

MEDINA CITY COUNCIL MEETING MINUTES OF JUNE 2, 2015

The City Council of Medina, Minnesota met in regular session on June 2, 2015 at 7:00 p.m. in the City Hall Chambers. Mayor Mitchell presided.

I. ROLL CALL

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

Members absent: Martin.

Also present: City Administrator Scott Johnson, City Attorney Ron Batty, City Engineer Tom Kellogg, City Planner Dusty Finke, City Finance Director Erin Barnhart, Public Works Director Steve Scherer, Chief of Police Ed Belland, and Recording Secretary Amanda Staple.

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

III. ADDITIONS TO THE AGENDA (7:01 p.m.)

Johnson requested to add an item to the agenda under Old Business, Item A, titled Sale of \$1,765,000 General Obligation Improvement Bonds Series 2015A for the Tower Drive Improvement Project.

Moved by Anderson, seconded by Cousineau, to approve the agenda as amended.

Motion passed unanimously.

IV. APPROVAL OF MINUTES (7:01 p.m.)

A. Approval of the May 19, 2015 Special City Council Meeting Minutes

*Moved by Pederson, seconded by Cousineau, to approve the May 19, 2015 special City Council meeting minutes as presented. **Motion passed unanimously.***

B. Approval of the May 19, 2015 Regular City Council Meeting Minutes

It was noted on page two, line 50, it should state, "...suggested that on the first resolution we add a fourth item be-added..." On page three, line 31, it should state, "...project cost is split in two ~~portions~~ halves..."

*Moved by Pederson, seconded by Cousineau, to approve the May 19, 2015 regular City Council meeting minutes as amended. **Motion passed unanimously.***

V. CONSENT AGENDA (7:04 p.m.)

A. Approve 2015-2016 Liquor License Renewals

B. Approve Curb and Concrete Installation Services Agreement with Schmidt Curb Co. Inc.

C. Resolution No. 2015-44 Supporting a Minnesota Pollution Control Agency Clean Water Partnership Grant Application for the Ardmore Avenue Stormwater Retrofit Water Quality Improvement Project

D. Resolution No. 2015-45 Approving Master Subscriber Agreement for Minnesota Court Data Services with the State of Minnesota

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

VI. COMMENTS (7:05 p.m.)

A. Comments from Citizens on Items not on the Agenda

Don Gasper, Deer Hill Road, stated that there has recently been discussion regarding development near Deer Hill Road and Homestead Trail. He stated that comments have been made that the road is not going to go through, or be improved, because the Mayor and his relatives own land/right-of-way in that area. He believed the road should go through and be improved as he believed that there is a safety issue. He stated that the current materials the roadway is composed of are not appropriate and even school buses cannot use the roadway. He stated that the increased access will assist the residents in that area and increase the value of their homes. He also hoped that the improved access the roadway would provide could also mean that additional utilities could be made available to those residents. He stated that Deer Hill Road should be improved. He did not believe that the Mayor should be debating or voting on the issue of Deer Hill Road because he owns a lot of right-of-way and therefore has a conflict of interest.

Mitchell stated that while the Council has heard a concept plan for that development from PRDC, the formal application will come before the Planning Commission in July of 2015. He agreed that he owns land on Deer Hill Road and stated that he has disclosed that he owns that property to the other members of the Council and to staff. He stated that it has not been determined there to be a conflict of interest at this point.

Gasper believed that there would be a conflict of interest for Mitchell and believed that the Council should vote on the conflict of interest before the item is formally discussed.

B. Park Commission

Scherer reported that the park tour was held on May 20th and reviewed the parks that were toured by the Commission. He stated that the Park Commission will review the notes from the tour and then add items onto the CIP when the budgeting process begins. He noted that additional maintenance items may also be added for staff.

C. Planning Commission

Finke reported that the Planning Commission will meet the following week to conduct a public hearing for a Site Plan review for a proposed Goddard School on Clydesdale Trail. He stated that the Commission will also have a discussion regarding the potential administrative review of commercial development, which had been proposed during the business forum.

VII. OLD BUSINESS

A. Sale of \$1,765,000 General Obligation Improvement Bonds Series 2015A for the Tower Drive Improvement Project (7:12 p.m.)

Stacie Kvilvang presented the sale of \$1,765,000 in general obligation improvement bonds for the Tower Drive improvement project. She noted that the City was able to affirm the Aa2 rating with a stable outlook and reported that the City received four bids. She stated that the lowest responsible bidder was Northland Securities with a true interest cost of 2.46 percent.

Anderson questioned if there will be a cost savings to the City.

Kvilvang confirmed that there will be a cost savings to the City with the lower interest rate.

Mitchell questioned if there would be a call date for the bonds.

Kvilvang stated that these would be 15 year bonds with an eight year call date. She explained that after eight years the bonds could be prepaid, paid in full or refinanced.

*Moved by Anderson, seconded by Pederson, to adopt Resolution No. 2015-46 Awarding the Sale of General Obligation Capital Improvement Plan Bonds, Series 2015A, in the Original Aggregate Principal Amount of \$1,765,000; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment. **Motion passed unanimously.***

B. Medina Golf & Country Club – General PUD, CUP Amendment and Site Plan Review (7:15 p.m.)

Finke noted that this item had been tabled at the May 19th meeting in order for the applicant to provide additional information requested by the Council. He stated that in the interim the applicant has updated the proposed materials from metal to cement board siding, which is an allowable material.

Cousineau questioned if this would look similar to the pool building.

McManus confirmed that this aesthetic would be very similar to the pool building.

Mitchell reviewed additional language provided through writing by Martin who was unable to attend the meeting tonight. He referenced the comment regarding outside storage and confirmed that the applicant would not be opposed to having a condition added regarding the limitation on outside storage.

Pederson recused himself from the item.

1. Ordinance No. 579 Amending the Villas at Medina Country Club Planned Unit Development District for the Medina Golf & Country Club

*Moved by Cousineau, seconded by Anderson, to approve Ordinance No. 579 Amending the Villas at Medina Country Club Planned Unit Development District for the Medina Golf & Country Club, with the additional comments and conditions discussed. **Motion passed unanimously.***

Pederson rejoined the Council.

2. Resolution No. 2015-47 Authorizing Publication of Ordinance No. 579 by Title and Summary

*Moved by Cousineau, seconded by Anderson, to approve Resolution No. 2015-47 Authorizing Publication of Ordinance No. 579 by Title and Summary. **Motion passed unanimously.***

3. **Resolution No. 2015-48 Approving a Conditional Use Permit and Site Plan Review to Construct Certain Accessory Buildings at the Medina Golf & Country Club**

*Moved by Cousineau, seconded by Anderson, to approve Resolution No. 2015-48 Approving a Conditional Use Permit and Site Plan Review to Construct Certain Accessory Buildings at the Medina Golf & Country Club. **Motion passed unanimously.***

VIII. NEW BUSINESS

A. Aldi – Site Plan Review and Hardcover Variance – 3522 Sioux Drive – Public Hearing (7:22 p.m.)

Finke presented a request from Aldi to construct a 17,825 square foot grocery store. He identified the proposed parcel and noted that the Planning Commission did review the application at their meetings in both April and May and ultimately recommended denial of the variance request. He stated that the property lies within the Elm Creek Shoreland Overlay District which has more stringent requirements. He reviewed the requests before the Council which include a variance from the hardcover requirement as well as a Site Plan review. He provided information regarding the adjacent properties and noted that staff did request that the applicant provide an access to the neighboring parcel, which the applicant has provided. He stated that the applicant has changed the proposed access and has reduced the number of trees proposed for removal in order to address comments made by the Planning Commission. He reviewed the tree preservation and landscaping as proposed and compared those figures to the City requirements. He noted that the applicant has hired an arborist that has identified poor quality Boxelder trees along the streambank and is proposing to exempt those trees from the number removed because of the poor quality. He reviewed the recommendations made by the Planning Commission and noted that the applicant has submitted an updated plan which was not reviewed by the Planning Commission. He stated that the applicant reduced the number of parking stalls by eight, which now falls within the City parking requirements; added a sidewalk connection, to better reflect the character of the area; and the hardcover was reduced as a result of the parking reduction which allows for additional space for stormwater treatment and which now exceeds the minimum stormwater requirements of the district.

Dennis Hedtke stated that he owns the property located at 3522 Sioux Drive, the proposed site of the Aldi store, noting that he took possession of the property in 1979 and is asking the Council to work with Aldi in order for the project to move forward. He stated that he came before the Council on August 7, 2013 to receive a rezoning of the property and has worked with Aldi for over ten months in order to create this proposal for the store. He noted that this is a very challenging development because of the Elm Creek Shoreland Overlay District requirements. He identified a neighboring property which received a 50 percent hardcover variance for their site and asked that a similar allowance be granted for this property in order to allow for development. He did not believe that he would be able to find another party interested in developing the property because of the tank spillage that occurred from a neighboring property and because of the increased requirements resulting from the Elm Creek Shoreland Overlay District. He stated that he has spoken with some of the neighbors and the residents at Gramercy are very supportive of this request as they believe this would suit their needs for grocery shopping.

Andrew Mack, Director of Real Estate for Aldi, stated that they have worked hard with the property owner and staff for the past year in order to create this proposal. He noted that they have worked closely with staff and the Watershed in order to improve the streambank and condition of the site through the development of this site.

Andy Brandel, ISG, thanked staff, specifically Finke, for his efforts during this process. He stated that an updated version of the plan has been provided to the Council which incorporates the comments and concerns of the Planning Commission and Elm Creek Watershed. He highlighted some of the proposed changes which were mentioned by Finke including the reduction of parking stalls to meet the requirement of the City. He stated that the reduction in parking also reduces the amount of hardcover and provides additional space for stormwater treatment. He stated that the proposed access was also changed reconfiguring the access and extending the sidewalk in order to make the area feel more like a city street. He reported that the Elm Creek Watershed District has provided a letter of support for the request with the condition that three additional trees be planted in a specific area. He stated that along with this project they will also be conducting 500 feet of streambank improvement and additional stormwater treatment along Highway 55 which is not required.

Mitchell stated that he received written comments from Martin asking about modulation and/or a mix of building materials on the west elevation as well as the proposed screening of the rooftop equipment.

Finke stated that in gross the proposal meets the minimum modulation standards of the district.

Brandel described the modulation and provided examples of the materials proposed. He stated that the plan includes the proposed rooftop screening materials which are typically used for the stores.

Anderson asked if the plans for the new road coming in would include striping.

Brandel stated that there is not striping shown but noted that they would be agreeable to striping.

Anderson stated that the roadway should be striped.

Cousineau questioned if the trees on the north side of Elm Creek would have to be removed or whether that is simply being done for visibility.

Brandel stated that they are removing some of the trees for visibility purposes.

Cousineau stated that perhaps a smaller amount of trees could be removed while still providing visibility.

Mack stated that they would need a certain percentage of visibility in order to be a viable retail location.

Brandel noted that a number of the poor quality trees are also located in that area.

Mitchell opened the public hearing at 7:58 p.m.

Jim Tiller, Treasurer of Arnt Hamel Property LLC which is the adjacent property, stated that Arnt Property is in favor of the application especially with the addition of the private street easement. He did not believe that the receipt of the private street easement should not mean that the Highway 55 access for Arnt Property should automatically close. He stated that while he appreciates the private street easement, he had concern that MnDOT could possibly close that access without input if that easement is provided. He stated that he has also asked Aldi for a sign easement in the southwest corner of their property in order to provide direction for future development of the Arnt property.

Mitchell closed the public hearing at 8:03 p.m.

Mitchell stated that if the hardcover variance were not to be issued, the approval process would stop but if the hardcover variance is agreed upon the approval could move forward. He stated that the new plan has not been reviewed by the Planning Commission and could also be sent back for their input.

Anderson stated that normally he would send this back to the Planning Commission because they have not seen this plan and had a strong opinion against the original plan. He stated that in this instance he believes that the applicant has addressed the concerns of the Commission and therefore believed that the Council could continue the review.

Cousineau agreed with the comments made by Anderson as the majority of the comments of the Planning Commission had been addressed. She noted that she does have a concern with the tree removal.

Anderson noted that the Planning Commission could review this item the following week and the item could return to the Council at the next meeting.

Mitchell believed that this review could continue at the Council level without returning to the Planning Commission. He stated that he has visited the site and agreed that there were poor quality trees in the area proposed for removal. He stated that cutting those junk trees and replacing with new trees would be an improvement, noting that he would rather have fewer trees in better condition.

Pederson agreed that the poor quality trees should be removed and stated that he does not have a problem with the proposed removal as the Watershed has given their support. He also believed that a highway commercial property should have visibility.

Mitchell stated that the screening materials for the rooftop equipment look ordinary and he would like that to be done in a more architectural manner. He believed that the modulation of the west side of the building was sufficient. He questioned if additional streambank work should be required or whether that aspect should fall under the authority of the Watershed.

Finke stated that the physical streambank restoration is one aspect while the vegetation removal is another, explaining that the vegetation is proposed for removal with replacement by a physical streambank restoration.

Mitchell confirmed the consensus of the Council that the applicant replants vegetation along the streambank where vegetation is removed.

Brandel confirmed that there is a planting plan for streambank vegetation.

Mitchell stated that he would like to see the applicant and staff work together to determine the number of trees that will be removed and replaced as well as the replacement of streambank vegetation.

Brandel stated that they had not received formal requirements regarding the tree replacement and noted that they fully intend to meet the tree replacement standards if this application does not do that.

Cousineau questioned if staff can work with the applicant regarding tree placement for those trees that will be replaced.

Finke stated that typically the ordinance does not specify where trees will be replanted but noted that the City would have more authority because of the Elm Creek Shoreland Overlay District.

Mitchell asked if the applicant has a preference regarding the development of the future roadway which may or may not occur.

Brandel stated that they would prefer a petition for waiver similar to what the property across the street received.

Batty noted that would also be the preference of the City. He provided additional information on the waiver process and noted that if the roadway develops in the timeframe specified in the agreement, the improvement project would be fully assessed to those properties.

Mitchell referenced the potential conditions and suggested amendments. He referenced condition 2A and suggested additional language specifying that the applicant work with City staff regarding which trees are to be removed, what and where the new trees are to be placed, and regarding the streambank vegetation. He also suggested additional language regarding the petition and waiver for the future roadway. He suggested an additional condition that would specify that the rooftop screening of mechanic equipment be in a pleasing architectural style similar to the building.

Anderson also suggested a condition that the applicant stripe the left turn lane and easement road.

Moved by Anderson, seconded by Cousineau, to direct staff to prepare a resolution for approval for the Aldi Site Plan review and hardcover variance requests based on the findings that the criteria for a variance have been met and based on the findings and conditions specified by the staff report and modified by the discussion of the Council.
Motion passed unanimously.

B. Highway 55/County Road 116 Intersection Layout (8:24 p.m.)

Johnson presented the layout for the proposed Highway 55 and County Road 116 intersection. He noted that representatives from Hennepin County are present to provide clarification on the proposed changes from the previously approved design to this proposed design.

Kristy Morter, Hennepin County, recognized the significant delay to the traffic traveling southbound on County Road 116 during the peak morning hours. She also acknowledged the dated signal equipment. She provided background information noting that the County hired TKDA in 2011 to create a plan for the intersection which was approved in 2012. She summarized the design process and noted that these plans proposed tonight incorporate the comments received in regard to the 60 percent plans submitted in September 2014. She stated that the County, City and MnDOT met in April and committed to 2017 construction. She noted that approval of these plans would be needed in order to move forward with the project.

Tim Chalupnik, TKDA, compared the previously approved plans to the plans as proposed today, noting that the comments from MnDOT have been incorporated. He discussed the changes that were made to the plans which would change the driveway used to access businesses such as the Countryside Café and McDonald. He stated that in addition to the proposed modifications, the driveway would become a City street rather than a driveway.

Johnson stated that the City and County had a discussion with McDonald's the previous week and the business was adamant that they would need a right-out onto Highway 55. He noted that Hennepin County stated that they would discuss that option internally.

Tim Breuers, Hennepin County, stated that discussion is still occurring. He noted that McDonald's has remained adamant that they would like the right-out onto Highway 55.

Chalupnik reviewed the design modifications to CR 116 which would reduce northbound CR 116 to one lane in order to redesign the median and maximize the southbound turn lane as well as providing right in turns at two locations. He advised that another modification would be to combining the through and right turn lane on westbound Clydesdale Trail into one lane to reduce the pavement width.

Breuers discussed the public involvement since the 2012 approval including discussions with McDonald's. He noted that although McDonald's would prefer a right in/right out, the plan is to move forward with the plan as proposed. He stated that they also met with Mobil, noting that the business manager is amenable to the plans. He stated that notification letters will be sent to all the business owners along CR 116 once the permit approval is received. He reviewed the cost-share funding noting that Medina's share would be \$870,000 for construction and right-of-way. He stated that cost does not include an optional railroad quiet zone which is estimated to cost \$250,000. He stated that Hennepin County's share is estimated to be \$2,700,000 for construction, right-of-way and railroad costs while the share for MnDOT would be \$150,000 for the traffic signal. He noted that there is \$950,000 available in federal funding for the project.

Johnson stated that staff has been in communication with the County in an attempt to transfer the City's portion of the cost to be associated with CSAH 115 in order to use Municipal State Aid (MSA) funding. He stated that staff is also investigating possible funding mechanisms on the quiet zone option.

Cousineau provided information on the Cities of Shoreview and Little Canada, who were allocated funds through the legislature for railroad quiet zones.

Pederson questioned if the requirements for a quiet zone would change in the future, should the decision be made to delay the quiet zone elements because of cost at this time.

Breuers stated that the road is being designed to match the quiet zone requirements but could not estimate whether the requirements for a quiet zone would change in the future. He reviewed the project schedule beginning with interim improvements during the summer of 2015 and the start of the project construction in April of 2017.

Pederson referenced the MSA funding and questioned if the City is clear on how that funding source could be used.

Johnson stated that staff is still investigating that funding option.

1. Resolution No. 2015-49 Approving the Preliminary Concept Layout for the Reconstruction of the TH 55 at CR 116/CSAH 115 Intersection

*Moved by Anderson, seconded by Pederson, to approve Resolution No. 2015-49 Approving the Preliminary Concept Layout for the Reconstruction of the TH 55 at CR 116/CSAH 115 Intersection. **Motion passed unanimously.***

Anderson commended staff and Pederson for their efforts in shepherding this issue in order to see this progress. He also thanked Hennepin County for their cooperation.

Cousineau stated that the City and County should continue to work with McDonald's regarding their access, noting that the owner of the business is a Medina resident.

C. Wright-Hennepin Electric Cooperative – Conditional Use Permit for Solar Panels – 4315 Willow Drive (8:59 p.m.)

Finke presented a request for a Conditional Use Permit to install ground mounted solar panels at the substation the applicant owns at 4315 Willow Drive. He noted that ground mounted solar panels were discussed in concept as a result of the request when the Council recently added the equipment as an allowable use in certain zoning districts. He stated that the applicant is proposing a dual sided panel which would in essence block the rear of the equipment. He stated that the site is currently not in compliance with the landscaping requirements and advised that the applicant has submitted a plan which meets the recommendation made by the Planning Commission. He stated that the Planning Commission held a public hearing the previous month and recommended unanimous approval of the request subject to the conditions noted in the staff report.

Mitchell questioned the zoning of the neighboring farm property.

Finke stated that property is within the rural business holding district with the intention of the site to develop in the future into business park.

Wayne Bauernschmitt, Wright-Hennepin Electric Cooperative, stated that they are willing to work with staff regarding any comments to the landscaping.

Pederson questioned if the panels would move with the sun.

Bauernschmitt stated that the panels would not move.

Cousineau questioned the height of the panels.

Bauernschmitt stated that the panels would be ten feet or less in height.

Anderson questioned the amount of traffic that would be generated following the installation of the panels, noting the dirt road.

Bauernschmitt stated that more traffic is generated from the substation and advised that their access road is paved.

Pederson questioned if the area would be fenced and if not, what would be done to prevent vandalism.

Steve Nisbet, Wright-Hennepin, stated that there would not be a fence but there would be a security system to address that issue. He noted that the current solar arrays are not fenced.

*Moved by Anderson, seconded by Cousineau, to direct staff to prepare a resolution approving the CUP based upon the findings noted in the staff report and subject to the conditions recommended by the Planning Commission. **Motion passed unanimously.***

D. Ordinance No. 580 Establishing the Villas at Medina Country Club Storm Sewer Improvement Tax District – Public Hearing (9:08 p.m.)

Johnson stated that the City requires that a homeowners association maintain stormwater utilities within their association and this action is required to protect the City in the case that the City needs to conduct the necessary maintenance that are not done by the homeowner's association.

Mitchell opened the public hearing at 9:09 p.m.

No comments made.

Mitchell closed the public hearing at 9:10 p.m.

*Moved by Cousineau, seconded by Anderson, to adopt Ordinance No. 580 Establishing the Villas at Medina Country Club Storm Sewer Improvement Tax District. **Motion passed unanimously.***

1. Resolution No. 2015-50 Authorizing Publication of Ordinance No. 580 by Title and Summary

*Moved by Cousineau, seconded by Anderson, to adopt Resolution No. 2015-50 Authorizing Publication of Ordinance No. 580 by Title and Summary. **Motion passed unanimously.***

IX. CITY ADMINISTRATOR REPORT (9:10 p.m.)

Johnson stated that the Tower Drive project is underway, noting that staff has received some complaints regarding water service, or lack thereof, during certain project times. He stated that staff will continue to work with homeowners and business owners to alert them of water shutoff times. He noted that asbestos tiles were identified during the excavation of the new stormwater pond and questioned if Kellogg had additional information.

Kellogg stated that the contractor did have quotes from contractors that are licensed and approved to remove the materials. He also provided additional information on the unplanned water shutoff that recently occurred.

Scherer stated that public works has a lot of projects going on, reporting that the projects are moving along well.

X. MAYOR & CITY COUNCIL REPORTS (9:14 p.m.)

Mitchell reported that the fire department consolidation talks continue with Ray McCoy, noting that he, Pederson, Belland and Johnson will meet with Ray McCoy the following Tuesday to receive an update. He stated that the City should also review contracts in order to further explicate the service desired.

XI. APPROVAL TO PAY THE BILLS (9:16 p.m.)

*Moved by Pederson, seconded by Cousineau, to approve the bills, EFT 003162E-003175E for \$48,191.95, order check numbers 42871-42920 for \$327,184.81, and payroll EFT 506413-506439 for \$46,508.75. **Motion passed unanimously.***

XII. ADJOURN

*Moved by Cousineau, seconded by Anderson, to adjourn the meeting at 9:17 p.m. **Motion passed unanimously.***

Bob Mitchell, Mayor

Attest:

Scott Johnson, City Administrator