

MEDINA CITY COUNCIL MEETING MINUTES OF JULY 18, 2017

The City Council of Medina, Minnesota met in regular session on July 18, 2017 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.)

Mitchell noted that the Marx Conservation Design project was originally planned to be included on this agenda but is not.

Johnson noted that item will be on the agenda for the August 15th Council meeting.

The agenda was approved as presented.

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

A. Approval of the July 5, 2017 Regular City Council Meeting Minutes

*Moved by Anderson, seconded by Cousineau, to approve the July 5, 2017 regular City Council meeting minutes as presented. **Motion passed unanimously.***

V. CONSENT AGENDA (7:01 p.m.)

A. Approve Temporary Liquor License to the Church of the Holy Name of Jesus of Medina on September 15 & 16, 2017

B. Approve Continuing Education Program Request for Jason Nelson

C. Approve Natural Resources "Opportunity" Grant Program Application and Clean Water Legacy Act (CWLA) Grant Application for Lake Ardmore Area BMP Retrofit Projects

D. Approve 2018 WSB & Associates Rate Schedule

E. Approve 2018 Kennedy & Graven Rate Schedule

F. Resolution No. 2017-54 Authorizing Fundraising and Expending of Funds on Police Events Promoting Police Community Relations

G. Resolution No. 2017-55 Approving Premises Permit to the Northwest Area Jaycees to Conduct Lawful Gambling

Johnson provided a few details on Item F, noting that the funds could be used for events like Night to Unite.

Anderson applauded Sergeant Nelson for continuing his education.

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

VI. PRESENTATIONS

A. Resolution No. 2017-56 Providing for the Sale of \$1,235,000 General Obligation Bonds; Series 2017A (7:03 p.m.)

Shelly Eldridge, Ehlers and Associates, stated that a presale packet was included in the Council packet that includes the proposed terms. She noted that this bond for the Deerhill Preserve Road project would be structured in a different method than the City typically has, explaining that this bond would be callable anytime. She explained that if the lots sell immediately after the bonds are sold, the bonds could be paid off at that time; or if the lots do not sell immediately, there would be additional time to pay the bonds. She noted that the bonds are 100 percent assessable. She noted that the interest rate may be slightly higher because of the call date flexibility and advised that the City most likely will not get as many buyers interested in the bonds. She noted that they would be calling Moody's to confirm the rating of the City. She provided some additional details on the bond process and bond counsel, Kennedy and Graven.

Anderson asked if there is any sense as to the demand in the market for the properties that are a part of this development.

Martin stated that she does not have knowledge on the residential market.

Pederson stated that while the residential market is busy, the demand may be higher in the fall.

Mitchell stated that these are special assessment bonds, which are a lien on the individual lots. He stated that if the development went into bankruptcy he understands that this assessment would be paid prior to the bank loan.

Batty confirmed that assessments are like taxes and become a priority over the bank loan.

Mitchell stated that the likelihood of the City not being paid back is very low, and therefore there is little risk to the City. He noted that originally the developer was going to pay for the road but that changed through the process and therefore this route was decided upon.

Batty stated that staff concluded that the lots would support the assessment and the assessment would be paid as lots are sold. He noted that all of the financing costs will be assessed to the development.

Martin asked and received confirmation that the maximum term would be 12 years and the City would not pay out of pocket during those 12 years.

Batty stated that ultimately the risk would be if the lots did not sell to cover the debt service payments.

Mitchell stated that it is his understanding that the City's bond rating is the highest rating the City can get because of its size.

Eldridge replied Moody's has very defined wealth and tax base guidelines for their ratings. She stated that until there is more value in the community the Aa2 rating would be the highest the City can get.

Mitchell stated that the City has more than \$10,000,000 in outstanding debt. He stated that it would be helpful during the budget process to know the comparison of the City to other similar communities.

Eldridge stated that some of that information and the outstanding debt schedule will be included in the official debt schedule. She noted that it is a snapshot in time, similar to how the audit is a snapshot in time.

*Moved by Anderson, seconded by Cousineau, to adopt Resolution No. 2017-56 providing for sale of \$1,235,000 General Obligation Bonds; Series 2017A. **Motion passed unanimously.***

VII. COMMENTS (7:22 p.m.)

A. Comments from Citizens on Items not on the Agenda

There were none.

B. Park Commission

Scherer reported that the Park Commission will meet the following night to discuss the park dedication review for the Lunski senior development, review the Capital Improvement Plan, and consider replacement ball field lighting.

C. Planning Commission

Planning Commissioner Janet White reported that the Planning Commission met on July 11th to hold a public hearing for the Lunski Inc. project, which is a 90-unit senior assisted and independent living with a medical office building. She stated that the Commission considered the rezoning, noting that the property is currently zoned commercial and the draft Comprehensive Plan identifies the property as businesses, therefore the Commission recommended approval of the rezoning from commercial to business. She stated that the applicant made changes to the Site Plan, as suggested by the Commission and Council during the Concept Review. She noted that there were a number of unresolved items, including requests from the Elm Creek Watershed and Engineering staff and therefore the Commission tabled the Preliminary Plat and Site Plan review to allow the applicant time to resolve the issues. She stated that the Commission did like the plan but wanted to see those issues resolved before it moves forward. She stated that the Commission also considered a Conditional Use Permit for a second principal dwelling on a parcel of 40 acres. She stated that the Commission recommended approval. She stated that the Commission also considered a Preliminary and Final Plat request for a lot combination on Hamel Road and recommended approval.

VIII. NEW BUSINESS

A. 32 Hamel Road LLC – Preliminary and Final Plat for Lot Combination – 32-42 Hamel Road (7:27 p.m.)

Finke presented a request to combine three properties with a total combined size over 30,000 square feet into one lot. He stated that the property is located north of Hamel

Road and west of Brockton Lane. He stated that the applicant is seeking the combination in order to provide future flexibility with improvements, although nothing is planned at this time. He stated that the City approved this combination in 2009 but the combination was never filed and therefore the request is coming forward again. He stated that the combination meets the dimensional requirements of the Uptown Hamel 2 District. He stated that the Planning Commission recommended approval and noted that staff has also supported combining lots in Uptown Hamel in order to improve redevelopment opportunities.

Mitchell asked where the apartment project was located that was approved a few years prior but never moved forward.

Finke noted that the lot to the east was approved for apartments and then Hamel Brewing more recently.

*Moved by Anderson, seconded by Pederson, to direct staff to prepare a resolution approving the Hamel Road Thirty Two Plat, subject to the conditions noted in the staff report. **Motion passed unanimously.***

IX. CITY ADMINISTRATOR REPORT (7:31 p.m.)

Johnson had nothing further to report.

X. MAYOR & CITY COUNCIL REPORTS (7:31 p.m.)

Mitchell stated that he is a member of the Hamel Lions and contributed volunteer efforts for the Hamel Rodeo and also attended the blessing of the fire truck at the Hamel Fire Department and attended the parade in Hamel. He stated that all the events had a great feeling of community and he enjoyed seeing all the families and local businesses coming together. He stated that the City staff, police and fire were also at the event and continue to do the best job they can to make the City a nice place to be.

Pederson stated that he also attended the rodeo and it was a fun event that he enjoyed. He was appreciative of the Hamel Lions, fire department, and the other organizations involved.

Martin stated that she enjoyed the commissioning of the fire trucks at the Hamel Fire Department and the involvement of the children in the community, which helps contribute to the small town feel.

Pederson commented that he drove by the watermain break when that happened and commended public works and the police for their efforts on that project.

Anderson noted that he also drove by and commended staff for their efforts.

Mitchell stated that the AutoMotorPlex had their groundbreaking the previous week. He hoped that the project continues to mature over the summer.

XI. APPROVAL TO PAY THE BILLS (7:35 p.m.)

*Moved by Anderson, seconded by Pederson, to approve the bills, EFT 004213E-004230E for \$53,258.87, order check numbers 046074-046131 for \$345,859.43, and payroll EFT 0508018-0508048 for \$51,325.73. **Motion passed unanimously.***

XII. ADJOURN

Moved by Anderson, seconded by Pederson, to adjourn the meeting at 7:35 p.m.

Motion passed unanimously.

Bob Mitchell, Mayor

Attest:

Scott Johnson, City Administrator