

MEDINA CITY COUNCIL MEETING MINUTES OF APRIL 7, 2009

The City Council of Medina, Minnesota met in regular session on April 7, 2009 at 7:00 p.m. in the City Hall Chambers. Mayor Crosby presided.

I. ROLL CALL

Members present: Crosby, Johnson (arrived at 7:15 p.m.), Smith, and Weir.

Members absent: Siitari

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

II. PLEDGE OF ALLEGIANCE

III. ADDITIONS TO THE AGENDA

The agenda was accepted as presented.

IV. APPROVAL OF MINUTES

A. Approval of the March 17, 2009 Special City Council Meeting Minutes

Weir stated there should be more emphasis on building capacity for institutional uses as a major consideration.

Moved by Weir, seconded by Smith, to approve the March 17, 2009 special City Council meeting minutes as amended. Motion passed unanimously.

B. Approval of the March 17, 2009 Regular City Council Meeting Minutes

It was noted on page 3, line 37, it should state: "this project should move forward at this time." Page 3, line 50, should state: "Crosby noted Pioneer Trail could be affected by the placement of the Public Works facility." Page 5, line 29, should state: "Weir commented the resolution regarding legislative policies was very nicely done." Page 5, line 38, should state: "...Hennepin County does 36% of the cases in the state." Page 5, line 39, should state: "and that Hennepin County was being short-changed since they only receive 27% of the revenue back." Page 6, line 37, should state: "to look at different ways to cut down the newsletter size and cost." Page 6, line 38, should state: "newsletter was printed on smaller-sized paper..." Page 6, line 39, should state: "and commented it is the printing process that results in nicer picture and color."

Moved by Weir, seconded by Smith, to approve the March 17, 2009 regular City meeting minutes as amended. Motion passed unanimously.

V. CONSENT AGENDA

- A. Accept Donation from Thomas M. Crosby, Jr. and Allocate to General Fund**
- B. Approve Street Sweeping Services Agreement with Pearson Brothers, Inc.**
- C. Approve Seal Coating Services Agreement with Pearson Brothers, Inc.**

- D. Approve Crack Sealing Services Agreement with Asphalt Surface Technologies Corp
- E. Approve Weed Control and Fertilization Services Agreement with TruGreen Chemlawn
- F. Approve Portable Sanitation Services Agreement with On Site Sanitation
- G. Approve Water Meter Program
- H. Approve Direct Payment Plan Promotional Rebate Program
- I. Resolution Granting Final Plat with Variance for Green Pastures Farm, Located South of Medina Road and East of Tamarack Drive

Weir requested further discussion on items B, E, and I.

Moved by Smith, seconded by Weir, to approve items A, C, D, F, G and H of the consent agenda. Motion passed unanimously.

B. Approve Street Sweeping Services Agreement with Pearson Brothers, Inc.

Weir asked whether subdivisions like Bridgewater and Keller were being swept. Scherer replied those developments had not been taken over by the City yet, and noted it was in the subdivision's development agreements to sweep.

E. Approve Weed Control and Fertilization Services Agreement with TruGreen Chemlawn

Weir asked what type of fertilizer was applied in the parks. Scherer replied they used time-release fertilizer, and there was no phosphorus in the fertilizer. Scherer stated the City had advertised for a local company, but there were no takers.

Weir stated if we encourage farmers to test soil before applying fertilizer, the City should abide by the same standards.

Smith asked if farmers use phosphorus fertilizer. Scherer replied yes, and indicated the City would test the soil next year, maybe even for the fall 2009 application.

I. Resolution Granting Final Plat with Variance for Green Pastures Farm, Located South of Medina Road and East of Tamarack Drive

Weir asked if the City would want a date certain for final delineation for the septic site. Finke replied Green Pastures Farm wouldn't be able to execute their plat until the site was approved by the City, and noted it was a condition in the resolution.

Moved by Weir, seconded by Smith, to approve items B, E, and I of the consent agenda. Motion passed unanimously.

VI. PRESENTATION

A. Resolution Recognizing Steve Scherer for 15 Years of Service

Adams read the resolution for the record.

Johnson arrived at 7:15 p.m.

Smith commended Scherer for the respect for his fellow workers he has brought to the department.

Moved by Smith, seconded by Johnson, to approve the resolution recognizing Steve Scherer for 15 years of service to the City of Medina. Motion passed unanimously.

VII. COMMENTS

A. From Citizens on Items Not on the Agenda

There were none.

B. Park Commission

Ben Benson, Park Commissioner, stated Scherer was valued as far as the Park Commission was concerned.

Benson stated the Park Commission had met and were pleased with their new member. He indicated they had looked at recommending the Council allot additional funds for Hamel Legion Park, and noted the Park Commission recommended \$5,000 be moved to this year's budget to hire a consultant. Benson stated the Park Commission would be participating with Clean Up Day on April 25th. Benson noted the Park Commission had discussed and started planning for signage, and would go forward when the decision was made on the logo. Benson indicated they had scheduled May 16th for the park tour at 10:30 a.m., beginning at City Hall.

Crosby suggested an e-mail be sent to all City officials who are invited on the tour.

Smith noted there would also be a bird walk in Medina Lake Preserve on the morning of May 16, 2009.

Benson stated they had not received the estimates for screening Hamel Legion Park, but indicated it would be a topic at the next meeting.

Smith noted there were 23 proposals for the Field House Architectural RFP's and she felt she had an ethical conflict with two of the firms since she had had prior dealings with both of them.

Benson stated they were not anticipating 23 respondents and commented there were some very large and very professional firms. All of them appear to address the majority of requests.

C. Planning Commission

Finke stated a Planning Commissioner Charlie Nolan was unable to attend tonight, but noted the Planning Commission hadn't met since the City Council's last meeting. Finke indicated they have an application from Holy Name Church for an expansion to the cemetery and would be looking at a draft ordinance for religious institutions, as well as holding a public hearing for the proposed rezoning on three properties at their next meeting.

LID Presentation

Weir stated an LID presentation would take place on April 14, 2009 at 7:00 p.m. and she would encourage the public to come to learn how to reduce storm water run-off.

VIII. OLD BUSINESS

A. City Water Storage Project

Adams stated they were looking for a water tower site and asked if they should continue proceeding to build the water tower.

Crosby noted the City had a bond issued in December 2007 and raised money for this project. Crosby indicated the City had the money in the bank and would have to start paying back the bonds. Crosby commented the biggest issue was the way the City had determined to pay for the new water storage, with connection charges from new users. Crosby noted there had been talk about the new public works facility combining with the water tower site.

Crosby noted there were approximately 100 to 150 new unit connections needed per year to fund the water tower bond payments. Adams replied that may be accurate but staff would need to verify that number.

Crosby indicated the underlying assumption was 100 to 150 new connections per year, but wondered what would happen if the City didn't expand at that pace.

Weir stated since land prices were depressed, it may be optimal to use some money to purchase the land.

Crosby commented he was concerned the City won't continue to have the growth and noted it was a financial decision.

Dick Foster stated the two issues with storage were water demand and fire protection. He commented the City currently had a lower class of fire protection and noted they were trying to increase protection to 3500 gallons per minute for three hours.

Crosby asked what the current elevated capacity was. Foster replied elevated capacity was 400,000 gallons now, but the new tower would be 750,000 gallons. Foster noted he believed the Ridgedale tower was at approximately two million gallons and Plymouth was three million gallons.

Crosby asked what the effect would be of not having sufficient elevated capacity. Foster replied commercial property owners may have to pay more for insurance, but noted that may be alleviated somewhat by sprinkling regulations and indicated larger buildings require sprinkling.

Crosby noted it would take two years start to finish for the new water tower, stating the main issue would be painting the water tower inside and out.

Weir asked if the City could share a new water tower with Corcoran. Crosby replied yes, but the Utility Service Agreement was on hold right now.

Adams stated they have an agreement in principle with Corcoran, but noted they needed some technical clean up on the agreement. Adams noted Corcoran would have to make payments to Medina if the tower was built.

Day indicated the City would need to spend the dollars somewhere else if the water tower wasn't going to be built.

Crosby commented he would rather pay to figure out arbitrage penalties.

Johnson commented the City needed to calculate what the arbitrage was.

Smith wondered if the price to build would be less if the economy doesn't get better, but noted it may not be cheaper since there may be less competition.

Kellogg noted they could have started construction in January and indicated the critical schedule was a start date of April 15, 2009 to meet the December 2010 deadline. Crosby suggested they proceed with the land acquisition phase and look into arbitrage. Crosby commented he believed they need elevated capacity and he would like to bring the subject up periodically with the Council for discussion to determine whether to build.

Johnson stated the number would be down from the 2007 estimate for land.

Crosby asked if there was enough money to buy and build. Day replied yes, that there was 2.6 million dollars.

Day indicated if the land was purchased, the City couldn't change its mind and noted the City would be locking itself into building the tower. Batty concurred.

Johnson stated if the City was only acquiring land, they wouldn't need to immediately build the project and indicated it was safe to assume land could be held if it was bought with the intent to put a water tower there. Johnson indicated bond counsel would need to answer the question of how long the City would have to build the tower, and whether or not the land could be traded.

Crosby stated it would be risky to spend on other water projects knowing Medina needs a tower.

Moved by Weir, seconded by Johnson, to proceed with the land acquisition. Motion passed unanimously.

B. Tax Increment Financing District 1-9 Cash Flow Analysis

Adams stated this item was a follow-up from last month.

Crosby stated they had testified successfully before a State Senate and House committee because the bills were passed on and noted the main concern was that the provisions get included in the omnibus tax bill. Crosby commented that the TIF extension provisions could be an end of session decision and we have done all we could.

Crosby stated we should know if the TIF bill is included in general legislation by mid-May.

Shelly Eldridge, Ehlers and Associates, reviewed the summary of Sioux Drive, Mill Drive and Hamel Road improvements.

Crosby commented he had a hard time following the table. Eldridge explained the table more comprehensively. Eldridge noted the table did not account for additional bond proceeds from tax increments and stated she was trying to give the ugliest scenario.

Crosby asked when the City showed a negative cash flow at \$958,000, if they would need to borrow money. Day replied the City would be fine with an internal loan and could increase the resolution for an additional dollar amount.

Eldridge noted if the 5-year rule didn't get extended, the City would want to increase the loan amount.

C. Comprehensive Plan Update

Finke reviewed the Comprehensive Plan update and stated the additional information requested by the Met Council was attached to the staff report. Finke indicated he was looking for direction to make changes and resubmit the plan. Finke noted he would update the rest of the tables.

Crosby commented there were more mechanical changes, rather than substantive changes that had been requested. Finke replied they were very technical changes and indicated he would make sure all of the tables were consistent when resubmitted.

Finke noted once the City submits a complete application, the Met Council would begin their review within their 120-day review deadline.

Finke stated Willow Drive was listed by Met Council as a minor arterial and if Council directed an amendment to change Willow to a collector street, we would need to start that process. Finke noted when submitted, the City could call out Willow on the transportation map or show it as a collector and move forward for an amendment.

Weir commented 55 mph would not be appropriate on Willow Drive and indicated she would want Willow Drive classified back down.

Crosby noted he lives on Willow Drive and commented it was not a very safe street.

Smith concurred the classification should be changed back to a collector. Finke noted he would continue to show it as a collector and apply for an amendment.

Staff recommended adding a table showing full capacity based on future land use, regarding unsewered households.

Finke indicated the Met Council commented Medina needed to identify agricultural land use. Staff recommended adding new land use and making map changes.

Smith noted since it was already close to 2010, anyone in the 2011-2015 time period could start developing. Finke replied the developers would be consistent in making the request.

Smith asked if the City could extend the first period beyond 2010.

Crosby commented it was not bad to have the ability to go into the next period.

Weir noted it would be difficult to delay business owners if they were expecting to be able to develop.

Finke stated 2011-2015 was close in proximity and commented the infrastructure was kind of in place.

Smith commented the staging plan isn't working the way she thought it would.

Finke stated land use on some properties would change from public to semi-public and staff recommended that a lot adjacent to Woodridge Church be consistent with property to the south. Johnson replied if the church previously acquired property for future expansion that may be pulling the rug out from under them.

Smith stated the church property was purchased for screening. Weir concurred.

Weir suggested the City notify the church of the proposed change.

Finke indicated staff recommended adding language stating that conservation development within the Long Term Sewer Service Area will not exceed a density of 1 unit per 10 acres and noted there was more stringent enforcement of the 1 per 10 in this area, which lead staff to suspect there was potential for flexibility outside this area.

Finke stated staff would include a Highway 55 corridor future right-of-way map in the comprehensive plan.

Weir noted Highway 55 had been elevated to principal arterial status.

Finke stated staff recommended maintaining existing land use in long term sewer service area. Crosby concurred.

The Council was in agreement with staff recommendations.

Weir noted in the existing comprehensive plan, the wetland map was more inclusive with information and she asked if staff could add that map into the update. Finke replied he would look at it.

Crosby reiterated on Willow Drive, the topography was dangerous for more traffic.

Johnson reiterated Woodridge church should be notified of the impending change.

IX. NEW BUSINESS

A. Resolution Accepting Road Material Bids

Moved by Weir, seconded by Johnson, to approve the resolution accepting bids for road materials, milling, and curb replacement. Motion passed unanimously.

Moved by Johnson, seconded by Weir, to approve the road material bid with Knife River of Sauk Rapids for Asphalt placed on city trails and new curb installation. Motion passed unanimously.

Weir asked if the development could be done without curb and gutter. Scherer replied

it would depend on the time and place.

Crosby noted curb and gutter should last 40 years.

Kellogg noted topography and density would determine whether curb and gutter were needed.

Weir stated she had received a flyer through the mail regarding concrete and asked if the City had considered building new roads with concrete if it were cheaper. Kellogg replied in the past, concrete was usually more expensive. Kellogg stated costs have changed, but they would need to look at the application and indicated it also had to do with the amount of traffic that would be on the roadway.

B. Park Commission Request to Allocate Funds for Hamel Legion Park Master Plan

Benson noted the Park Commission was looking for a more formalized plan as to what the master plan will be and noted they needed to look at the whole space and maintain the openness. Benson stated they needed to maintain flexibility for community uses and commented Hamel Legion Park was the showcase park for the community and was used the most. Benson indicated the Park Commission would need \$5000 to hire a consultant.

Scherer stated the Park Commission could identify areas they wanted to keep open and do some homework on these themselves.

Smith stated a designer would be helpful as well.

Smith stated the Park Commission should come up with a list of things they would like to see, but indicated they would need the consultant as well to help guide them to plan more thoroughly.

Moved by Weir, seconded by Johnson, to allocate additional funding not to exceed \$5000 to hire a consultant for the Hamel Legion Park Master Plan. Motion passed unanimously.

Weir asked if it would be wise to screen the electrical boxes if they were redoing the Hamel Legion Park master plan. Scherer replied it was more of a landscape issue.

Smith commented it was necessary to do the screening now. Scherer replied they had three proposals.

X. CITY ADMINISTRATOR REPORT

A. Pavement Management Plan – Pioneer Trail

Scherer indicated if the overlay was put off this year, the integrity of the road could be lost and would cost more in the future. He stated a complete reclaim and repaving would cost \$344,000. Scherer noted Pioneer Trail was rebuilt in 1996-1997 as part of the Hennepin County Public Works Facility and Hamel Road and Arrowhead take-back negotiations. Scherer indicated the best course of action would be to place the final wear course on the most needed portion from Hamel Road to Willow Drive to save the integrity of the road.

Smith commented she was concerned that the City spent money on Medina Road and it had already cracked. Smith indicated she was also concerned if development comes along, the road would need to be improved at that time anyway, so was it worth the cost now? Scherer replied he wasn't convinced the road would have to be redone if development were to take place.

Smith asked if there was an assessment hearing and residents advocated against the assessment, was it still possible to assess residents? Batty replied yes and noted residents could appeal the assessment.

B. Field House Task Force Appointment

Adams stated Smith had a conflict with two different firms and suggested perhaps the task force didn't need a councilmember at this time to review all 23 proposals, but could wait until it was narrowed down to the top three applicants to include a council member involvement.

Benson commented he thought they wouldn't interview more than three firms.

Moved by Smith, seconded by Johnson, to appoint Liz Weir as the alternate in the event Carolyn Smith can't serve at the interview stage. Motion passed unanimously.

XI. MAYOR & CITY COUNCIL REPORTS

Weir stated she looked at West Financial and the surrounding site and indicated there was a 40-foot wide road going into the bank, with no drain for all that volume of water. Weir noted the lip of the bank shoulder was ruptured and there was a mud slump into the small wetland. Weir commented it looked badly designed. She also noted multiple other run-off and drainage problems.

Kellogg noted the developer hadn't yet responded to the engineering punch list report stating this concern.

Scherer stated he looked at it this winter and agreed with Weir that it was not complete. He reiterated there had been no response from the developer.

Kellogg noted the erosion issues have been on a punch list since last November and commented the City still has a letter of credit on the developer.

Weir asked if the freestanding dumpster was permanent and why wasn't it screened per code? Scherer replied he was not sure the project was finished.

Adams suggested Weir provide her list of concerns to staff.

Smith asked how the bank got its occupancy permit with the issues with drainage. Kellogg replied they have a financial guarantee from the developer and noted some of the problems became apparent after occupancy.

Kellogg indicated he would follow up.

Smith stated she had screening issues with the utility boxes on the corner of Sioux and Hamel Road and commented she would like the boxes moved back to see around the corner. Smith commented she didn't expect to see green boxes protruding when the lines went underground. Scherer replied he had met with Xcel Energy to try to come up with a compromise and that they were trying to get enough room for a planter in front of the boxes.

XII. APPROVAL TO PAY THE BILLS

Crosby asked about the large number of voided checks. Adams replied he was not sure, but would follow up on it.

Moved by Smith, seconded by Weir, to approve the bills, EFT 000432-000449 for \$63,704.52 and order check numbers 033795-033859 for \$130,308.73 and payroll check number 020200 for \$230.87 and EFT 501925-501982 for \$87,153.71. Motion passed unanimously.

The regular session was recessed at 9:45 p.m. and the Council met in Closed Session to consider acquisition of property.

Adams announced the properties to be discussed in closed session included 1600 Prairie Drive and PID 0311823340001.

XIII. CLOSED SESSION: ACQUISITION OF PROPERTY

The Council entered closed session at 9:50 p.m.

The Council re-entered open session at 10:06 p.m.

Crosby stated that the City Administrator has been provided with direction related to the parcels discussed in closed session.

XIV. ADJOURN

Moved by Weir, seconded by Smith to adjourn the meeting at 10:07 p.m. Motion passed unanimously.

T.M. Crosby, Jr., Mayor

Attest:

Chad M. Adams, City Administrator-Clerk