

MEDINA CITY COUNCIL MEETING MINUTES OF DECEMBER 1, 2015

The City Council of Medina, Minnesota met in regular session on December 1, 2015 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 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.)

The agenda was approved as presented.

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

A. Approval of the November 17, 2015 Special City Council Meeting Minutes

*Moved by Martin, seconded by Anderson, to approve the November 17, 2015 special City Council meeting minutes as presented. **Motion passed unanimously.***

B. Approval of the November 17, 2015 Regular City Council Meeting Minutes

It was noted on page two, line 21, it should state, "...which would be of assistance... On page three, line 15, it should state, "...of the Arndt property's right..."

On page three, line 37, it should state, "...~~confirmed~~ requested confirmation..." On page four, line four, it should state, "...a the community conservation water quality meeting he attended ~~for~~ at the ..." On page four, line 12, it should state, "...~~Watershed~~ Pioneer Sarah Creek Watershed District meeting..." On page four, line 19, it should state, "...Steering Committee meetings..."

*Moved by Cousineau, seconded by Anderson, to approve the November 17, 2015 regular City Council meeting minutes as amended. **Motion passed unanimously.***

V. CONSENT AGENDA (7:05 p.m.)

A. Approve 2016 Tobacco License Renewals

B. Resolution No. 2015-99 Accepting Public Utilities within Woodland Hill Preserve

C. Resolution No. 2015-100 Accepting Donation from Long Lake Glass

D. Resolution No. 2015-101 Accepting Donation from Caribou Coffee

Johnson briefly provided descriptions of the items included on the Consent Agenda. He stated that the City greatly appreciates the donation of coffee from Caribou Coffee for fire and police personnel.

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

VI. COMMENTS (7:07 p.m.)

A. Comments from Citizens on Items not on the Agenda

There were none.

B. Park Commission

Scherer provided an update on the discussion that the Park Commission had at their last meeting regarding the recreational field use and fees. He stated that the Commission also gave authorization for staff to contact a property owner that owns a parcel that is segregated from the remainder of their property and would be useful for access to Tomann Park. He noted that the property owner is interested in selling that portion of his property and advised that the item will probably come before the Council in the future.

C. Planning Commission

Finke reported that the Planning Commission will meet the following week to consider four public hearings, a rearrangement of eight substandard lots into 2 lots on Ardmore Avenue near Independence Beach; a review of a PUD for construction of a restaurant with an office above it at Medina Clydesdale Marketplace; a rezoning request for property at 45 Highway 55, east of the Aldi site, in anticipation of commercial development; and sign placement for the Woodland Hills development.

VII. NEW BUSINESS

A. 2016 Budget (7:10 p.m.)

1. Budget and Tax Levy Presentation – Public Comment

Johnson stated that the proposed budget and tax levy is consistent with what was discussed and preliminarily certified in September.

Barnhart reviewed some of the major budget issues when considering the 2016 budget including that the City does not receive State Aid, decreasing revenues, debt service and capital levies, the Comprehensive Plan (which is updated every 10 years), and the election. She noted that it has been determined that budgeting for the Comprehensive Plan and elections will occur annually as to not cause a problem when the event arises. She reviewed the proposed 2016 budget noting that the proposed General Fund budget is proposed at \$4,253,394. She advised that includes a 5.2 percent increase to the General Fund property tax levy and a two percent cost of living adjustment for staff, as well as an increase of three percent to the utility fund. She provided information on market value increases and the tax capacity of the City.

Mitchell stressed the importance of tracking information correctly in order to have a correct comparison.

Barnhart continued to review the budget and levy information including the tax levy comparison of the City compared to Medina, noting that bonded debt of other cities was not included in the comparison in the presentation, but was included with the meeting handout.

Mitchell asked if that information would be helpful.

Barnhart stated that she received that information from Hennepin County today, for the first time ever, and would include that information on the comparison for future benefit. She reported that the proposed tax rate for 2016 is 23.3 percent, which is a one percent decrease from the previous year.

Mitchell stated that as the data is honed, the Council and staff will be able to use that information for the benefit of the City.

Johnson provided further clarification in regard to the local tax capacity rate estimate, noting that the City had great timing and was able to offset some of the cost of 600 Clydesdale with the increase in growth.

Barnhart provided the taxes payable and tax rate history from 2007 through 2014 and provided a breakdown of what the property taxes are used for, noting that the amount is split between the County (44%), schools (25%), City (23%) and other sources (8%). She identified long-term needs for the City such as roads, which includes funding for the road pavement management plan, minor City projects, and proposed road capital improvement projects; health insurance, as new options will be available when the City leaves the large group consortium; fire, as equipment replacement and facility expansion options continue to be reviewed but all options require increased funding; and equipment, noting that replacement of City equipment may need to be financed through equipment certificate of debt beginning in 2017.

Mitchell asked for additional information on decreased revenue from fines and forfeitures.

Barnhart explained that those are funds that come back to the City through the Hennepin County courts, noting that there was a decrease last year and a significant decrease this year. She stated that the budget needed to reflect those changes.

Belland provided additional explanation noting that Hennepin County changed to the statewide fine system to remain consistent. He stated that the traffic numbers are down considerably in the last year, mainly due to personnel. He stated that the time is being spent more on the growth, noting that a traffic stop only takes 12 to 15 minutes while a theft call can take one hour. He stated that as the City demographics change and the City grows, the department is spending more time on longer service calls.

Anderson stated that perhaps the additional education and enforcement of DUI has had an effect.

Belland confirmed that the DUI incidents have decreased. He noted that the prosecution costs have also dropped in half as the City does not have to pay for the legal services when those cases are not occurring.

Mitchell stated that the Medina Police received a check earlier this year and asked if that would be considered under fines and forfeitures.

Belland explained that is a reimbursement from Hennepin County for participation in the Drug Task Force.

Mitchell referenced the proposed budget increase of \$133,000 and asked how much of that is related to the annual budgeting for the Comprehensive Plan and elections.

Barnhart stated that starting in 2016, \$8,000 is budgeted each year for the Comprehensive Plan update. She noted that \$12,000 had already been budgeted for the election next year but going forward beginning in 2017 the cost would be split annually to be \$6,000 per year.

Martin asked if there was anything that jumped out or was surprising during the budget process.

Barnhart stated that the department heads have been really efficient in tracking their budget needs. She stated that litigation is an area where a lot of unbudgeted funds were incurred.

Anderson stated that this is Barnhart's first full year developing the budget alone, and with City staff, and commended her on her great effort and result.

Mitchell asked if any members of the public would like to speak.

No comments made.

2. Resolution No. 2015-102 Approving 2016 Final Tax Levy

Moved by Martin, seconded by Anderson, to adopt Resolution No. 2015-102 Approving the 2016 Final Tax Levy.

Further discussion: Mitchell asked for further clarification on the first two pages in the packet.

Barnhart stated that the second page of the summary provides a breakdown of capital levies and debt service. She noted the first page of the packet includes rough scenarios of market value and the impact that the tax rate would have on those property values.

Mitchell noted that this is the same data that the Council reviewed earlier this fall and certified to the County and the information has not changed since that review.

Motion passed unanimously.

3. Resolution No. 2015-103 Approving 2016 Final Budget

Johnson noted that one figure for the capital improvement plan is actually \$5,000 higher than what had been included in the packet. He advised that the information in the revised Resolution is correct.

Barnhart noted that the item was in regard to the electrical wiring of the gas pumps at 600 Clydesdale.

Scherer provided additional information on the gas pumps at 600 Clydesdale, noting that the cost was an estimate at this point because of the special wiring that is required.

Anderson asked if it would be helpful to keep the unground tanks at City Hall in addition to the above ground tanks at 600 Clydesdale.

Scherer noted that the underground tanks would continue to be used for the time being but the decision may come in the future for the City to only use the above ground tanks.

*Moved by Martin, seconded by Cousineau, to adopt Resolution No. 2015-103 Approving the 2016 Final Budget, which shows the Capital Improvement Plan budget as \$1,543,554. **Motion passed unanimously.***

B. Ordinance No. 593 Amending Fee Schedule – Public Hearing (7:44 p.m.)

Johnson provided a brief highlight of proposed changes to the fee schedule.

Moved by Martin, seconded by Anderson, to open the public hearing at 7:45 p.m.

Motion passed unanimously.

No comment made.

Moved by Martin, seconded by Anderson, to close the public hearing at 7:45 p.m.

Motion passed unanimously.

*Moved by Martin, seconded by Pederson, to adopt Ordinance No. 593 adopting an Amended Fee Schedule. **Motion passed unanimously.***

1. Resolution No. 2015-104 Authorizing Publication of Ordinance No. 593 by Title and Summary

*Moved by Anderson, seconded by Cousineau, to adopt Resolution No. 2015-104 Authorizing Publication of Ordinance No. 593 by Title and Summary. **Motion passed unanimously.***

VIII. OLD BUSINESS

A. Resolution No. 2015-105 Granting Extension of Time to Submit Final Plat for Woods of Medina Amending Resolution No. 2014-04 (7:47 p.m.)

Pederson recused himself from the discussion.

Johnson stated that the request is to extend the deadline for the Final Plat submission from January 7, 2015 to January 7, 2017, which will allow additional time for the property owner.

*Moved by Cousineau, seconded by Anderson, to adopt Resolution No. 2015-105 Granting Extension of Time to Submit Final Plat for Woods of Medina Amending Resolution No. 2014-04. **Motion passed unanimously.***

Pederson rejoined the Council.

IX. CITY ADMINISTRATOR REPORT (7:48 p.m.)

Johnson reported that the Aldi grand opening will occur on December 17th. He also provided information on a meeting he and Cousineau had with Senator Osmeck regarding the railroad quiet zones and noted that staff will continue to work with Osmeck going forward on the item.

X. MAYOR & CITY COUNCIL REPORTS (7:49 p.m.)

Mitchell noted a resident concern. He noted that he spoke with staff in regard to updating the fire data.

Barnhart confirmed that she will be updating those figures.

Mitchell stated that staff reviewed the three fire contracts, and how the cities are being charged, and noted that the final review found that all the different contract language was reasonable. He advised of additional updates that will be made to the budgeting documents as well, noting that this information will ensure that everyone understands and is working with the same information. He stated that he received an email from former Mayor Weir regarding State Statute 273.117, regarding taxing and conservation easements. He stated that Weir asked if Mitchell and the Council would write a letter asking for a change to that statute. He was unsure whether the Council would support taking a stand on that issue.

Martin stated that perhaps the Council should further discuss that item during a future work session.

Batty stated that he can look into the item further and noted that if the Council wished to ask for support it would most likely be addressed to the legislature.

XI. APPROVAL TO PAY THE BILLS (7:55 p.m.)

*Moved by Anderson, seconded by Cousineau, to approve the bills, EFT 003407E-003432E for \$60,120.99, order check numbers 043621-043691 for \$256,895.81 and payroll EFT 506779-506815 for \$45,159.66. **Motion passed unanimously.***

XII. ADJOURN

*Moved by Anderson, seconded by Cousineau, to adjourn the meeting at 7:55 p.m. **Motion passed unanimously.***

Bob Mitchell, Mayor

Attest:

Scott Johnson, City Administrator