

MEDINA CITY COUNCIL MEETING MINUTES OF NOVEMBER 6, 2019

The City Council of Medina, Minnesota met in regular session on November 6, 2019 at 7:00 p.m. in the City Hall Chambers. Mayor Martin presided.

I. ROLL CALL

Members present: Albers, Anderson, DesLauriers, Martin, and Pederson.

Members absent: None.

Also present: City Administrator Scott Johnson, Assistant City Administrator Jodi Gallup, City Attorney David Anderson, 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 October 15, 2019 Council Open House Meeting Minutes

*Moved by Anderson, seconded by Albers, to approve the October 15, 2019 Council Open House meeting minutes as presented. **Motion passed unanimously.***

B. Approval of the October 15, 2019 Regular City Council Meeting Minutes

*Moved by Anderson, seconded by Albers, to approve the October 15, 2019 regular City Council meeting minutes as presented. **Motion passed unanimously.***

C. Approval of the October 22, 2019 Special City Council Meeting Minutes

*Moved by Anderson, seconded by Albers, to approve the October 22, 2019 special City Council meeting minutes as presented. **Motion passed unanimously.***

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

A. Approve Cooperative Agreement for Hickory Drive Stormwater Improvements

B. Approve LMCIT Liability Insurance Renewal Waiver

C. Approve Brockton Lane Engineering Design Amendment

D. Resolution No. 2019-70 Extending the Approval of a Site Plan Review for Wealshire, LLC to Construct Phase II of Its Memory Care Facility at 4555 Mohawk Drive

Anderson stated that he has received a number of calls from residents applauding the excellent work on Brockton Lane and congratulated City staff for their excellent work.

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

VI. COMMENTS (7:01 p.m.)

A. Comments from Citizens on Items not on the Agenda

There were none.

B. Park Commission

Scherer reported that earlier this week staff met with Three Rivers Park District regarding a corridor study for the Diamond Lake Trail. He noted that it was a great discussion and direction was provided on how this corridor could work with the existing trail system in Medina. He stated that the Park Commission discussed the Mark of Excellence concept at its last meeting, noting that the consensus was to perhaps look at other areas as well that could be more conducive to everything in that area. He noted that the Commission agreed with preserving the trees but felt that a better location could be found for an active park.

C. Planning Commission

Finke reported that the Park Commission will meet the following week to hold public hearings for a Rezoning/Preliminary Plat/Site Plan review for Adams Pest Control and a variance for the Independence Beach neighborhood related to the 25 percent hardcover maximum.

VII. NEW BUSINESS

A. Chippewa Road and Arrowhead Drive Visioning Study (7:07 p.m.)

Stremel highlighted the different elements of the final report, which was included in the Council packet. He stated that an 80-foot right-of-way would be desired, with more width in the turn lane areas. He displayed the final preferred alternative, noting that the roundabout option was added back in based on public input received at the open house. He advised that another option was provided for the OSI driveway as well, which is a fair distance north of the existing driveway. He stated that cost estimates were developed for the project, noting they are fairly significant amounts. He explained that if the City funds the project solely that would be the costliest option. He noted that the cost for the watermain is not included but the projects could be combined. He discussed the permitting requirements, noting that staff met with a representative from the DNR the previous week related to the potential wetland impacts and required permits. He stated that one of the next steps would be to determine the Ordinary High Water (OHW) mark. He stated that the permitting timeframe for the DNR and Army Corps of Engineers would be four to six months. He noted that if an Environmental Assessment Worksheet (EAW) is completed that would also be about a six-month process. He stated that a previous analysis was completed on the floodplain, noting that since then the data used has changed and therefore that floodplain analysis would need to be updated using the Atlas 14 data. He explained that floodplain impacts would need to be mitigated onsite at a one to one ratio. He noted that if the dual turn lane is desired, staff would recommend additional traffic analysis as well.

Anderson asked why the cost for Chippewa Road would be reduced if a developer comes in and how much that cost would come down.

Stremel replied that it would be difficult to estimate the cost reduction. He explained that economy of scale provides benefit and noted that a development could also perhaps utilize excavated materials. He noted that the project will continue to be expensive.

Anderson asked if the DNR provided input on the potential cost for the wetland mitigation costs.

Stremel stated that he included data on wetland credits, noting that would be the cost if wetland credits are purchased offsite. He stated that if mitigation is provided with development perhaps mitigation could be completed onsite. He noted that the wetland mitigation and floodplain mitigation could also overlap to provide cost savings, which would be another benefit to completing the road project in conjunction with an adjacent development project.

Albers referenced the EAW and asked if that is solely for the Chippewa Road footprint or whether that includes the Mark of Excellence site.

Stremel confirmed that the Mark of Excellence project could trigger the EAW. He confirmed that it could make sense to complete an EAW for both elements, should it progress to that point.

Albers estimated a total cost of over \$7,000,000 for the road projects, sewer and watermain. He commented that seems to be a high cost for about a half mile of road. He asked the standard rate for road construction.

Martin stated that the project includes additional elements including mitigation, utilities, infrastructure, and other improvements.

Stremel confirmed that this would be more expensive than a typical roadway.

DesLauriers commented that the cost for Brockton Lane was about \$2,000,000 for comparison.

Martin stated that it seemed the comment from staff was that the trigger for an EAW would be based on the number of acres impacted rather than the total number of acres included in the project.

Pederson asked if there is a roundabout included in the cost estimate.

Stremel explained that the cost estimates are based on the base plan and does not include options such as roundabouts.

Martin asked what was the cost of the additional steps outlined in the report and the shelf life of those elements for permitting purposes.

Stremel stated that the topography of the OHW and the floodplain analysis could be used in perpetuity unless there were changes to the wetland complex or rainwater data. He stated that the EAW would also have a long shelf life unless changes are made to that corridor. He noted that the traffic counts and analysis near the OSI area could last a fair amount of time as well but would have the shortest shelf life of the four. He provided the cost estimates to complete each of the four additional steps.

DesLauriers referenced the six-month process for the EAW and asked if the other steps would have shorter timeframes.

Stremel confirmed that the other steps would be shorter ranging from a few days or weeks to a couple of months.

Martin asked for input from the Council on the next steps. She stated that she would not be interested in spending a lot of money above the initial study. She noted that the parameters of the project and perhaps even alignment could change depending on the development proposals that may come forward.

Anderson agreed and suggested tabling this until there is resolution related to the Mark of Excellence concept, as that will provide additional input.

Pederson agreed that would make sense.

*Moved by Anderson, seconded by Albers, to table the discussion regarding the Chippewa Road and Arrowhead Drive Visioning Study until such time the Council feels a determination has been made regarding the Mark of Excellence proposal. **Motion passed unanimously.***

B. Mark Smith (Mark of Excellence Homes) – Weston Woods – E. of Mohawk Dr., N. of Hwy 55 and 1952 Chippewa Road – Comprehensive Plan Amendment and PUD Concept Plan (7:30 p.m.)

Martin noted that many of the Council members attended the Planning Commission meeting and asked if any of the information differs from that information presented.

Finke reported that the presentation and input from the Planning Commission would largely remain the same. He noted that additional input has been added from the Park Commission. He confirmed that no changes were made to the development proposal. He presented a request for a Comprehensive Plan amendment which would relate to the future land use of the southern property, changing the future land use from business to a combination of residential land uses. He noted that a portion of the site would also be designated as park/open space and would be deeded to the City. He explained that the second Comprehensive Plan amendment would relate to the staging of the northern property, changing that from 2025 to 2020. He stated that would allow for the proposed development of 76 twinhomes on the northern property, and 41 single-family and 33 townhomes on the southern property. He displayed an aerial photograph of the site and surrounding properties, identified adjacent property uses. He provided the overall concept plan noting that the property proposed to be deeded to the City would be left as a natural preservation area. He advised that a small active park is also proposed in that location. He noted that there was discussion from the Park Commission as to whether that would be the best location for an active park area. He identified the large wetland to the east of the site, noting that there are additional wetlands throughout the site. He advised that throughout the site there would be relatively minimal wetland impacts. He noted that the applicant proposes to extend Chippewa Road from Mohawk Drive to Arrowhead Drive. He noted that the applicant would pay for the construction cost while the City would be responsible for permitting and wetland mitigation. He stated that between the two sites, the density would be three units per acre and therefore would fall within the range of the Metropolitan Council. He noted that additional details are provided on the PUD concept within the staff report. He explained that would be contingent upon the Comprehensive Plan amendments and therefore he will focus on those elements. He stated that the development proposed on the northern property falls within the density range specified, noting that the change would move that development

from 2025 to 2020 with the requested change to staging. He explained that one reason the staging was set at 2025 is because of the necessary infrastructure improvements needed to support development in that area including the extension of the watermain and the extension of Chippewa Road. He stated that the applicant is proposing to address the infrastructure needs by providing those improvements with this development. He stated that the City also identified a need for an active park in this area, which is also proposed with this request. He noted that other elements of staging are growth management and reduction of growth in concentrated areas. He referenced the Comprehensive Plan amendment requested for the southern property. He explained that this request would not change the MUSA but simply the uses within the MUSA, noting that this would convert about 25 acres of business property to residential. He reviewed goals of the Comprehensive Plan noting that the applicant makes the case that their proposed development has the ability to better meet those objectives. He reviewed the recommendations of the Commissions, noting that the Park Commission supported the preservation of the wooded knoll through the PUD and suggested full park dedication credit is collected. He said that the Park Commission stated that the location of the proposed active park may not be the best location and recommended collecting park dedication fees from the sites in the area as they develop in order to create a larger park in another location. He noted that the Planning Commission held a public hearing the previous month and ultimately the Commission voted 4-2 to recommend denial of the amendments. He stated that additional comments received from the public have been provided to the Council. He stated that Loretto, Corcoran and Hennepin County have provided comments, general in nature. He stated that the PUD concept plan is provided for the Council to provide comments, but the City will need to act on the Comprehensive Plan amendments.

Bill Griffith, representing the applicant, stated that a lot of work has gone into the plan even though the plan is similar to the past concept. He recognized that the City has a large amount of discretion with considering these requested amendments to the Comprehensive Plan. He stated that this land is already within the MUSA and therefore the question would be whether the changes are appropriate. He noted that the concept plan is provided to give the Council sufficient information to consider the Comprehensive Plan amendment requests. He noted that this plan presents an opportunity to preserve a lot of open space. He explained that the location of the open space creates a natural buffer to the properties to the east. He stated that two thirds of the northern parcel would be preserved as open space. He advised that the development addresses some of the key goals of the Comprehensive Plan, noting a diverse range of housing types available at different price points. He stated that the southern property would preserve the knoll of trees. He stated that this development would also provide an opportunity for infrastructure improvements. He explained that if the north and south properties are not developed together, that infrastructure opportunity would be missed. He stated that the vision for the community does not have to be turned upside down with these applications. He noted that many of the policies support this application. He noted that the seven percent increase in residential development does not mean that Medina will become a faster growing City and could be offset in another area. He stated that they wanted to ensure that the density proposed falls at the three units per acre line, which is the minimum required by the Metropolitan Council for properties developed within the MUSA. He stated that the PUD provides flexibility and they believe the concept fits within the guidance for PUD approval. He stated that they believe that the basket of public benefits proposed would meet the threshold for a PUD. He noted that a traffic study was prepared and provided to City staff. He highlighted the findings that the

extension of Chippewa would result in improved service to the area and the development would not degrade service.

Mark Smith, applicant, stated that from an aerial point of view it would appear to make sense that the southern parcel be commercial because of the adjacent development. He explained that when you walk the site it becomes more apparent that residential would make more sense because of the winding creek and the knoll of trees that would be lost with commercial development. He stated that if the southern parcel is developed commercially only two acres of parkland would be required whereas his proposal would preserve the five acres of trees. He stated that this would be a great residential site and changing the zoning would help to preserve a nice area for the city. He referenced the northern parcel and explained that things have happened in that area in the past two years in terms of development to support that staging change. He explained that there has been a lot of development in the area and the Chippewa Road extension has still not moved forward. He noted that there are many employees of the businesses in that area that would like to live close by. He noted that the Chippewa Road extension would provide an improvement to the residents and businesses already in that area. He noted that developing both properties at one time would allow 5.6 acres to be preserved as parks rather than creating two smaller parks in separate areas. He stated that there is a demand for this type of housing. He explained that people in Medina want to stay in Medina but would like to transition to a different type of home. He stated that allowing both properties to be developed by one developer would ensure that the necessary right-of-way is provided for Chippewa Road. He believed that this is a great development and great opportunity for the City.

Martin noted that the Council received the comments from the public hearing held by the Planning Commission along with the written comments that have been received.

Catherine Atkinson, 2000 Pawnee Road, stated that she and her husband have lived in Medina since 1989 and would like to see this plan move forward. She stated that they would like to stay in the area and would be interested in these types of homes. She believed that all the people along Mohawk Drive would appreciate the contribution from the developer towards the Chippewa Road extension. She believed that this development would also help the City to increase its tax base. She noted that she supports this plan.

Chris Hilberg, 4559 Trillium Drive N, encouraged the Council to focus on the costs for the Chippewa Road extension and watermain extension. He hoped that the Council spends time focusing on who would pay for that. He stated that the memorandum states that the applicant would pay for the construction cost of the roadway, but the City would still be responsible for permitting and wetland mitigation. He stated that if the applicant is willing to pay for the construction of the roadway and wetland mitigation, that should be memorialized before the Comprehensive Plan amendment is approved. He explained that the Comprehensive Plan amendment is the biggest bargaining chip and therefore there should be conditions attached. He stated that he has seen firsthand how these things happen. He referenced a development agreement from Bridgewater where the developer was going to pay for the road to extend into Corcoran and that has not and will not happen. He asked the City to finalize the details of the road and infrastructure improvements before considering the Comprehensive Plan amendments.

Martin suggested that discussion focus on the Comprehensive Plan amendments.

DesLauriers stated that when this came forward almost two years ago the previous Mayor made a statement regarding a D.R. Horton project Medina had denied and made the comment that cities sometimes pass up good projects and later regret that they did. He stated that as they go through this process two years later this is an opportunity that has public benefits. He stated that when you walk the site it is a pretty site with a lot of trees. He stated that a commercial development that would take away those trees would be a shame. He stated that the vision of the Comprehensive Plan focused on slower growth. He recognized the potential cost for the Chippewa Road and watermain extensions, noting that the developer is willing to share in those costs. He stated that he believes that residential would be the best use of the site.

Pederson stated that he feels that the property to the south does not suit business use as well as residential because of the right-in/right-out on Mohawk Drive. He believed that the concessions that the developer is willing to make are good. He commented that the right-of-way would be obtained irregardless, but it would make sense to mitigate as a whole with extra excavation off the property. He stated that the Chippewa Road extension is needed as a public safety improvement. He stated that there is a benefit to the developer with the current interest rates and it would make sense to put empty nest housing on the property. He stated that he would lean towards the applicant splitting the permitting and mitigation costs with the City. He stated that he struggles with the reasoning of the Park Commission. He explained that he likes the knoll park and believes that there needs to be an active park near Chippewa Road with a trail. He stated that this would allow easy access for parking rather than making people feel like they are going into a neighborhood to access a park. He referenced the staging and felt that the staging was available two years ago. He stated that he did not agree with the staging change in the Comprehensive Plan and therefore supports the change in staging. He commented that the watermain is needed, noting previous incidents with the current watermain. He believed that the residents in Bridgewater would also prefer to have higher water in the case of a fire in that area. He stated that he would want a commitment from the applicant as a 50/50 partner with the mitigation and permitting. He commented that the need for more variety in housing exists for the older community in Medina. He supported changing the future land use to residential and changing the staging from 2025 to 2020. He believed that it makes sense to partner with the applicant in return for the public benefits offered.

Albers stated that he was part of the Steering Committee for the Comprehensive Plan, noting that a lot of time was spent on the staging and zoning of parcels. He stated that there was a lot of input related to the pace of development and when development should occur. He stated that residents were clear that the City should move forward with the bare minimum of development. He stated that although this is only a seven percent increase in development, this would give the message that the City is open to increasing development. He stated that the City does not need this, and he struggles to support a Comprehensive Plan amendment.

Pederson asked if another developer would be willing to contribute this type of public safety improvement. He stated that is a pretty attractive element as that is a need of the City.

Albers commented that the road is not the change requested in the Comprehensive Plan, noting that the City has the decision on when to make that improvement.

Pederson commented on the high cost for the road.

Albers recognized the cost for the road and the fact that the developer is willing to contribute towards that cost but noted that the citizens have stated that they do not want to see accelerated development.

Anderson stated that it was almost two years ago when this issue was first discussed. He noted that it was a difficult decision at that time and remains a difficult decision. He stated that clearly there is a lot to be said for pursuing the Comprehensive Plan amendments in terms of infrastructure and public safety benefits. He noted that he has heard many comments that the southern property never should have been designated as business and should be residential. However, he stated that the Comprehensive Plan is a commitment of the City to its residents and is a collection of comments from an enormous number of residents. He stated that residents want equity in terms of where development occurs, as residents do not want to see more development north of Highway 55. He stated that the discussion should be whether the City is going to honor its word to the residents and stay true to its commitment.

Martin agreed that this is a tough decision. She recognized that a lot of time was spent collecting input throughout the Comprehensive Plan process. She recognized the excellent byproducts that would be provided by this development. She stated that it would be helpful to have more input from Bridgewater residents. She asked if the City should mold what it can now so that it knows what it will get, or whether it should wait five years with the risk that it does not know what will come forward. She stated that it is hard not to remember all the work that went into creating the Comprehensive Plan and therefore it would be difficult to move forward in light of the discussions with residents. She appreciated the comments of Mr. Hilberg to ensure that the financial contributions would be tied to the Comprehensive Plan amendments. She stated that perhaps there be more interaction with the Bridgewater neighborhood and the applicant in attempt to resolve some of the concerns. She noted that Mr. Smith is a property owner and that land will eventually develop and therefore it would be helpful to have some communication with the Bridgewater neighborhood to gain additional support. She stated that if those residents supported the plan, she would feel more comfortable.

Mr. Griffith stated that there is consensus in the room that Mr. Hilberg made a good point with regard to tying down the commitments. He agreed that a decision could not be made without knowing more specific information on that topic. He commented that the Comprehensive Plan could move forward and could be made conditional upon greater detail of the financial contributions, rezoning and PUD. He noted that it would also benefit his client to know the cost that would be committed to the public improvements.

City Attorney David Anderson stated that if the Council supports this moving forward, a resolution would come back approving the Comprehensive Plan amendment as proposed and confirmed that conditions could be added related to the public improvements, land use and rezoning.

Martin stated that if the Council agreed to start the process of amending the Comprehensive Plan, that would move to the Metropolitan Council for approval and would then come back to the City for adoption.

City Attorney Anderson confirmed that once approved by the Metropolitan Council, a super majority vote of the Council would be required to formally adopt a Comprehensive Plan amendment.

Pederson commented that he is the closest resident to this project, as he would be within 100 feet of it. He stated that it is not easy to be in rural residential and make this project something he is in favor of, but it is the right thing for most residents in Medina to not have to pay for these public improvements. He believed that it is important for the Council to recognize that. He stated that eventually the road will go through and the watermain is needed and this is a way to reduce the cost to all the residents of Medina.

Anderson agreed that is a valid point. He offered as a counterpoint that it is in the interest of most residents of Medina to keep the city as it is.

Pederson commented that in five years this will be developed anyway, and the public benefit would be lost.

Anderson agreed that the issue of timing is an overarching issue.

Martin agreed that this would be a defensive development in securing the preservation of the woods and other public benefits with a known product. She noted that the City was also lucky in that it did not have to plan for much residential development and would be hesitant to change that plan.

Anderson commented that he considers the Comprehensive Plan to be a promise made by the City to hold development to the lowest level possible.

Albers suggested that the decision be tabled, as that would provide the applicant the opportunity to speak with residents of Bridgewater.

Finke provided additional details on the timing of the window of review by the City.

Johnson confirmed that it would also make sense for staff to work with the applicant to obtain the details of the public improvement benefit commitments.

*Moved by Albers, seconded by Anderson, to ask for a written commitment from the developer relating to public improvement commitments including a 50/50 split of the permitting and mitigation costs and the applicant holding a public forum/neighborhood meeting with residents from Bridgewater and greater Medina. **Motion passed unanimously.***

C. Request for Rezoning 3672 and 3692 Pinto Drive (8:54 p.m.)

Pederson recused himself from the discussion noting that he is in the self-storage business and also met with the Planning Director recently regarding a similar request.

Finke presented a rezoning request at the southeast corner of Highway 55 and Pinto Drive. He noted that the parcels are vacant and located south of the railroad tracks. He stated that there are a handful of properties in the area zoned commercial-highway, but all other properties are zoned commercial-general, which is the zone the applicant is requesting. He stated that the property owner is interested in developing a self-storage facility which is allowed in the commercial-general district but not commercial-highway.

He noted that the property is guided commercial under the Comprehensive Plan and therefore it is simply a decision of which zoning district would be appropriate. He reviewed the different uses allowed under the two zoning districts. He provided background information on the existing zoning in that area. He stated that many of the uses allowed under commercial-highway would not be practical to develop on this site and therefore the rezoning could provide additional flexibility. He stated that the Planning Commission held a public hearing the previous month recommending approval of the rezoning with a vote of 4-1. He noted that one property owner spoke against the rezoning, believing that the City should hold out for a more retail development on this property.

DesLauriers asked for clarification on the rezoning that previously occurred.

Finke explained that ten years ago this property was zoned the same as the surrounding properties. He stated that ten years ago additional districts were added, and property was then delegated.

DesLauriers asked if the Comprehensive Plan Steering Committee would have looked at the zoning.

Finke explained that the Comprehensive Plan focuses on land use and zoning changes are made as needed based on those changes.

Charles Shots, representing the applicant, stated that this rezoning would be consistent with the Comprehensive Plan and the uses would be almost identical. He noted that this change would also unify the zoning on that side of the road. He commented that the railroad tracks are a significant mitigating factor for development of retail on the site. He stated that the Planning Commission recognized that this is a challenging property to develop because of the size and proximity to the railroad tracks. He asked the Council to approve the rezoning.

Anderson stated that while he is generally in favor of the rezoning, from a retail perspective Aldi was constructed near the railroad tracks. He commented that the railroad tracks also did not impact the credit union.

Robb Stauber stated that he lives at 777 Hamel Road and owns the business at 3795 Pinto Drive. He noted that his business has thrived even near the railroad tracks. He noted that in 1994, 1995 and 1996 the comment was made that his property was bad, but he was able to develop a business that has thrived. He noted that his mattress store has thrived in this area. He stated that this is the last open corner lot in the City. He did not believe it would be a vision to kick the can backwards and the City instead should hold out for a more retail development. He stated that to him it is not about the difference between the two zoning districts, but what could be developed there. He did not believe that residents want to drive past storage units on their way down Hamel Road. He believed that the property is valuable and is the most visible property on that corner. He believed that something special could go there, noting that just because a developer has not proposed it yet does not mean it would not happen.

Albers stated that one of the challenges with the property is access because of the median on Pinto and the railroad tracks.

Martin noted that both Share Point and Aldi have developed near the railroad tracks. She stated that she does not think about the railroad tracks when accessing businesses in that area. She stated that retail is hard to come by in this market. She stated that there are very few parcels slated for retail and this is part of Hamel and therefore the idea of rezoning the property to permit a storage facility is a distractor of what the City is attempting to pursue for Uptown Hamel. She commented that she is not prepared to change the zoning to permit something other than what she would consider a retail use.

DesLauriers agreed that the railroad tracks are all over and businesses thrive in that area. He noted that this is one of the two major gateways into Medina and he does not want to see storage units in that location.

*Moved by Anderson, seconded by Albers, to direct staff to prepare an ordinance denying the rezoning of the property. **Motion passed unanimously.***

Pederson rejoined the Council.

D. Open Systems International (OSI) – Temporary Parking Agreement and Petition and Waiver Amendment (9:16 p.m.)

Johnson stated that OSI did not proceed with the construction of the building originally proposed and is considering an addition onto its existing facility. He stated that OSI has requested to construct a temporary parking area this fall which would allow construction of the addition in the spring.

Finke explained that the agreement would include the temporary parking agreement and extension of the petition and waiver. He noted that if approved, construction of the temporary parking would begin next week in anticipation of an approved addition over the winter. He noted that if the project is approved for construction in the spring, the gravel lot would be paved. He stated that the petition and waiver had a ten-year lifespan, and this would allow for that agreement to be extended an additional ten years which would allow for better planning along Arrowhead rather than attempting to hurry in order to complete improvements. He stated that additional language was added providing the option that the petition and waiver can be dissolved should the City decide to assess a larger amount through another method.

Pederson asked if the alignment of the driveway would change to the north.

Finke explained that one of the changes within the amended petition and waiver acknowledges that if the project moves forward the driveway alignment would be shifted to the north. He stated that if the project does not move forward, that would not come into play and a separate agreement would need to be made with OSI to determine what improvements could be made.

*Moved by Pederson, seconded by DesLauriers, to approve Temporary Parking Agreement and Petition and Waiver Amendment. **Motion passed unanimously.***

VIII. CITY ADMINISTRATOR REPORT (9:24 p.m.)

Johnson had nothing further to report.

IX. MAYOR & CITY COUNCIL REPORTS (9:25 p.m.)

Anderson commented on the great business tour. He noted a recent meeting with Three Rivers Park District regarding their parks/trails master plan.

Martin noted that she and DesLauriers have attended multiple fire meetings and have a clearer understanding of the information they would like to see. She expressed appreciation to City staff that have been involved in the discussions providing input on administration, public safety and finances.

Albers stated that he will attend the Veterans Service in Orono the following Monday to represent Medina.

Martin commented that there is a mayors meeting the following week that she is planning to attend, noting that if anyone else would like to attend to please let her know.

X. APPROVAL TO PAY THE BILLS (9:27 p.m.)

*Moved by Martin, seconded by Anderson, to approve the bills, EFT 005273E-005296E for \$92,066.08 and order check numbers 049447-049511 for \$268,689.81 and payroll EFT 0509773-0509828 for \$106,175.34. **Motion passed unanimously.***

XI. CLOSED SESSION: ATTORNEY-CLIENT PRIVILEGED DISCUSSION ON LITIGATION MATTER SPECIFICALLY WW FARM AND GEORGE WESSIN V. CITY OF MEDINA, PURSUANT TO MINN. STAT. SEC. 13D.05, SUBD. 3(b)

*Moved by Martin, seconded by Anderson, to adjourn the meeting at 9:28 p.m. to discuss an attorney-client privileged litigation matter, specifically WW Farms and George Wessin V. City of Medina. **Motion passed unanimously.***

The meeting reconvened to open session at 9:55 p.m.

*Moved by Anderson, seconded by Pederson, to approve the WW Farms and George Wessin V. City of Medina Settlement Agreement. **Motion passed unanimously.***

XII. CLOSED SESSION: CITY ADMINISTRATOR ANNUAL PERFORMANCE REVIEW, PURSUANT TO MINN. STAT. SEC. 13D.05, SUBD. 3(a)

*Moved by Anderson, seconded by Martin, to adjourn the meeting to closed session at 9:56 p.m. to conduct the annual performance review of the City Administrator. **Motion passed unanimously.***

The meeting reconvened to open session at 10:25 p.m.

The City Administrator received a satisfactory performance review.

XIII. ADJOURN

*Moved by Anderson, seconded by Albers, to adjourn the meeting at 10:26 p.m. **Motion passed unanimously.***

Kathy Martin, Mayor

Attest:

Scott Johnson, City Administrator