawn and Snow. It was previously removed and has been reviewed and is now ready for payment. **Motion passed unanimously.***

XII. ADJOURN

The meeting adjourned at 11:35 p.m.

T.M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk