

## MEDINA CITY COUNCIL MEETING MINUTES OF JULY 19, 2016

The City Council of Medina, Minnesota met in regular session on July 19, 2016 at 7:00 p.m. in the City Hall Chambers. Mayor Mitchell presided.

### **I. ROLL CALL**

**Members present:** Anderson, Cousineau, Pederson, Martin, and Mitchell.

**Members absent:** None.

**Also present:** City Administrator Scott Johnson, City Attorney Ron Batty, City Engineer Jim Stremel, City Planner Dusty Finke, Public Works Director Steve Scherer, and Chief of Police Ed Belland.

### **II. PLEDGE OF ALLEGIANCE (7:00 p.m.)**

### **III. ADDITIONS TO THE AGENDA (7:00 p.m.)**

The agenda was approved as presented.

### **IV. APPROVAL OF MINUTES (7:00 p.m.)**

#### **A. Approval of the July 5, 2016 Regular City Council Meeting Minutes**

It was noted on page two, line 36, it should state, "~~...would then only is proposed to be...~~" On page two, line 45, it should state, "~~...uses property...~~" On page five, line 35, it should state, "~~...of a recent joint training held by the Loretto and Maple Plain Fire Departments he...~~"

*Moved by Anderson, seconded by Pederson, to approve the July 5, 2016 regular City Council meeting minutes as amended. **Motion passed unanimously.***

### **V. CONSENT AGENDA (7:02 p.m.)**

- A. Approve Temporary Liquor License to the Church of the Holy Name of Jesus of Medina on September 17, 2016 at 155 County Road 24**
- B. Approve Water Supply Agreement with Medina Leased Housing Associates I, Limited Partnership**
- C. Ordinance No. 600 Establishing an Amended Fee Schedule**
- D. Resolution No. 2016-59 Authorizing Publication of Ordinance No. 600 Establishing an Amended Fee Schedule by Title and Summary**

*Moved by Pederson, seconded by Anderson, to approve the consent agenda. **Motion passed unanimously.***

### **VI. COMMENTS (7:02 p.m.)**

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

Caroline Smith, 545 Medina Road, stated that she is grateful to live in Medina and feels safe because there are not a lot of safety and crime issues within the City. She stated that because of the recent times she feels it necessary to show appreciation for the Police Department. She provided information on a peace pole that she is making and proposed that Medina state that it is a city of peace. She stated that if the City is

interested in a peace pole she would bring forward the information and donate the item to the City. She believed that each person in the City can do a little something visual.

Mitchell suggested that staff research the item and speak with Ms. Smith to determine if this would be considered by the planning or park department.

Ms. Smith stated that she was a member of the Council for 12 years and is aware that there is a lot of discussion about the public safety budget during the budget discussions. She requested that the Council ensure that the Police Department has sufficient funding for any type of training they may need. She stated that this is not a time of normal police budgets and asked that the Council not let the department go unprepared.

Mitchell thanked Ms. Smith for her input.

Fred Webber, 100 Clydesdale Trail, thanked Belland, his department and all the public servants in Medina. He stated that the residents have come to count on them for all of the wonderful things that they do.

Mitchell acknowledged that this is a small town and noted that many members of the community have called the Police Department in recent days to voice their support and appreciation.

Belland confirmed that the department has received many calls of support. He stated that Medina is a special City with a special sense of community. He stated that the officers go out every day to protect and serve the residents of Medina. He stated that since he has been with the City there has been a great deal of support and training provided to the officers and the departments. He provided examples of different training mechanisms that the department uses and has been teaching to the officers. He thanked the community for their support.

#### **B. Park Commission**

Scherer reported that the Park Commission will meet the following night to consider possibly returning the Maple Park baseball field to a field again as there have been requests from neighbors that will be presented to the Commission. He stated that the Commission will also discuss park dedication for the AutoMotorPlex request and noted that Finke will be present to discuss the park and trail portion of the Comprehensive Plan. He stated that the Commission will also consider dugout covers at Hamel Legion and receive an update on the Arrowhead Drive Trail project.

#### **C. Planning Commission**

Planning Commissioner Murrin stated that the Commission met the previous week to consider the Concept Plan from the AutoMotorPlex and noted that the Commission unanimously supports the applicant bringing forward an application. She noted that the Commission encouraged the potential applicant to meet all the suggestions noted in the staff report. She stated that the Commission also considered an ordinance amendment related to temporary healthcare dwellings noting that the Commission unanimously recommended to opt-out. She stated that the Commission determined that would place a lot of additional work onto staff and the Commission was not sure that options outlined by the Governor would be the best way to care for a sick family member or regulate that type of housing.

## VII. PRESENTATIONS

### A. General Obligation Bonds, Series 2008A Refunding Bid Presentation – Ehlers (7:15 p.m.)

Shelly Eldridge, Ehlers, stated that about one month ago the Council approved a call for Series 2008A Refunding Bonds. She stated that staff has been working with Moody's Investing Services and was able to obtain an Aa2 rating. She provided a synopsis of the information used to determine the rating a City can obtain. She stated the bids were received today and the City received four bids. She stated that winning bidder was United Bankers Bank out of Bloomington, Minnesota with an interest rate of 1.1382, noting that Ehlers had estimated an interest rate of 1.62; the winning bid was almost one half percent less than expected. She stated that it was originally estimated that the City would save \$69,000 over the course of the bond and noted that those savings increased to \$104,000, saving the City another \$35,000. She noted that because of the additional savings the original aggregate principal amount would be decreased from \$1,280,000 to \$1,220,000.

Martin noted that the potential motion references the original aggregate amount and received confirmation that the amount should be changed to \$1,220,000. She referenced a few other items that may not be consistent with the new figures. She noted that perhaps the resolution can be adopted with revisions that comport to the Ehlers Report.

Johnson noted of a potential motion that would be sufficient to adopt the resolution.

1. **Resolution No. 2016-60 Awarding the Sale of General Obligation Refunding Bonds, Series 2016A, In the Original Aggregate Principal Amount of \$1,220,000; Fixing their Form and Specifications; Directing their Execution and Delivery; Providing for their Payment; Providing for the Escrowing and Investment of the Proceeds thereof; and Providing for the Redemption of Bonds Refunded thereby**

*Moved by Martin, seconded by Anderson, to Adopt Resolution No. 2016-60 Awarding the Sale of General Obligation Refunding Bonds, Series 2016A, In the Original Aggregate Principal Amount of \$1,220,000; Fixing their Form and Specifications; Directing their Execution and Delivery; Providing for their Payment; Providing for the Escrowing and Investment of the Proceeds thereof; and Providing for the Redemption of Bonds Refunded thereby. **Motion passed unanimously.***

Mitchell noted that there is a lot of useful information included in the Moodys Report and believed that it would be helpful for the Council to review that information as it will assist in future budgeting discussions.

## VIII. NEW BUSINESS

### A. Deerhill Road Extension Project – Update on Bid Opening and Tabulation (7:31 p.m.)

Johnson reported that the bid opening was held on July 14<sup>th</sup> noting that although the developer was not able to provide all the information needed to move forward, staff still wanted to bring the bid information forward to the Council. He reported that the low bidder was Midwest Asphalt with a bid of \$698,776.62. He confirmed that the bid was

within the engineer's estimate for the project. He noted that no action would be requested tonight.

**B. AutoMotorPlex – PUD Concept Plan Review – East of Arrowhead Drive, North of Hamel Road (7:32 p.m.)**

Johnson noted that because this is a Concept Plan no formal action would be needed and the applicant is simply requesting input from the Council. He stated that this request would include nine buildings with a total of 215,000 square feet. He noted that there is a similar facility located in Chanhassen owned by the applicant.

Finke stated the applicant is considering a PUD to allow flexibility in construction. He noted that staff has provided details for consideration within the staff report. He noted that the applicant is proposing materials more commonly found in residential zoning. He stated that this is a unique property and believed the narrative supplied by the applicant provides some insight, as would a visit to the Chanhassen site. He stated that at this point in the draft Comprehensive Plan process the land is not proposed to change in land use designation. He identified the proposed property and noted that staff made comments regarding an upland parcel that would be landlocked with the proposed subdivision of the overall property. He displayed the proposed layout of the property included in the Concept Plan along with some photographs from the developer's existing Chanhassen site. He provided a comparison of what is being requested by the applicant compared to what is typically allowed in the business park zoning district. He stated that the applicant is seeking flexibility on setbacks, noting that perhaps additional buffering could be done to minimize the potential impact. He stated that the applicant is proposing lap siding (LP smart board siding) similar to what you would see on a residential building rather than the typical brick and concrete building you would find in a business park district. He stated that the building material is typically only allowed as a secondary minor material in the business park zoning district but noted that the Planning Commission was supportive of the material in this situation. He noted that staff would still recommend at least 20 percent of the materials be composed of a material such as glass or brick. He stated that this use would require a lot of garage doors and noted that the zoning district typically limits loading docks to 20 percent. He stated that staff would want to review the different parking needs to determine an efficient site layout to ensure parking is provided for events. He noted that the Chanhassen site holds events on a monthly basis and smaller events on weekends and staff would want to ensure there is not pressure put on public right-of-way. He noted that there were letters from Chanhassen stating that there are no issues at that site with events and noted that the applicant is working with Loram to secure a shared parking agreement. He reported that the Planning Commission was supportive of the request.

Bruno Silikowski, Plymouth resident, stated that the applicant created a large amount of property tax base. He stated that there is a similar sized site in Chanhassen that he opened on January 1, 2008. He explained that, although the Medina site will be roughly the same size, the selling price of the Medina land is higher by about 30 percent and noted that the valuation of the Chanhassen site today is about \$40,000,000. He stated that he worked with staff to determine a comparable price for the land should it be developed under a typical commercial use of this size and it was determined about \$4,000,000 to \$7,000,000 while he estimates that this site will be valued significantly higher than his Chanhassen site. He stated that this site will be quiet enjoyment and the people that frequent his site like to spend money in the community.

Mitchell asked if Silikowski has an office on the site.

Silikowski replied that he does have an office on the Chanhassen site and would have one on this site as well. He stated that his auto collection would also be housed at this location. He noted that the site would have a member led association and therefore a professional management team would be on site as well.

Anderson asked how the tenants fuel their vehicles and whether there would be a gas station on site.

Silikowski replied that there would not be a gas station on site and members would fuel their vehicles at local gas stations.

Cousineau asked for information on security as there would be a lot of high-end vehicles on the site.

Silikowski stated that they take this very seriously and one of their hallmarks is security. He stated that they would have fire suppression systems, cameras throughout the site, specific codes that register which members are coming and going from the site, the police are hired for local events, and the community of members act as a block watch. He stated that their by-laws are firmly written to help prevent issues and stated that they are yet to have an issue at the Chanhassen site.

Martin stated that she is struggling with the limited setbacks. She stated that although the tax base would be wonderful and residents would be interested in this development she noted that typically there would be some kind of trade off in return for the reduced setbacks and additional garage doors. She noted that the proposed site has minimal perimeter open space and green space, noting that enhanced open and green space plan is sought in return for the flexibility requested.

Silikowski stated that there is a minimum of 50 feet between the buildings and up to 150 feet from some perimeters of the site so it is much more open than you would think. He stated that the wetland in the center is a low quality wetland and they plan to celebrate that natural feature and plan to make it a high quality wetland that will become a feature of the site in an almost park like setting. He noted that in speaking with the Planning Commission they are planning to make the garage doors of a wood material in order to better blend with the site. He noted that he was able to learn from the Chanhassen site as to what works best and build that into this site. He stated that the setback variations are only slight, ten feet compared to 50 feet in order to fit with the design.

Martin stated that she likes the concept and perhaps it would be easier to see with larger plans. She noted that the interior of the site would not be visible for the outside community and therefore she would want to see a larger giveback to the community.

Silikowski stated that they would open the doors to the community for events and noted that they work with organizations to raise money for charity through events that the community can attend. He stated that they are very security minded and do not want people to walk onto the site when the events are not occurring in order to protect the security of members.

Pederson stated that he attended the Planning Commission meeting and noted that he also visited the Chanhassen site and was very impressed. He noted that his original impression was that it would be muscle cars and it was not that at all as these are high value vehicles. He stated that it is a very nice facility but did not see any hardships that would allow the City to reduce the setbacks. He stated that it is a first class facility and Silikowski was very helpful in showing him around.

Cousineau stated that she has not been to the site but has talked to people that have been to the Saturday morning events in Chanhassen and spoke of them very highly. She stated that she would be concerned with light and noise pollution because of the rural setting.

Silikowski stated that typically on a weekday there are about six people on site and perhaps 12 on weekends. He stated that some of the members are CEO's and the intent of the site is quiet enjoyment. He noted that there is an open house for the public on Saturday mornings from 7:30 AM to 11:30 AM. He encouraged the Council to reach out to Chanhassen. He stated that Chanhassen encourages and participates in the events.

Cousineau asked if there would be a mechanics or repair shop onsite.

Silikowski replied that a body shop, repair shop and detail shop is being built in Chanhassen right now. He stated that all that activity is completed inside and noted that this is high-end, with the low end of restoration being \$500,000 and ranging up to \$2,000,000.

Anderson stated that he shares the concerns regarding setbacks. He believes that this is an intriguing plan and encouraged the applicant to think about the comments regarding the setbacks when coming forward with an application.

Mitchell stated that he is familiar with the Chanhassen site and noted that one issue of Arrowhead would be having a wide enough road with a trail off the road to allow pedestrian traffic. He stated that there is a horse barn on the corner and wanted to ensure that there is a viable piece of property when the Loram property is further subdivided.

Silikowski stated that this subdivision is per Loram's request.

Mitchell stated that he is welcoming of this request.

Pederson stated that there was a possible second emergency entrance discussed at the Planning Commission.

Silikowski stated that at Chanhassen there is one way in and one way out with an emergency access. He noted that the emergency access has never been used but agreed that could be done on this site as well. He referenced the site map and stated that the ten-foot variance in the setback is being requested in only the peaked areas, noting that the road is not behind that area. He noted that the setback request is not for the entire site but just those areas.

## **IX. OLD BUSINESS**

**A. Just for Kix – Site Plan Review, Hardcover Variance, Lot Combination at 45 Highway 55 (8:02 p.m.)**

Johnson stated that staff is bringing this item back noting that the main question from the last meeting was the façade and noted that changes had been made following a meeting with the applicant, Mayor Mitchell, Council Member Anderson, and staff.

Finke stated that the applicant is looking to incorporate more brick material within the entrance for the dance studio and retail space and carry that color across the entire building. He referenced additional features which were added to the rear of the building as well.

Mitchell stated that his observation is that Aldi and the other stores in that area had more of a brick look and therefore he supported that and believed that this would better blend with the other buildings.

**1. Resolution No. 2016-61 Granting Preliminary and Final Plat Approval for Just for Kix**

*Moved by Cousineau, seconded by Martin, to Adopt Resolution No. 2016-61 Granting Preliminary and Final Plat Approval for Just for Kix. **Motion passed unanimously.***

**2. Resolution No. 2016-62 Granting Variance and Site Plan Review Approval for Just for Kix**

*Moved by Cousineau, seconded by Anderson, to Adopt Resolution No. 2016-62 Granting Variance and Site Plan Review Approval for Just for Kix. **Motion passed unanimously.***

**3. Development Agreement by and between the City of Medina and Clough Properties, LLC**

*Moved by Cousineau, seconded by Martin, to approve Development Agreement by and between the City of Medina and Clough Properties, LLC. **Motion passed unanimously.***

**X. CITY ADMINISTRATOR REPORT**

**A. Planning Commissioner Appointment to Vacant Seat (8:06 p.m.)**

Johnson stated that there have been interviews for the one vacant position on the Planning Commission and staff recommends appointing Laurie Rengel to the position as she does have a background that would fit well in that position.

Anderson stated that the City is blessed to have four very strong applicants, any one of which would be an asset to the Commission. He reviewed some of the qualities she brings to the table, noting that she is an employee of a local business and lives in one of the newer Medina communities.

*Moved by Anderson, seconded by Martin, to appoint Laurie Rengel to the vacant position on the Planning Commission. **Motion passed unanimously.***

Anderson noted that the other applicants are of a high quality and caliber and hoped that they would apply again in the future when another position opens on the Commission.

**XI. MAYOR & CITY COUNCIL REPORTS (8:08 p.m.)**

Pederson thanked Mitchell for the beautiful party he and his family put on.

Mitchell thanked all the staff who attended. He noted that the rain kept them indoors and it provided a closer setting for people to enjoy. He stated that this is a tough time for police and noted that the Council supports the department and hopes things go smoothly.

Martin stated that she attended a training session for the Hamel Fire Department that she found helpful and noted that she has met with each of the Fire Chiefs and has learned a lot through those meetings. She stated that all the departments appreciate quality feedback. She stated that the Hamel Fire Department will have its railroad trainings in a two-part session in late August.

Johnson stated that Night to Unite is August 2<sup>nd</sup> and therefore the next Council meeting will be on August 3<sup>rd</sup>.

**XII. APPROVAL TO PAY THE BILLS (8:11 p.m.)**

*Moved by Anderson, seconded by Martin, to approve the bills, EFT 003726E-003746 for \$50,194.46, order check numbers 44545-44628 for \$895,138.18, and payroll EFT 507277-507308 for \$49,452.29. **Motion passed unanimously.***

**XIII. ADJOURN**

*Moved by Anderson, seconded by Martin, to adjourn the meeting at 8:12 p.m. **Motion passed unanimously.***

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Bob Mitchell, Mayor

Attest:

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Jodi M. Gallup, City Clerk