

## **MEDINA CITY COUNCIL MEETING MINUTES OF SEPTEMBER 4, 2018**

The City Council of Medina, Minnesota met in regular session on September 4, 2018 at 7:00 p.m. in the City Hall Chambers. Mayor Martin presided.

### **I. ROLL CALL**

**Members present:** Anderson, Cousineau, DesLauriers, Martin, and Pederson.

**Members absent:** None.

**Also present:** City Administrator Scott Johnson, City Attorney Ron Batty, City Engineer Jim Stremel, City Planning Director 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.)**

The agenda was approved as presented.

### **IV. APPROVAL OF MINUTES (7:00 p.m.)**

#### **A. Approval of the August 21, 2018 Special City Council Meeting Minutes**

Johnson noted a change provided by Anderson and distributed the information to the Council. The change will be incorporated with the minutes.

Martin referenced section three and noted that it should state, "Staff was directed to increase the line item from \$2,000 to \$4,000 for the Council review at the September 4<sup>th</sup> budget worksession."

*Moved by Anderson, seconded by Cousineau, to approve the August 21, 2018 special City Council meeting minutes as amended. **Motion passed unanimously.***

#### **B. Approval of the August 21, 2018 Regular City Council Meeting Minutes**

*Moved by Anderson, seconded by Cousineau, to approve the August 21, 2018 regular City Council meeting minutes as presented. **Motion passed unanimously.***

### **V. CONSENT AGENDA (7:02 p.m.)**

#### **A. Resolution No. 2018-57 Accepting Donation from Karen and Kenneth Richelsen**

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

### **VI. COMMENTS (7:02 p.m.)**

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

There were none.

**B. Park Commission**

Scherer reported that paving occurred on the backside of Hamel Legion Park and the connection to the 101 tunnel was completed. He noted the generous donation from Wild Meadows to provide the connection.

**C. Planning Commission**

Finke reported that the Planning Commission will meet the following week to hold public hearings regarding a potential second facility for OSI, a request for a Conditional Use Permit for a large accessory building, and a continued discussion on the Mixed Residential District.

**VII. PRESENTATIONS**

**A. Senator Osmek – Legislative Update (7:04 p.m.)**

Senator Dave Osmek reported that funding for a whistleless rail crossing at Arrowhead Drive was included in the bonding bill. He stated that he is looking forward to the next legislative session after the election and is present to take any questions.

The City Council thanked Senator Osmek for the work he has done for the City of Medina.

**VIII. NEW BUSINESS**

**A. Randy's Environmental Services (7:07 p.m.)**

**1. Recycling Markets Update**

Andy Brighton, Randy's Environmental Services, stated that the company is attempting to get information out to the cities that it serves in an attempt to address the difficulties in the recycling market. He provided background information on recycling and explained the changes that have occurred that impact the recycling market. He stated that three to seven percent of the material collected in single sort recycling is trash that cannot be recycled. He noted that Randy's has attempted to work with municipalities to educate residents on the materials that can be recycled and those that should be thrown away. He provided background information on the changes that have occurred in China beginning in 2013 related to the recycled materials that China is willing to accept. He stated that China has now lowered the amount of contamination it will accept to a rate lower than a hauler in the United States could reach. He stated that Randy's and other metro haulers are attempting to clean up the recycled stream coming into their facilities in-order to provide a cleaner product. He reviewed some of the other practices that Randy's has implemented to lower the contamination rate of recycled materials. He stated that people often bag their recycled materials in plastic bags, which cannot be recycled. He noted that Randy's has continued to have an end market for recycled materials, while haulers in other areas of the county have begun to landfill the materials.

Anderson commented that Randy's does a great job and appreciates the mindfulness of the drivers on the roads in the winter.

DesLauriers asked if the additional investment in equipment and workers will allow Randy's to get below the threshold requirement of China.

Brighton replied that he does not believe that they could reach that threshold.

Johnson stated that Randy's contract allows for an increase every other year and they are requesting a reasonable increase of 1.85 percent for 2019, noting that the contract would allow an increase of up to three percent.

**2. Request for 2019 CPI Rate Increase**

*Moved by Anderson, seconded by DesLauriers, to approve 1.85% CPI rate increase for 2019. **Motion passed unanimously.***

Martin echoed the comments that Randy's provides a great service and commended the company for its outreach and education efforts.

**B. 2019 Preliminary Budget and Tax Levy (7:27 p.m.)**

Johnson reported that a budget worksession was held earlier tonight at 6:00 p.m. to discuss two potential options and stated that based on the discussion the Council favored option one which would include a \$30,000 transfer from budget reserves to the Municipal Park Fund.

**1. Resolution No. 2018-58 Approving Proposed Tax Levy for 2019**

*Moved by Anderson, seconded by DesLauriers, to adopt resolution no. 2018-58 approving the 2019 preliminary tax levy in the amount of \$4,002,894 recognizing that this option includes the Municipal Park Fund currently stated at \$14,000 in the proposed budget and will be increased by a \$30,000 transfer from reserves to be determined at a later date. **Motion passed 4-1 (Cousineau opposed).***

**2. Resolution No. 2018-59 Approving Proposed General Fund Budget for 2019**

*Moved by Anderson, seconded by Cousineau, to adopt resolution no. 2018-59 approving the 2019 preliminary general fund budget in the amount of \$4,572,338. **Motion passed unanimously.***

**3. Resolution No. 2018-60 Reducing Debt Service Tax Levies for 2019**

*Moved by Anderson, seconded by Cousineau, to adopt resolution no. 2018-60 reducing debt service tax levies for 2019. **Motion passed unanimously.***

**4. Establish Public Discussion Date for Final 2019 Tax Levy and Budget**

*Moved by Anderson, seconded by Cousineau, to establish the 2019 final tax levy and budget discussion for December 4, 2018 at 7:00 p.m. in City Hall. **Motion passed unanimously.***

**C. Planning Commission Ordinance – Discuss Request for Reduction/Elimination of Three Year Residency Requirement (7:31 p.m.)**

Johnson noted that the City received a request from resident Timothy Sedabres to eliminate or reduce the three-year residency requirement for the Planning Commission. He noted that this would be a policy discussion and decision for the City Council.

Martin stated that it would make sense to have some residency requirement as it takes time to get to know your community.

Anderson agreed but asked if that length of time would be three years or whether that could be less.

Cousineau stated that three years seems a bit restrictive and suggested at least a one year minimum. She stated that she would be comfortable with a one year minimum for the Park and Planning Commissions.

Pederson agreed that three years seems a long time and that it would be helpful to have input from new residents. He agreed that one to two years would be appropriate, noting that he would support two years.

DesLauriers echoed the comments of Pederson. He stated that he would support one year for the Park Commission and two years for the Planning Commission.

The consensus of the Council was to direct staff to prepare an ordinance requiring a one-year minimum residency requirement for the Park Commission and two-year minimum residency requirement for the Planning Commission.

Bob Franklin, 2819 Lakeshore, stated that in the past the residency requirement was five years. He explained that it takes time for new residents to gain the knowledge of what is great in the community.

Johnson noted that the Park Commission already has a one-year residency requirement and therefore staff will prepare the ordinance changing the minimum residency requirement for the Planning Commission from three years to two years.

**D. Planning Commission Appointment – Filling Vacant Seat (7:36 p.m.)**

Johnson noted that when the Council appointed DesLauriers to the City Council, a vacancy on the Planning Commission was created that must now be filled.

Finke stated that staff has received two applications for the vacancy on the Commission. He stated that Planning Commission Chair White, Council Member Cousineau and himself met with the candidates and recommend the appointment of Cindy Piper to the vacant position on the Commission.

Cousineau stated that she was able to meet with both candidates and believed that Cindy has learned a lot through her interactions with the City over the years and is excited for her to join the Commission.

*Moved by Pederson, seconded by Cousineau, to appoint Cindy Piper to fill the vacant Planning Commission seat with a term expiring December 31, 2019. **Motion passed unanimously.***

**E. Comprehensive Plan Review – City of Corcoran (7:38 p.m.)**

Johnson stated that Finke has drafted a response letter for the draft Comprehensive Plan from Corcoran.

Finke stated that he is happy to answer any questions. He noted that the surprising element was the projected growth, which is projected to double. He stated that the property staged for development has 40 times the potential growth rate, noting that although the Plan states that the City will stage the growth in line with the projections,

there are few details on how that staging would occur. He noted that projected growth in Corcoran would have impacts on the transportation system in Medina and therefore it is suggested that the cities work together to improve that system. He also referenced comments regarding potential sewer and water infrastructure impacts related to development in the southwest corner of Corcoran.

Martin noted that the response letter from Finke is well written and suggested placing additional details within the letter pulled from Finke's report, to emphasize the impacts on Medina infrastructure.

Anderson agreed and asked if there is anything Medina could do if Corcoran chooses to exceed its projected growth.

Finke stated that the authority of the City would be limited. He stated that the intended audience of the response letter is not only Corcoran but also the other reviewing agencies.

It was the consensus of the Council to direct staff to strengthen the language in the response letter to oppose the magnitude of the proposed development and submit the letter as soon as possible to ensure that other reviewing agencies are able to see the response.

## **IX. OLD BUSINESS**

### **A. Reserve of Medina 2<sup>nd</sup> Addition – Final Plat (Transfer) (7:44 p.m.)**

Finke stated that the Reserve of Medina 2<sup>nd</sup> Addition was approved one year ago, which included an additional 44 lots. He stated that the developer is looking to sell the remaining lots to Pulte and stated that the proposed Development Agreement attempts to address the change in ownership. He stated that staff does not believe there is need to change anything with the plat approval.

Martin stated that the memorandum states that the Development Agreement would acknowledge some of the work that was done by the first developer and wanted to ensure that Pulte would remain liable for the warranties within the 2<sup>nd</sup> Addition.

Finke stated that the first phase elements would remain the liability of Toll Brothers and the items remaining on the punch list would become the liability of Pulte.

Martin provided additional details on the surety which is held from Toll Brothers. She asked if Pulte would be building a similar product/homes.

Eric Paget, Pulte Homes, stated that the current plan is to continue to build similar homes ranging in size from 2,700 to 3,300 square feet without the basement. He stated that architecturally there will be similar styles to the homes in the first phase of the development. He stated that Pulte is excited to be in Medina and is excited for the opportunity to be a partner to the community.

Pederson asked when ground breaking would begin.

Paget reported that there is a preconstruction meeting later this week with plans to get the roads and infrastructure completed this fall and a model ready to open in the spring for the parade of homes.

Martin stated that it would be helpful for the existing residents in that neighborhood to have some information as there seemed to be confusion in regard to what was occurring in the second phase.

Paget stated that they are under contract currently but there has been discussion with Toll Brothers on the communication path moving forward.

**1. Development Agreement by and between the City of Medina and Pulte Homes of Minnesota for Reserve of Medina 2<sup>nd</sup> Addition**

*Moved by Pederson, seconded by Anderson, to approve Development Agreement by and between the City of Medina and Pulte Homes of Minnesota for Reserve of Medina 2<sup>nd</sup> Addition. **Motion passed unanimously.***

**X. CITY ADMINISTRATOR REPORT (7:52 p.m.)**

Johnson stated that there was a storm the previous week and there was a lightning strike City Hall, which fried the Mediacom connections. He noted that the IT consultant has been busy attempting to repair those connections. He estimated about \$700 in damage at this point.

**XI. MAYOR & CITY COUNCIL REPORTS (7:53 p.m.)**

Martin noted that Medina Celebration Day is scheduled for September 15<sup>th</sup>. She noted that she and Johnson have been talking the past few days about unanticipated power outages that have occurred within the City. She noted that there have been resident complaints about issues with Mediacom as well. She noted a problem with a railroad crossing at Sioux Drive and advised that public works is attempting to work with the railroad to fix that issue.

Johnson stated that Finke is working with the University of Minnesota Humphrey Institute on a possible capstone project regarding the Uptown Hamel area and what the City could do to attract businesses. He stated that if that does not work out, staff can look at other possible options.

**XII. APPROVAL TO PAY THE BILLS (7:57 p.m.)**

*Moved by DesLauriers, seconded by Cousineau, to approve the bills, EFT 004747E-004766E for \$50,170.05 and order check numbers 047760-047835 for \$130,077.67 and payroll EFT 0508866-0508894 for \$50,883.63. **Motion passed unanimously.***

**XIII. ADJOURN**

*Moved by Anderson, seconded by Cousineau, to adjourn the meeting at 7:57 p.m. **Motion passed unanimously.***

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Kathleen Martin, Mayor

Attest:

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Jodi M. Gallup, City Clerk