

## MEDINA CITY COUNCIL MEETING MINUTES OF APRIL 6, 2010

The City Council of Medina, Minnesota met in regular session on April 6, 2010 at 7:00 p.m. in the City Hall Chambers. Mayor Crosby presided.

### **I. ROLL CALL**

**Members present:** Crosby, Johnson, Siitari, Smith, and Weir.

**Members absent:**

**Also present:** City Attorney Ron Batty, City Engineer Tom Kellogg, City Planner Dusty Finke, Public Works Superintendent Steve Scherer, Finance Director Jeanne Day, City Administrator Chad Adams and Recording Secretary Amanda Staple.

### **II. PLEDGE OF ALLEGIANCE**

### **III. ADDITIONS TO THE AGENDA**

*The agenda was accepted as presented.*

### **IV. APPROVAL OF MINUTES**

#### **A. Approval of the March 16, 2010 Special City Council Meeting Minutes**

*Moved by Weir, seconded by Siitari, to approve the March 16, 2010 Special City Council meeting minutes as presented. **Motion passed unanimously.***

#### **B. Approval of the March 16, 2010 Regular City Council Meeting Minutes**

*Moved by Weir, seconded by Siitari, to approve the March 16, 2010 Regular City Council meeting minutes as presented. **Motion passed unanimously.***

### **V. CONSENT AGENDA**

#### **A. Accept 2010 Road Material Bids**

#### **B. Approve American Legion Consumption and Display Liquor License**

#### **C. Approve Temporary 3.2 On-Sale Liquor License and Raffle, Bingo, and Pull-Tab Permit to Church of St. Anne for August 21-22 2010**

#### **D. Approve State of Minnesota (DNR Community Conservation Assistance) Grant Agreement**

#### **E. Approve Cleaning Services Agreement with Carlson Building Services, Inc.**

#### **F. Approve Tennis Court Rental Agreement with Carrie Agre**

#### **G. Approve Mobile Data Computer Amendment to the Communications System Subscriber Agreement with Hennepin County**

#### **H. Approve Field Rental Agreement with Hamel Hawks**

#### **I. Approve Street Sweeping Services with Carefree Services, Inc.**

#### **J. Approve Fence Removal, Purchase and Installation Agreement with Town and Country Fence**

#### **K. Approve Concession Services Agreement with Church of Saint Anne**

#### **L. Ordinance Rezoning Certain Property at the Northwest Corner of Highway 55 and Arrowhead Drive**

**M. Resolution Declaring the Official Intent of the City of Medina, Minnesota to Reimburse Certain Expenditures from the Proceeds of Equipment Certificates**

Crosby asked to remove item K (Approve Concession Services Agreement with Church of Saint Anne), and item M (Resolution Declaring the Official Intent of the City of Medina, Minnesota to Reimburse Certain Expenditures from the Proceeds of Equipment Certificates) from the consent agenda.

*Moved by Johnson, seconded by Weir, to approve the consent agenda. Motion passed unanimously.*

**K. Approve Concession Services Agreement with Church of Saint Anne**

Crosby stated that because the City is not gaining any proceeds from the concessions agreement, he would like language added into the contract which would give the City the right to view an annual unaudited profit and loss statement. He explained that the City would then be able to gauge whether a fee should be collected by the City and whether the concession supplier is charging accurate prices for their merchandise.

*Moved by Smith, seconded by Siitari, to approve the concession services agreement with the Church of Saint Anne, adding an amendment stating that the Church of Saint Anne is subject to an annual review of unaudited financial statements. Motion passed unanimously.*

**M. Resolution Declaring the Official Intent of the City of Medina, Minnesota, to Reimburse Certain Expenditures from the Proceeds of Equipment Certificates**

Crosby explained that he understood this item to state that the City of Medina used bonding for three years of equipment expenditures that would be paid back in 2008, 2009 and 2010.

Adams stated certificates were used and are being paid back in 2009, 2010, and 2011.

Crosby confirmed that if equipment was bought in 2010 the City would be reimbursed in 2011 by bonds, which would go on the tax records in 2012. He stated that after the money is spent there would be a one year lag in interest rates, and another one year lag in the bonds being certified on the tax rolls.

Adams advised that if the interest rate market is more competitive, the bonds could be issued in 2010, and advised that the pay schedule would still remain the same.

*Moved by Smith, seconded by Johnson, to approve the resolution declaring the official intent of the City of Medina, Minnesota to reimburse certain expenditures from the proceeds of equipment certificates. Motion passed unanimously.*

## **VI. PRESENTATIONS**

**A. Interfaith Outreach – LaDonna Hoy, Executive Director**

LaDonna Hoy, Executive Director of Interfaith Outreach, thanked the Council for allowing her to speak, and thanked the City of Medina for 12 years of support. She advised that Interfaith Outreach has been in the community for the past 31 years and has grown during that time by addressing the needs of people who live in this area and seven

neighboring communities. She summarized the types of services the organization provides, including emergency assistance services and others including transportation and child care services. She reported that in the past year 1,400 households were served by the organization; spending over \$100,000 each month in housing assistance alone. She reported that over \$1,560,000 was earned this year in the annual sleep out fundraising event. She advised of a partnership with Common Bond that built 50 affordable housing units in Plymouth, a partnership with Habitat for Humanity, a rehabilitation of a complex in Wayzata, and another complex being developed in the City of Orono. She explained that the funds earned during the sleep out fundraiser are used to partner with and obtain other funding, such as grants. She advised that Woodridge Church and Holy Name Church have been wonderful supporters of the organization and summarized past and current projects. She stated that the organization would like to purchase the Erickson property, which would be utilized as a headquarters as well as a community resource center. She again thanked the City of Medina and the residents for their contributions and support, and hoped for future support from the City.

Ms. Hoy stated that 28 families in Hamel and Medina received assistance from IFO.

Crosby stated that a reduction in funding had been discussed in the past and would again be discussed, not because the City does not believe in the organization, but because it may not be the right choice for a City to make a charitable donation. He thanked the organization for their assistance and service. He asked which other cities donate to the organization.

Ms. Hoy reported that the only other city to make a contribution is the City of Plymouth.

**B. Long Lake Fire Department Annual Report – James Van Eyll, Fire Chief**

James Van Eyll, Fire Chief, summarized the 2009 Annual Report, highlighting changes to head positions at the different fire stations and members who retired in 2009. He advised that three members of the department were removed from probationary status in 2009 and three new members were added to that status. He advised that new members are gained through advertisements, relatives of current or past members, and through word of mouth; explaining that he would ultimately like 44 to 45 members and currently has 41 members. He reviewed the facilities and equipment from each station and advised that the hovercraft was returned to the DNR. He summarized the 2009 emergency call activity and explained the change to the number of mutual aid calls. He explained that the majority of the calls received come in during the daytime hours and advised that the department struggles to gain daytime responders. He reviewed the budget, explaining that the full training budget was used in 2009 and advising that the department was under budget for the year, because of a lack of call volume in December. He reviewed the 2010 goals, which include updating the Standard Operating Procedures, recruiting, starting a preplan program and submission to dispatch, creating a special events position within the department, and creating a 100 year celebration committee. He also reviewed the training goals for 2010. He invited the public to attend the annual pancake breakfast on April 18<sup>th</sup> from 8 a.m. to 1 p.m.

**VII. COMMENTS**

**A. Comments from Citizens on Items not on the Agenda**

There were none.

**B. Park Commission**

Park Commissioner Ben Benson advised that the Commission met on March 17<sup>th</sup> and discussed the future park study to determine areas that may develop in the future; the addition of a trail to the CIP; issues regarding Hamel Field; and a presentation was given, in detail, regarding the proposed Friends of the Park group. He explained that the presentation would most likely be given to the Council at a future meeting. He advised that during April the Commission would hold their regular meeting, as well as a joint meeting with the Planning Commission. He summarized upcoming events, including a tour of the parks on June 5, 2010.

Scherer provided an update on the building construction of the Field House at Hamel Legion Park.

**C. Planning Commission**

Planning Commissioner Beth Nielsen advised that the Planning Commission would be meeting the next week to discuss items including an amended site plan for OSI, regarding a proposed addition to the planned building as well as the open space/conservation design ordinance.

**VIII. NEW BUSINESS**

**A. 2010 Road Projects**

Adams provided a brief summary of the road improvement project, explaining that it was decided in fall 2009 to defer work on two of the proposed roadways which would mean that the proposed work for 2010 would only include two roadways rather than four.

Kellogg advised that the roadways proposed for improvement this year would be more urban areas and provided a sketch of the work area. He advised that Pioneer Trail was constructed over ten years ago but never received the final layer for completion and explained that this final layer would be added during this improvement. He explained that Holy Name Drive would be receiving a mill and overlay, with a projected project cost for both roadways of slightly over \$300,000. He advised that both of these roadways would qualify for the City special assessment policy.

Adams stated that the rate of assessment is proposed at 22 percent, which would give the Council the leeway to lower the assessment by a few points later in the process.

Shelly Eldridge, Ehlers & Associates, explained that \$315,000 in G.O. Improvement Bonds, Series 2010A, would be issued for the 2010 projects and summarized the terms and possible risks.

Crosby questioned if it is efficient to sell \$315,000 in G.O. Bonds and whether there were a lot of overhead and soft costs involved.

Ms. Eldridge explained the process, and costs that could be involved.

Johnson commented that it is usually more efficient to bond for larger amounts.

Crosby questioned if it would be better to bond two years of improvements together, rather than bonding separately for smaller projects.

Johnson explained the process of rating, and when it would be necessary to gain a rating, because of the expense involved in gaining that rating.

Eldridge explained that with a larger amount bonded, the City would go out for 20 years compared to ten years.

Crosby stated that he believed it would be best to take the road improvements year by year. He confirmed that for a house valued at \$500,000 the tax increase for the bonded assessment would be \$9 in the first year, and \$10 in the second year, which is a one percent increase in the tax levy.

**1. Resolution Accepting Bids for Road Materials and Milling**

*Moved by Weir, seconded by Smith, to approve a resolution accepting bids for road materials and milling as recommended. **Motion passed unanimously.***

**2. Resolution Receiving Feasibility Report and Calling for Public Hearings on Two Improvement Projects and Levying Special Assessments for Same**

*Moved by Weir, seconded by Smith, to approve a resolution receiving feasibility report and calling for public hearings on two improvement projects and levying special assessments for same. **Motion passed unanimously.***

**3. Resolution Calling for the Sale of Bonds**

*Moved by Weir, seconded by Smith, to approve a resolution calling for the sale of bonds. **Motion passed unanimously.***

**B. Award Contract for County Road 116 Trail Project**

Adams reported that all easements have been obtained at this time and staff recommends that the contract be awarded to GHM Asphalt, with direction given to the Mayor and City Administrator to execute the contract. He advised that the completion date would be proposed for the month of July, since additional time was needed to obtain the easements. He reminded the Council that \$150,000 of the funding is being contributed by Hennepin County, with the remainder of the funding being generated from the park dedication fund.

Crosby commented on the range of bids received from the 14 bidders.

Adams advised that the project cost increased because of the additional time and administrative expense needed to obtain the easements, along with an official review being requested by Hennepin County that changed some of the plans.

Kellogg advised that MNDOT is also requesting that a pedestrian button be moved closer to an intersection during the project, which also added to the project cost.

*Moved by Smith, seconded by Weir, to award the contract for the County Road 116 Trail project to GMH Asphalt, Inc. and to direct the Mayor and City Administrator to execute the contract. **Motion passed unanimously.***

**C. Hamel Station Ordinance Violations**

Finke stated that this item has been followed by the Council through planning updates and provided a brief background of the incident regarding tree removal at Hamel Station,

which Eric Simmer took responsibility for. He reported that the City sent a notice on December 23, 2009 to Mr. Simmer notifying him of three ordinance violations. He advised that on March 1, 2010 Mr. Simmer requested a meeting with the City Council to discuss remediation. He reported that 52 trees were removed from the site, with some stumps left in place; explaining that 12 removed trees qualified as significant, and that the ordinance only allowed up to four trees removed. He stated that staff used the average width of trees removed in the equation to determine that 182 inches of replacement trees would be required. He then provided the developer's proposed remediation for the situation, including a proposed cash payment. He advised that the City has been working with MNDOT and the Elm Creek Watershed, whom also believe that trees should be replanted on-site.

Crosby stated that clearly there is a violation in this situation and questioned which party would be legally responsible.

Finke advised that Mr. Simmer has taken responsibility for the violations and has been offering options for remediation. He advised that criminal and civil action would be alternative options, as well as utilization of the escrow being held by the Elm Creek Watershed District. He advised that the Council could agree to remediation and summarized the items that should be covered in an agreement.

Weir stated she understood that the escrow being held by Elm Creek Watershed District was only to be utilized for water and streambank issues and not for this specific issue.

Eric Simmer accepted responsibility for the problem that arose in this situation and advised that he was no longer with United Properties. He stated that he believed that he and the City viewed the approved agreement differently, as he saw the matter as more of a timing issue. He explained that a portion of the land is going to be dedicated to the future expansion of Highway 55, and believed that the trees would ultimately be cut down. He stated that he believed that the streambank would be more erosion resistant as a result of the trees being cut and the plants that could replace them. He hoped to discuss alternatives to planting 50 trees on the site.

Smith stated that prior to the trees being cut the area looked more like a forest because of the trees and vegetation, which have now been removed. She stated that she was not satisfied with the proposal for 12 four inch trees to be planted, although she appreciated that Mr. Simmer admitted his fault.

Weir commented that only one of the 17 trees left on the site is a significant tree, meaning that only one tree on the property exceeds eight inches in diameter.

Johnson stated that he did not think that the trees were the item holding the property back from sale in this market.

Smith stated that she felt it was important that the Council send a message to developers that they will not come into the City of Medina and disregard the ordinances and approved plans. She stated that Elm Creek was already impaired and believed that the area should be reforested as much as possible with trees, grass, and bushes. She did not think that it would be sufficient to replace 52 trees with 12 four inch trees. She believed that a plan should be submitted to the Council, showing what would be planted and in which location.

Crosby stated this item was on the agenda because Mr. Simmer wanted to discuss the item with the Council, but suggested that staff work out the details of the remediation.

Adams advised that staff could work with the Elm Creek Watershed District to develop a plan for remediation, which could be brought back to the Council.

Finke stated that staff has asked for the remediation plan for the past three months and advised that in discussion Mr. Simmer has stated that he would be willing to provide a plan for replacement of the shrubs, and other vegetation, but not regarding trees. He stated that Mr. Simmer was looking for direction on the number of replacement trees required and a possible cash supplement.

Crosby stated that in his mind, it is up to the City to develop a plan and determine what the Elm Creek Watershed District would consider sufficient to remedy this situation, and then advise the developer.

*Moved by Smith, seconded by Weir, to direct staff to work with Elm Creek Watershed District to develop a plan for remediation of the site. **Motion passed unanimously.***

Mr. Simmer stated that he has offered to replant trees on the site but advised that it is not his position to provide a plan that replants significant trees in the area.

Crosby stated that the City is not looking for a plan from him, as that was already submitted, approved and not followed. He advised that Mr. Simmer will now receive a replanting plan from the City.

## **VIII. CITY ADMINISTRATOR REPORT**

### **A. Tomann Preserve**

Adams stated that the name Tomann Preserve had been chosen for the planned Tomann parcel donation to the City. He advised that staff would like to order the sign and install it at the park prior to the open house and dedication scheduled.

*Moved by Smith, seconded by Weir, to order a sign for the Tomann Preserve. **Motion passed unanimously.***

## **XI. MAYOR & CITY COUNCIL REPORTS**

### **A. Council Saturday Office Hours – Additional Promotional Efforts**

Smith stated she thought it may help if Saturday office hours were advertised on the community boards at the Medina Entertainment Center and Highway 55 Rental. She suggested promoting the Saturday hours with a sandwich board outside of City Hall.

Crosby stated that while he was in favor of additional advertisement of the Saturday hours, but believed that a better time for that discussion would be this fall, as the season for Saturday hours is almost complete.

### **B. Uptown Hamel Monument Sign**

Smith stated that she noticed that the portion of the sign that is supposed to be a window is bright white while the rest of the sign is beige, which she believed drew the

attention to the window rather than the wording. She stated that this sign was substantial and believed that staff should speak with the sign installer to determine if another color could be chosen for the window area.

Weir suggested an alternative to provide a colored border around the windows, but to keep the windows white.

Adams stated he would contact the sign installer to discuss options.

**C. Business Tour**

Crosby reported that last week he, Weir, Smith, Finke and Adams toured three businesses in the City of Medina. He commented on the amount of materials that the three businesses provide to companies around the country.

**XII. APPROVAL TO PAY THE BILLS**

*Moved by Johnson, seconded by Smith, to approve the bills, EFT 000698-000716 for \$33,837.97 and order check numbers 035280-035339 for \$143,556.20, and payroll check 020226 for \$1,832.54 and payroll EFT 502655-502705 for \$84,143.40. **Motion passed unanimously.***

**XII. CLOSED SESSION: ACQUISITION OF PROPERTY**

The Council adjourned to closed session at 8:57 p.m. to discuss land acquisition for property located at 1600 Prairie Drive, 2392 Pioneer Trail, and 3365-3375 Mill Drive.

The Council re-entered open session at 9:37 p.m. and directed City Administrator Adams to continue discussions with the three properties identified previously.

**XIII. ADJOURN**

*Moved by Weir, seconded by Johnson, to adjourn the meeting at 9:38 p.m. **Motion passed unanimously.***

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T.M. Crosby, Jr., Mayor

Attest:

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Chad M. Adams, City Administrator-Clerk