

**MEDINA CITY COUNCIL MEETING MINUTES OF AUGUST 4, 2010**

The City Council of Medina, Minnesota met in regular session on August 4, 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:** None.

**Also present:** City Attorney Ron Batty, City Engineer Tom Kellogg, City Planner Dusty Finke, Public Works Superintendent Steve Scherer, Assistant to City Administrator Jodi Gallup, City Management Intern Dale Cooney, and Recording Secretary Barbara Hughes.

**II. PLEDGE OF ALLEGIANCE**

**III. ADDITIONS TO THE AGENDA**

It was requested to pull item V.D. from the agenda.

*Moved by Weir, seconded by Smith, to approve the agenda as amended. **Motion passed unanimously.***

**IV. APPROVAL OF MINUTES**

**A. Approval of the July 20, 2010 Special City Council Meeting Minutes**

Crosby requested that the second paragraph on page 1 under III (Ag Preserve and Payment in Lieu of Taxes (PILOT)) be clarified to state that discussion took place as to whether a voluntary offer by an applicant might be accommodated and that such an offer would be considered in more detail if it presented itself.

Weir questioned whether the reference to the "legal merits of requiring or requesting" should be deleted.

It was the consensus of the City Council to delete the second paragraph on page 1 under item III.

Crosby asked staff to provide notice in the newsletter regarding the Council's work session meetings.

Gallup agreed to post a notice in the newsletter regarding work session meetings. She pointed out that the Council's annual meeting schedule is adopted at the beginning of each year.

Crosby asked if the Council can take action at its work session meetings.

Batty explained that councils set their own rules, and many councils say that they will not take action at work session meetings. He stated that the rules for work sessions are the same as for regular meetings and whether the meeting is noticed in a newsletter or not, it is a public meeting, duly called, and is subject to the open meeting law. He added that

the City Council has established a regular work session meeting as its second meeting of every month; this is considered a regular meeting and does not require special notice.

Gallup stated that work session meeting agendas are posted on the website and on the board, and will be added to the newsletter.

*Moved by Weir, seconded by Smith, to approve the July 20, 2010 Special City Council meeting minutes as amended. **Motion passed unanimously.***

**B. Approval of the July 20, 2010 Regular City Council Meeting Minutes**

It was noted on page 2, line 5, it should state “were collected in the City and that number increased to 32.53 tons in 2009, thanks in part to...”

It was noted on page 2, line 3, it should state “Smith stated that two young ladies in the community took the initiative to improve participation in and promote the...”

It was noted on page 4, line 36, it should state “the amount of \$13,275 will be made by the developer to the City by September 1, 2011 and the trees and plantings are required to be planted by September 1, 2010.”

It was noted on page 5, line 35, it should state “*Moved by Smith, seconded by Johnson, to thank Mayor Crosby and accept the donation from Mayor Crosby in...*”

It was noted on page 6, lines 15 and 16, it should state “public service announcements should be done as well as a message boards at Medina Entertainment Center and Highway 55 Rental, along with notice posted on the City’s website.”

*Moved by Weir, seconded by Johnson, to approve the July 20, 2010 Regular City Council meeting minutes as amended. **Motion passed unanimously.***

**V. CONSENT AGENDA**

- ~~A. Approve Amendment No. 1 to Construction Cooperative Agreement for County Road 116 Trail~~
- B. Approve Tree Trimming Services Agreement
- C. Approve Seal Coating Services Agreement for City Trails
- ~~D. Approve Ball Field Reservation Agreement with Minnesota Umpires Association~~
- E. Approve Fireworks Services Agreement for Medina Celebration Day
- F. Approve Bingo Permit and Temporary On-Sale Liquor License to Holy Name of Jesus Church for September 11-12, 2010
- G. Resolution Approving Off-Site Gambling Permit to Hamel Lions Club at 3200 Mill Drive on September 25, 2010

Crosby asked to remove item V.A. from the Consent Agenda.

*Moved by Weir, seconded by Johnson, to approve the consent agenda as amended to pull item V.D. and remove item V.A. **Motion passed unanimously.***

- A. Approve Amendment No. 1 to Construction Cooperative Agreement for County Road 116 Trail

Crosby requested clarification regarding the increased costs for the project and the County's agreement to provide an additional \$24,000 in funding.

Scherer explained that the project encountered additional costs due in part to the County's increased regulations; the \$24,000 amount is all that the County was willing to provide. He added that the project is already included in the City's Capital Improvement Projects budget and is paid via park dedication funds.

*Moved by Crosby, seconded by Smith, to approve Amendment No. 1 to Construction Cooperative Agreement for County Road 116 Trail. **Motion passed unanimously.***

## **VI. COMMENTS**

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

There were none.

### **B. Park Commission**

Park Commissioner Chris Hilberg advised that the Park Commission met on July 21<sup>st</sup> and discussed the land use application from Lennar for the "Enclave of Medina" project. He stated that the Commission was given a proposed park plan which is likely to change, but which provides some guiding principles for the developer. He indicated that the site plan shows the City can take 7.6 acres of land for park dedication, cash in lieu of in the amount of \$750,000, or a combination thereof; the Commission did not reach consensus on park dedication fees but it is likely the City will take 6-7% of the land for this purpose. He advised that the Commission was pleased with the amount of trails proposed throughout the development, including a high priority trail along Hunter between Hamel Road and Medina Road as well as an east-west trail connecting Hunter Lions Park to Hamel Legion Park.

Smith noted that there was a lot of discussion regarding the wetland or pond on the north side of the road and the Commission discussed the benefits of having the trail on the north side so that it is not in the front yards of people living on the south side of the street. She added the Commission believes the trail should be on the wetland side if possible, without disrupting the wetlands.

Hilberg stated that the Commission also discussed the MUSA line and the developer has proposed to establish an undeveloped conservation area in the eastern portion of the site which would be protected without any consideration for park dedication; the developer is asking for the ability to develop south of the MUSA line. He reported that the Commission also discussed the Hunter Lions Park sign and staff is currently working with them on placement of the sign. He stated that the Commission then discussed wetland buffers and ways to educate residents about the importance of maintaining wetland buffers, including posting educational materials on the City's website. He advised that there will be a ribbon cutting and grand opening for the 116 trail on September 25<sup>th</sup> at 3:00 p.m.; certificates of appreciation will be presented to the trail's donors. He stated that the Commission reviewed the request of the Minnesota Umpires Association to reduce the City's fees for rental of the baseball fields for its softball tournament on September 18 and 19; the Commission voted to recommend that the City reduce its fees for this tournament to \$60 per field per day, which is the amount charged for youth tournaments and which appears to be more in line with what other communities charge for this type of event.

Crosby noted that the Minnesota Umpires Association turned down the \$60 per field per day offer by the City.

**C. Planning Commission**

Finke reported that the Planning Commission will be meeting next week and the agenda includes four public hearings on the rezoning of properties in the City; the rezoning is part of the large rezoning project taking place in the City, consistent with the Comprehensive Plan. He advised that staff is currently working on two rural subdivision requests; the requests are incomplete at this time and will likely be reviewed at the Commission's September 14<sup>th</sup> meeting. He indicated that the County has come in for final approval of its proposed wind turbine. He added that the developer of the "Enclave of Medina" project is working on its plans and this item may be heard at the September 14<sup>th</sup> Planning Commission meeting.

**VII. NEW BUSINESS**

**A. City Gambling Regulations**

Gallup advised that there were a number of legislative changes made in 2009 that require the City to update its ordinances. She stated that the Council previously inquired whether the City could require that 50% of all gambling proceeds be expended in the City, rather than the trade area. She explained that Minnesota Statute 349.213, subd. 1(g) specifically states that cities can require a percentage of gambling proceeds to be spent in the city's trade area; as a result, the current ordinance cannot be changed to require that gambling proceeds must be expended in the City. She further explained that because of the new requirement that makes all gambling licenses perpetual, staff has added language stating that premises permits are granted for a perpetual term bound by Section 315 of the Code of Ordinances as amended.

Batty advised that the statute precludes the City from granting premises permits on anything other than a perpetual basis. He stated this language is not legally required, but is helpful in terms of notice and the organization must comply with the law as it exists. He added that the provision being added simply states that they are subject to the City's Ordinance and that the Ordinance might change. He further added that the City always retains its right to revoke a license for cause as outlined in Section 315.13.

Gallup pointed out that the City is not the licensing agent, but the State Gambling Control Board requires a resolution from the City approving each organization for a premises permit.

Seth Hoyt, 1382 Tamarack Drive, asked why this issue has come up now and also asked if the City receives any portion of gambling proceeds.

Crosby replied that State law has changed requiring the City to amend its ordinances consistent with State law. He stated that the City does not receive any monies from charitable gambling proceeds, but noted that in the past, some of the proceeds have benefited the ball fields, so as a practical matter, the proceeds have come back to the City. He requested that staff respond to Mr. Farrell's email of July 23, 2010.

**1. Ordinance Amending Section 315 of the Code of Ordinances Regarding Gambling**

Moved by Weir, seconded by Smith, to adopt the ordinance amending Section 315 of the code of ordinances regarding gambling. **Motion passed unanimously.**

2. **Resolution to Publish the Gambling Ordinance Amendments by Title and Summary**

Moved by Weir, seconded by Siitari, to approve the resolution authorizing publication of Ordinance No. 486 by title and summary. **Motion passed unanimously.**

3. **Resolution Approving Premises Permit to the Hamel Lions Club to Conduct Lawful Gambling**

Moved by Smith, seconded by Weir, to approve the resolution approving premises permit to the Hamel Lions Club to conduct lawful gambling. **Motion passed unanimously.**

4. **Resolution Approving Premises Permit to the Hamel Volunteer Fire Department Relief Association to Conduct Lawful Gambling**

Moved by Smith, seconded by Weir, to approve the resolution approving premises permit to the Hamel Volunteer Fire Department Relief Association to conduct lawful gambling. **Motion passed unanimously.**

5. **Resolution Approving Premises Permit to the Loretto Lions Club to Conduct Lawful Gambling**

Moved by Smith, seconded by Weir, to approve the resolution approving premises permit to the Loretto Lions Club to conduct lawful gambling. **Motion passed unanimously.**

**B. Municipal State Aid for Roadways**

Crosby explained that Municipal State Aid (MSA) is available to cities with populations over 5,000 and the City was recently notified that its population surpassed 5,000 persons, putting it in a position to receive MSA funds; staff has determined that the City could be eligible for approximately \$150,000-\$200,000 beginning January 2011.

Scherer presented a map depicting proposed MSA roadways, and advised that needs are based on a 20-year construction cycle and routes with the highest need along with proposed routes generate the most revenue. He stated that staff prepared the map with the intent to meet MSA connectivity requirements as well as to balance truck traffic in the City.

Kellogg explained that in order to calculate eligible miles, you need to add up the total mileage of local roadways, and a maximum of 20% of that amount is allowed to be designated MSA. He stated that as staff went through the possible roadways and tried to designate the maximum allowable mileage, staff felt that Hunter and Tamarack rose to a level that made sense, but these roads could not be designated without support from Orono; that designation would require Orono to revoke some mileage on some of its other roads in order to accommodate Medina and Orono has indicated they are willing to look at it.

Crosby asked why Willow was not considered.

Scherer replied that Willow may require widening whereas Hunter and Tamarack are at their 20 year cycle. He pointed out that the map can be changed as the City's needs

change, as long as the City has not used funds on a previously designated MSA road. He added if monies were spent on Hunter or Tamarack, the roads would not have to be widened and could simply be reclaimed.

Kellogg stated that the policy set forth by the State indicates if you do less than a full reconstruct, there is the potential but no guarantee that you will be able to do a lesser treatment and not have to meet a higher standard. He added that the City also has the option of banking the MSA money up to three years.

The City Council discussed truck routes in the City and the impact of MSA roads on truck traffic in the City.

Crosby stated the City has a significant financial issue related to roads, primarily because there has not been a lot of financial planning completed for the City's roads, and it will be important for the City to take advantage of available state aid funding and to maximize that funding to the extent possible. He pointed out that the proposed MSA designations are intended to not create a north-south route through the City.

Smith stated that the Council agreed to review possible MSA funding but did not feel there was agreement among the Council that it might be worth \$150,000 or \$200,000 to then be subject to having truck routes in the City. She urged the Council to carefully consider all options before proceeding with the MSA funding and expressed concern about truck routes through the City. She also expressed concern about Hunter Dr. south being designated an MSA road.

Crosby asked if there would be a way to not designate Tamarack and Hunter Dr. south as MSA roads.

Smith suggested designating Clydesdale, Chippewa, Meander, and Prairie as MSA roads to keep the MSA designation in one area.

Kellogg indicated that in discussions with the State, staff has informed the State that the Council will meet on August 17<sup>th</sup> and the City needs to submit a proposal for 2011 funding at that time; after that, the State will review the City's request, the State says yes or no, and then the City has to go through a needs calculation and adopt a resolution by November 1<sup>st</sup>.

Scherer advised that the City may have to leave some money on the table because the City may not be able to meet the 20% maximum threshold.

Crosby stated that it appears the Council would like to pursue MSA funding without disrupting the spirit of Medina, and that the Council would like to avoid any commencement of north-south routes through the City, and that the Council would like to see MSA roads primarily in the northern areas of the City.

Madeleine Linck asked if Medina Road would be removed from consideration if Tamarack is taken out of the equation.

Smith asked that staff submit a copy of the Comprehensive Plan to the State so that the State is aware of the location of the City's ongoing development.

Weir asked if there is a plan to notify residents about the MSA funding since this represents a significant change to all residents.

Stephanie Siitari, 1795 Medina Road, asked if staff is able to determine when the rest of Medina Road would be designated an MSA road.

Kellogg stated that the State's formula is complicated and is based on total state aid mileage, needs, etc.; the only way to add mileage is if you build new roads.

Madeleine Linck asked if the speed limits on MSA roads will be controlled by the City.

Crosby stated that if the City used MSA funds to reconstruct an MSA road, the State might say that the speed limit has to be increased; however, the City always retains the option of reconstructing a road using City funds.

Crosby stated that staff will prepare a revised map for Council's approval on August 17<sup>th</sup>.

Finke advised that residents can contact staff with any questions and the revised map will be posted on the City's website by August 12<sup>th</sup>.

## **VIII. STAFF REPORT**

### **A. Funding Programs for Protecting Natural Resources**

Cooney presented an overview of natural resource funding programs that might be available to the City, in response to the question posed at the last Council meeting regarding utilizing Legacy Amendment funds for the removal of buckthorn. He advised that it does appear that the City can access certain funds; these funds are subdivided and pulled into grant funds administered by various State agencies. He reviewed the Outdoor Heritage Fund, Clean Water Fund, Parks and Trails Fund, and Arts and Cultural Heritage Fund. He stated that the City could apply for a competitive grant through the Outdoor Heritage Fund; these funds may be used to restore, protect, and enhance wetlands, prairies, forest and habitat for wildlife. He discussed the Clean Water Fund and the TMDL grants program; this program is weighed heavily toward waste water treatment projects and may be worth considering. He noted that the Department of Natural Resources also has many grant programs not part of the Legacy Amendment and it might be worth looking into some of those programs.

Crosby asked if the Park Commission should be charged with reviewing appropriate grant programs.

Smith stated that she felt the City needs an Environmental Committee.

Crosby suggested that the City Administrator and Public Works Superintendent review this issue further and provide a recommendation to Council about how best to proceed. He also requested that staff send a copy of Management Intern Cooney's memo to Susan Seeland.

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

Crosby stated that the Night to Unite events throughout the City last night were well attended.

Weir stated that she attended a Night to Unite party on Lake Independence and a resident indicated that a large lakeshore stabilization project has been completed, but one of the properties which is a rental is not being maintained and a lot of the plantings have died and there is a significant amount of erosion. She requested staff follow up on the property and report back to the Council.

Scherer reported that an Eagle Scout is starting a project at Lakeshore Park involving removal of buckthorn. He stated that compost will be delivered on Monday, and seeding and blanketing on the slope toward the beach will be done. He added that signs will be posted at the site.

Smith reported that the Northwest League of Minnesota Cities recently met and discussed hosting a workshop called "Boundaries and Bridges." She explained that the "boundaries" part is tied to selecting an effective leader for the city in dealing with people that are difficult to deal with and the "bridges" part is about collaboration. She stated that there was a speaker at the League of Minnesota Cities that will be invited to speak at the workshop, tentatively scheduled for the second Wednesday in October; the free workshop will be held at the Hennepin County Public Works Facility and will be open to staff, Council, and all Commissions.

**XII. APPROVAL TO PAY THE BILLS**

*Moved by Weir, seconded by Johnson, to approve the bills, EFT 000785-000794 for \$35,729.73 and order check numbers 035789-035838 for \$264,061.35, and payroll check 020235 for \$594.50 and payroll EFT 502898-502923 for \$43,799.60. **Motion passed unanimously.***

**XIII. ADJOURN**

*Moved by Weir, seconded by Siitari, to adjourn the meeting at 8:50 p.m. **Motion passed unanimously.***

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T.M. Crosby, Jr., Mayor

Attest:

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Jodi Gallup, Assistant to City Administrator/Deputy Clerk