

MEDINA CITY COUNCIL MEETING MINUTES OF OCTOBER 16, 2018

The City Council of Medina, Minnesota met in regular session on October 16, 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.)

Johnson requested to remove item 8B, Cooperative Agreement between the Metropolitan Council and the City of Medina, from the agenda, under New Business, Item B, cooperative agreement. He stated that the Council discussed this in the work session prior to the regular meeting and there are still additional items that need to be addressed with the Metropolitan Council. He noted that staff will work with the Metropolitan Council as directed and plan to bring this item back to the Council on November 7th.

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

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

A. Approval of the October 2, 2018 Regular City Council Meeting Minutes

Martin stated that she and Anderson submitted comments to staff. In addition, it was noted on page three, line 33, it should state, "...to the number of levels the developer can reach."

*Moved by Anderson, seconded by Pederson, to approve the October 2, 2018 regular City Council meeting minutes as amended. **Motion passed unanimously.***

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

A. Approve Embedded Systems Agreement

B. Approve Lease Agreement with Marco

C. Appoint Nicole Jacobson to the Position of Part-Time Administrative Assistant

D. Resolution No. 2018-65 Accepting Donations for Medina Celebration Day

E. Resolution No. 2018-66 Accepting Donation from the Hamel Athletic Club

F. Approve Fence Installation Services Agreement with D'Fence

G. Approve Concrete Installation Services Agreement with Land Art LLC

- H. **Resolution No. 2018-67 Granting Conditional Use Permit Approval to Bob and Kim A. Griffin for Accessory Structures in Excess of 5,000 Square Feet at 2820 County Road 24**
- I. **Resolution No. 2018-68 Certifying Delinquent City Charges for Service to the Hennepin County Auditor for Collection in 2019**
- J. **Resolution No. 2018-69 Certifying Delinquent Storm Water Utility Charges to the Hennepin County Auditor for Collection in 2019**
- K. **Resolution No. 2018-70 Certifying Delinquent Utility Charges to the Hennepin County Auditor for Collection in 2019**

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

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

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

Mario Fabrizio stated that the request tonight is to ask the City to more fully, or fully fund the Celebration Day event. He stated that the challenge for the Committee each year is to attempt to find funding for the different activities, noting the challenge this year in obtaining the funding necessary for the fireworks. He stated that there were heroic efforts by some people in the room to gain those funds, but perhaps that is not the best strategy. He stated that it is almost impossible to manage an event without knowing the funds you will have available. He stated that the budget within the City's 2018 line item is \$2,000 and the remainder is funded through donations. He explained that the problem is that the people that volunteer to coordinate the event are also the people tasked with asking for donations. He stated that it would really help to eliminate that funding challenge and let the volunteers and Committee focus on planning the event. He stated that they always talk about adding new events, but they struggle each year just to get the basics covered. He asked that the City find a way to more fully fund Medina Celebration Day, increasing the \$2,000 line item to \$10,000. He stated that if that cannot happen, then perhaps it should be transparent that the City does not fully fund the event. He stated that if that choice is made, then perhaps a mailer is sent asking for donations. He stated that with the growing community and successful attendance of the event, he believed that the City should fund the event.

Chris Pederson stated that as a resident, business owner, editor of a local magazine that has helped promote the event and member of the Committee, he believes that he has a well-rounded perspective on the event. He stated that when the Committee members are calling businesses for donations, the volunteers often receive negative feedback from businesses that have issues with the City and believed that the event is City funded. He stated that eliminating the need for fundraising would also help the Committee to focus simply on planning and knowing what they could plan for with the event. He stated that this year there was a potential to not have fireworks because of the lack of funding. He stated that if there is not going to be increased City funding, then it should be made known to the public early in the process that the event is not City funded and donations will be needed. He stated that it would be much easier to contact businesses that have donated \$100 and instead ask them to volunteer at the event.

DesLauriers asked for the cost of the event over the past three years.

Chris Pederson replied with the cost for the event the past several years which has been at least \$10,000. He stated that the cost for the fireworks is \$5,000 alone.

Anderson asked if staff should be directed to bring this topic back to the Council for additional discussion to determine if this should be made a formal City event and whether the budget should be increased.

Martin agreed that would be a good topic for discussion. She stated that there seems to be consensus that the event should be a City event and the discussion would be on how to fund the event.

Johnson stated that staff will bring that back to the Council for discussion.

B. Park Commission

Scherer stated that the October meeting has been canceled. He stated that at the September meeting the Park Commission discussed the OSI proposal and the recommendation of the Park Commission was to obtain the trail easements and cash in lieu. He stated that the Public Works Department continues to get work done at the parks to finish up projects and prepare for winter.

Johnson stated that the batting cage relocation has been postponed in order to find a better location next year.

Scherer agreed that the batting cage area would be used for a pitching area in the next year. He stated that the association is going to find a better location for the batting cage in the spring.

C. Planning Commission

Planning Commissioner Williams stated that at the last meeting the Commission recommended approval of the change in the residency requirement for Planning Commissioners, reducing the requirement from three years to two years. She stated that the Commission also considered the OSI Preliminary Plat and Site Plan review, recommending approval of the request. She noted that there were comments on the trail use and OSI employees walking through the neighborhoods rather than walking on the business campus trails.

VI. PRESENTATIONS

A. Medina Celebration Day Update (7:20 p.m.)

Information was provided under Item 7A on the agenda.

VIII. NEW BUSINESS

A. Hickory Drive Street and Utility Improvement Project (7:20 p.m.)

Stremel stated that in May the Council authorized the creation of a Feasibility Report and staff has been busy working on that information. He noted that staff has also discussed the potential assessment and pond location with property owners. He stated that the sanitary system was televised and found to be in good condition. He displayed pictures of the existing conditions, noting that there is no existing stormwater system to handle the runoff and therefore the water runs onto the adjacent properties and into Elm Creek untreated. He stated that a reconstruction with a stormwater system is proposed, noting that the stormwater would be discharged into a stormwater pond. He stated that the ponding area is proposed to be on private property and the property owner is amenable

to the City purchasing that property for the pond. He stated that the City has secured a grant for the pond, up to 25 percent of the cost, noting that the funds would be available in 2020. He stated that the City is currently applying for another grant from Hennepin County which could provide 50 percent of the cost of the pond, up to \$100,000. He noted that if the full \$100,000 is allotted by Hennepin County, that could include the cost for acquisition of the easement for the stormwater pond. He noted that there is the potential for the grants to be stackable, with a phased project. He provided the total project costs and funding, including assessments. He reviewed the benefits of the stormwater system, noting that this is a good opportunity for the City to retrofit this roadway project with a stormwater treatment system and pond.

Finke provided additional details on the existing drainage conditions and the efficiencies that would be provided through the stormwater element of the project.

Pederson asked if there would be any timing problems with completing the stormwater pond in 2020.

Stremel stated that will be part of the City discussions.

Martin noted that staff's suggestion was to include the road and stormwater projects in one contract with phased timing.

Scherer noted that delaying construction would also assist the City in obtaining additional grant funds. He reviewed the proposed project schedule.

Martin stated that perhaps it would be helpful if staff had direction from the Council on whether to postpone the pond portion of the project in an attempt to secure additional grant funds and confirmed the consensus of the Council in support of that action.

1. Resolution No. 2018-71 Receiving Feasibility Report and Calling for Hearing on Improvement

*Moved by Anderson, seconded by Cousineau, to adopt resolution no. 2018-71 receiving feasibility report and calling for hearing on improvement. **Motion passed unanimously.***

B. ~~Cooperative Agreement between the Metropolitan Council and the City of Medina~~

IX. OLD BUSINESS

A. Open Systems International, Inc. (OSI) – Rezoning, Preliminary Plat, Site Plan Review – PID 03-118-23-41-0005 (7:33 p.m.)

Finke stated that the Council preliminarily reviewed this project in September when the rezoning was discussed. He stated that the request now before the Council would rezone lot one to Business and to approve the Preliminary Plat and Site Plan. He stated that the Planning Commission recommended approval of both the Preliminary Plat and Site Plan with the conditions noted in the staff report. He highlighted changes that have occurred since the last review including a shift in the lot line, which altered the access point to provide better visibility and would also provide the ability to provide additional parking. He stated that the Park Commission recommended acquisition of a trail easement and then cash in lieu for the remainder of the dedication. He noted the additional right-of-way for Arrowhead Drive, which caused parking to shift west. He

noted the adjacent residential development across Arrowhead and provided details on the 70 percent opaque screening that would be provided with the 75-foot setback.

Pederson asked if that screening percentage is for summer time or winter time.

Finke provided additional details on the opacity calculation, noting that higher points are given for certain tree types.

Martin referenced the landscaping plan and noted that it appears to provide more summer opacity than winter.

Finke agreed that the landscaping plan would be short of the 70 percent and staff can provide direction that more coniferous trees would be preferred. He provided additional details on the parking calculations and requirements for the site. He provided additional details on the tree preservation and the proposed removal of boxelder trees. He stated that rather than requiring all the required replanting, which would not fit into the site, or requiring payment into the City's tree replacement fund, staff would suggest some replanting, some payment into the City's fund, and active management of another heavily wooded area on the original OSI site. He provided details on the proposed lighting, which would be downcast as required. He stated that although the proposal would meet the standards of City code, staff is looking at additional screening to minimize light trespass onto adjacent properties.

Martin asked if there are additional plans for the lighting on the existing parking lot.

Pederson stated that he struggles with boxelders being included in the tree removal and preservation elements.

Mike Kuklok, Business Operations Manager for OSI, stated that they are actively reviewing the lighting options in conjunction with the comments that were made. He stated that they are looking at additional sensors and timers. He confirmed that they would also address the lighting in the existing parking areas. He stated that people love working in the community and OSI has a great culture.

Anderson asked if it is the goal to have all the employee parking off the roads and into the new parking facility.

Kuklok replied that they are not using the roads for parking at this time. He stated that they recognize that parking is an issue. He agreed that additional parking would be provided in this plan.

Finke stated that as proposed there is a conceptual trail system on the plans and is noted as a future trail. He stated that at the Planning Commission there was discussion that employees often walk the City trails and public sidewalks in the Bridgewater neighborhood. He stated that the Planning Commission was interested in requiring the construction of the trail amenities in conjunction with the improvements. He noted that the City does allow park dedication credit for private improvements, noting that if there was a requirement there would be credit given towards park dedication. He stated that the applicant has stated that it is in their interest to complete the additional trail system. He noted that there are trails on the site already and employees may continue to use the public trail system and sidewalks regardless of the trail amenity on the site.

Martin stated that public roads cannot be declared private and therefore she does not see a problem with employees using the public trail and sidewalk system.

Finke advised of trail connections and stated that it is not for lack of facilities that this issue has arisen.

Martin stated that perhaps trail maps could be provided to employees to advise them of all the options.

Anderson agreed with the idea of providing maps of the trail system. He further stated that if Medina is to be truly welcoming to new OSI employees that the City should not discourage use of public trails and sidewalks.

Martin confirmed that the trail condition would be removed.

*Moved by Cousineau, seconded by Pederson, to direct staff to prepare documents approving the Preliminary Plat and Site Plan review, removing the private trail condition, subject to the other conditions noted in the staff report and as discussed by the City Council. **Motion passed unanimously.***

X. CITY ADMINISTRATOR REPORT (7:54 p.m.)

A. Bond Request

Johnson provided a request from bond counsel. He stated the City of St. Louis Park is requesting Medina provide conduit bonds and provided details on the request. He stated that Medina can request a fee for providing that service.

Batty stated that every city is allowed to issue \$10,000,000 per year of bank qualified debt which is generally used for construction by Section 501 (c) (3) organizations. He stated that larger cities use that up quickly while smaller cities do not. He stated that larger cities often look for other communities to lend their qualified debt, which is allowed. He stated that this request would be from a 501 (c) (3) school in St. Louis Park. He stated that Medina has not issued any bonds this year and therefore could fulfill the request. He stated that this would not be a risk to the City and there would not be any limitations on debt. He noted that the City would be able to charge a fee for providing this service. He noted that all costs will be paid by the issuer and the City could charge a negotiable fee. He asked if the Council would be interested in participating. He stated that in his opinion this would be a good deal for the City.

Pederson asked if there would be any obligation to the City if the loan defaults.

Batty replied that there would be no obligation to the City if the loan defaults.

DesLauriers asked how long this program has been in place.

Batty was unsure. He stated that over the past ten years a number of smaller cities have been offered these deals, as typically smaller cities do not issue debt.

DesLauriers asked if the City can solicit these funds in future years to other cities.

Batty provided additional details on the amount of debt that the City can issue. He stated that the larger number that the City has available, the more attractive it would be. He stated that if this is a program that Medina is interested in, there are always cities looking for additional funds. He stated that he can direct his office to look for additional opportunities in the future. He confirmed that there would not be an impact to the City's bond rating.

Cousineau stated that this may be a mechanism to fund certain activities, such as Medina Celebration Day.

Martin confirmed consensus of the Council that there would be no opposition to moving forward. She asked for direction on the fee that the City should charge.

Batty stated that he is unsure of the market and noted that the bond counsel would be in a better position to know that. He suggested that perhaps the City Administrator, Finance Director and Mayor meet with bond counsel to discuss the correct bond fee.

Anderson stated that if Medina wants to be seen as an accommodating city, perhaps a modest fee should be taken to provide additional opportunities in the future. He stated that he likes the idea of a small group to meet with bond counsel.

Cousineau agreed that would be helpful as this is a new thing for the City.

Batty agreed that having a small group meet with bond counsel would provide an opportunity for additional education on the topic.

It was the consensus of the Council to have a small group (City Administrator, Council Member DesLauriers, Mayor) to meet with bond counsel to move forward.

Batty noted that this would require a public hearing in Medina and St. Louis Park. He noted that with the direction, the bond counsel would stop looking for another community to issue the debt.

Johnson stated that he will work with Batty to put together the details.

*Moved by Martin, seconded by Anderson, to City will make an offer of a fee for conduit financing for the city of St. Louis Park consistent with the letter dated October 13, 2018 letter from Kennedy and Graven with the fee to be determined by a Committee composed of Martin, Johnson and DesLauriers. **Motion passed unanimously.***

XI. MAYOR & CITY COUNCIL REPORTS (8:13 p.m.)

Pederson stated that he attended the Loretto open house over the weekend, noting that it was a good event that was well attended. He stated that he also attended the fire meeting this morning with Martin, at which the four Fire Chiefs attended. He noted that the discussion focused on response times, duty crews, future needs and planning.

Martin stated that the cost of fire service could increase if the same trajectory is kept. She stated that this issue needs to be addressed sooner rather than later and noted that the Fire Chiefs have been wonderful in sharing information and their thoughts.

DesLauriers stated that he also attended the Loretto Fire Department open house and commented that it was great to see the community support.

Cousineau stated that she spent the past five weeks working with the BCA and commended the Medina Police Department for the great work that they do.

Anderson stated that he also attended the Loretto Fire Department open house and echoed the positive comments. He noted that he also attended the Long Lake Waters Association event, which was a great event with a number of Medina residents.

Martin stated that she also attended the Loretto Fire Department open house. She stated that she also attended the Hamel Fire Department open house with DesLauriers. She noted that there were interesting educational exercises done. She stated that she also attended the mayors meeting the previous week. She noted that she and Johnson continue to look at mechanisms for park funding.

XII. APPROVAL TO PAY THE BILLS (8:19 p.m.)

*Moved by DesLauriers, seconded by Pederson, to approve the bills, EFT 004804E-004824E for \$70,204.24 and order check numbers 047946-048007 for \$363,972.61 and payroll EFT 0508956-0508988 for \$54,547.70 and payroll check 020440 for \$2,973.93.
Motion passed unanimously.*

XIII. ADJOURN

*Moved by Anderson, seconded by Cousineau, to adjourn the meeting at 8:20 p.m.
Motion passed unanimously.*

Kathleen Martin, Mayor

Attest:

Jodi M. Gallup, City Clerk