

MEDINA CITY COUNCIL MEETING MINUTES OF DECEMBER 16, 2003

The City Council of Medina, Minnesota met in regular session on December 16, 2003 at 7:30 p.m. in the City Hall Chambers. Acting Mayor Lane presided.

I. ROLL CALL

Members Present: Workman, Lane, Smith and Brinkman

Members Absent: Mayor Zietlow

Also Present: City Attorney Ron Batty, Public Works Director Jim Dillman, City Engineer Tom Kellogg, Planning and Zoning Administrator Loren Kohnen, Police Chief Ed Belland, City Administrator Chad Adams and Recording Secretary Jennifer Hennes.

II. PLEDGE OF ALLEGIANCE

III. ADDITIONS TO THE AGENDA

Adams requested to add an item for "Sick Leave Policy" as item VIII.J.

*Moved by Smith, seconded by Brinkman, to approve the agenda as presented. **Motion passed unanimously.***

IV. APPROVAL

A. Approval of the December 1, 2003 Truth in Taxation Hearing Minutes

*Moved by Smith, seconded by Brinkman to approve the December 1, 2003 Truth in Taxation Hearing Meeting Minutes as presented. **Motion passed unanimously.***

B. Approval of the December 2, 2003 Regular City Council Meeting Minutes

It was noted on page 3, paragraph 16, should state: "...maintained by each homeowner is an option."

It was noted on page 5, paragraph 2, should state: "...inquired about *commercial land up to CSAH 116...*"

*Moved by Smith, seconded by Brinkman, to approve the December 2, 2003 Regular City Council Meeting Minutes as amended. **Motion passed unanimously.***

V. CONSENT AGENDA

A. Approval of 2004 Tobacco Licenses

The approval of 2004 Tobacco Licenses was pulled from consent agenda for discussion.

*Moved by Smith, seconded by Brinkman to approve the consent agenda as presented. **Motion passed unanimously.***

Adams stated Olson's Mercantile would be changing their name to Little Jacks Corner. Smith inquired if there have been any violations. Belland stated there have been two violations that are still pending.

Workman arrived 7:40 p.m.

It was noted they are innocent until proven guilty and these owners have not gone to court yet. Belland stated they would be facing the same fine as the liquor establishment for sale to a minor.

Batty said this renewal is a yearly update. He noted after the court hearing if they are found guilty the Council can decide to revoke their license.

Smith stated she would like a brief history of any violations each time these renewals come before the Council.

*Moved by Smith, seconded by Brinkman to approve the consent agenda as presented.
Motion passed unanimously.*

VI. COMMENTS

A. Comments from Citizens on items not on the Agenda

There were none.

B. Park Commission

Adams stated their meeting is scheduled for December 17, 2003.

C. Planning Commission

Kohnen stated there is one variance on the agenda and the meeting is scheduled for January 13, 2004.

VII. OLD BUSINESS

A. Laurent Land Development Company, 60 Evergreen Road – 13 Lot Subdivision

Kohnen stated this item was tabled until the December 16, 2003 meeting. He noted items desiring more review/feedback include appropriate park dedication fee, 50' ROW vs. 60' ROW, outlot vs. easement (Staff is recommending easement) and 60-day extension; the City has provided notice to the developer extending 60 days.

Kohnen stated the ROW has been changed to 60' and the developers have moved the houses back by five feet. Kellogg stated there is verbal approval from Met Council for connection for the sewer with a cost estimate of \$25,000. He stated the Met Council would ask the City to pay the cost and he noted passing this cost on to the developer. It was noted this would eliminate the need for a lift station.

Gary Laurent stated he would like to retain ownership of the outlot and run water and sewer up to this area.

Discussion was held regarding the driveway access to Theis' property. Batty suggested granting an easement to the City.

Kellogg stated the Met Council would also like to see the sewer and water up to the Theis' property. Kellogg stated if the gravity sewer were to be pursued there would need to be another 10-foot easement on two other lots. He also noted the Met Council has acquired other easements in this development.

*Moved by Workman seconded by Smith to direct Staff to prepare a resolution for preliminary plat approval, with the conditions stated. **Motion passed unanimously.***

Adams presented information regarding the park dedication fees for this development. Discussion was held regarding a credit for one park dedication fee for the existing home.

Laurent stated hooking up to the Met Council would still incur costs. He noted he would like to see grinder pumps put into each home. He noted they do not own the parcel that has the existing home. Lane inquired if lot one was hooked up to sewer and water. Kellogg stated it is.

VIII. NEW BUSINESS

A. 2004 Budget

1. Subsequent Hearing – Resolution Approving 2003 Tax Levy, Collectable in 2004

*Moved by Smith, seconded by Brinkman to open a public hearing to adopt a resolution approving 2003 Tax Levy collectable in 2004. **Motion passed unanimously.***

Acting Mayor Lane opened the public hearing at 8:08 p.m.

Adams presented information regarding the 2003 tax levy, collectable in 2004.

Moved by Smith, seconded by Brinkman to close the public hearing at 8:10 p.m.

*Moved by Workman, seconded by Smith to adopt Resolution No. 03-40 Approving 2003 Tax Levy, Collectable in 2004. **Motion passed unanimously.***

2. Resolution Approving 2004 Final Budget

Adams stated in the past the Council has not typically approved the entire 2004 budget as part of a resolution but he suggests approving the budget by resolution for official record. He noted the 2004 budget incorporates a 3% wage cost of living adjustment for non-union employees, and a 5% increase for two new employees, subject to probationary review. It was noted this would also accept the 2004 CIP, with final approval of significant capital purchases occurring upon Council approval.

Smith suggested adding wording regarding the reason for the transfer to the footnote stating “to be used to meet the budgeted expenditures”.

Workman inquired about showing the offset in the revenue column or having the footnote state the dollar amount of the transfer.

*Moved by Workman, seconded by Smith to adopt Resolution No. 03-41 Approving 2004 Final Budget with amendments. **Motion passed unanimously.***

B. Preliminary Plat Approval for Medina Business Suites

Adams stated at the December 2, 2003 Council meeting, the Council authorized Staff to prepare the resolution, subject to determination of park dedication fee. He stated the revised park dedication fee is included in the resolution. He stated it should still state approval is contingent upon the park dedication fee being established by City assessor.

Batty stated establishing the land value can be complicated. He noted Adams would try to get more clarification from the assessor.

*Moved by Workman, seconded by Smith to adopt Resolution No. 03-42 Granting preliminary plat approval for Medina Business Suites contingent upon Park Dedication Fee being established by Staff. **Motion passed unanimously.***

C. Uptown Hamel and Highway 55 Corridor Development

1. Acceptance of Short Elliot Hendrickson Inc. (SEH) proposal for professional services for TIF Eligibility Inspection Services

Adams presented the original proposal from S E H of which Staff is recommending for approval. He stated Staff, with the assistance of Ehlers & Associates, determined that S E H had the best proposal based on qualifications, experience and cost. Adams stated S E H is forwarding a revised proposal with new costs because the City has decreased the number of parcels for initial site coverage inspection. He noted the estimated cost would be \$26,000.00. He also noted the costs of the proposal will initially be funded by the developers', Ryan Co. and Farr Development escrow/deposits. He stated the costs could be included within the TIF District, as increment occurs, if the district is approved.

Smith inquired if the developer north of 55 pulls out would the City still have the district. It was noted the City could still have the district. Discussion was held regarding the bid. It was noted the City has asked SEH to do site coverage first and if area qualifies for a district they will then look into the existing buildings.

*Moved by Smith, seconded by Brinkman to approve proposal from S E H with cost not to exceed \$26,000. **Motion passed unanimously.***

2. Approval of proposed Tax Increment Financing (TIF) District for site coverage and future building condition inspections

Adams presented a map including the preliminary recommended area for S E H to review for site coverage. He stated Staff has advised S E H to first review the site coverage for qualification, rather than doing the site coverage and building coverage test at the same time. He stated Council could decide to add or alter the boundary if qualification occurs. Batty noted parcels representing 70% of the area must have structures, buildings, etc. on them for site coverage. At least 50% of the buildings must be "substandard."

Workman stated there was a misunderstanding at the Planning Commission meeting regarding TIF and wanted to clarify no money for this is coming from the community.

*Moved by Workman, seconded by Brinkman to approve the proposed map. **Motion passed unanimously.***

3. Communication Plan and Budget

Adams stated as part of the ongoing consultation with Ehlers and Associates, a communication plan is being prepared for the Uptown Hamel/ Highway 55 corridor development. He stated the plan addresses a future open meeting and communications regarding the project. He stated the plan should not cost more than \$3,500, and will be funded through the developers' escrow/deposits. He noted an "open meeting" would be scheduled for the end of January.

Lane inquired about an escrow fund at this point. Adams presented the dollar amount currently escrowed from each of the developers. He noted they would probably have to ask for more money in the escrow.

*Moved by Workman, seconded by Brinkman to approve the \$3,500 communication budget plan. **Motion passed unanimously.***

4. Authorization to hire Planning Consultant

Adams stated this was discussed at the last meeting. He noted they would like to bring forward Mike Lamb who has come highly recommended. He noted his services would involve staff meetings and open meetings in January.

Smith noted she would like to know specific projects Mr. Lamb has worked on. Lamb presented information regarding projects he has worked on.

Workman stated the planning fees need to be revenue neutral to the city.

Adams noted Lamb is currently working with Ryan Co., per the request of the City, and Smith is uncomfortable with that arrangement.

Discussion was held regarding the issue of the City Council authorizing the hiring of a planner. Lane inquired as to why the planner has not been working with the City since day one. Batty stated the City directed Ryan Co. to find a planner.

It was noted the developer could put up the money and the City would hire the planner.

Lamb noted he has done two or three projects for Ryan Co. already this year and the Council concurred they are uncomfortable hiring Mr. Lamb.

Council directed Staff to retain another independent planner.

D. Hamel Legion Park Community Building - Fundraising

Adams stated the Lions are not designated as a 501 c(3), non-profit organization and that means the Lions are unable to provide a tax-deductible receipt to those providing a donation to the project. He noted the fundraising brochure has been delayed. Adams presented other options.

Lane suggested leaving the private fundraising in the hands of the Lion's. Smith inquired if the City would still put information in the newsletter. It was noted information would continue to be added to the newsletter.

E. Ordinance No. 362 Adding Sections 825.61 et seq. to the Code of Ordinances Regarding Concept Plan Review Procedures

Adams presented the Concept Plan Review Ordinance and noted the Planning Commission held a public hearing on the ordinance. He stated the ordinance would not become official until it was published.

*Moved by Workman, seconded by Smith to approve Ordinance No. 360 adding sections 825.61 et seq. to the code of ordinance regarding concept plan review procedures. **Motion passed unanimously.***

It was noted the comments from the Planning Commission go to the Developer and the City Council. Bill Loe raised concern with communication between the Planning Commission and the City Council. Smith suggested the Planning Commission and City Council sit down together in January for further discussion.

F. Concept Plan Review from Charles Cudd Co. for “Villages of Lake Medina”

Adams referenced the information packet including the application materials, staff comments, and Planning Commission comments.

Rick Denman presented Cudd Concept Plan to the City Council, and stated the number of improvements they would provide to community including pavement of Hackamore road, park island dedication, looping water system, drilling a new well, and tax base.

Smith commented she liked Cudd’s work, but is worried of premature development.

Batty inquired if the developer thought this project would require a change to the Comprehensive Plan. Denman noted it would require a comprehensive plan change.

Kellogg was directed to include water quality study in feasibility report, paid for by Cudd.

Smith recommended having Staff check into amount of density needed, and eventually the costs of the improvements.

Lane noted he prefers slow growth and that the project will challenge slow growth mentality and integrity of the 2020 comp plan.

Bill Ciora, Foxberry Farm, stated his concern about creating more corridors through Medina to get to Corcoran. Discussion was held as to the process of reviewing the site. Brinkman stated he feels this development is ahead of time. The Council members stated their feelings on the development and maintaining the City’s integrity. Smith noted she would like feedback from Medina residents regarding the two developments. Lane suggested a possible future “town hall” meeting.

Acting Mayor Lane called for a recess at 9:55 p.m.
Acting Mayor Lane resumed the meeting at 10:02 p.m.

G. Concept Plan Review from Ryan Co. for “Target Medina” (including “Medina Village Center”)

Adams referenced the information packet to the Council including the application materials, staff comments, and Planning Commission comments.

Richard Kopyy, with Ryan Companies presented information regarding their development plan. He noted they have a partnership with Target Corporation, Medina Ballroom and the hotel, controlling a total of 35 acres in area. Kopyy explained that 2 outlots would be controlled by Ryan, with remaining outlot under control of Medina Ballroom. He discussed traffic light, medians, and access closings that may be needed as part of plan.

Mike Lamb, Lamb Planners, presented his overview on the development of the area and with linking Uptown Hamel, Highway 55 corridor, and proposed Ryan project together.

Lane inquired about bringing MNDOT up to speed. Kopy stated MNDOT has approximately a four-month approval process. Workman inquired about the location of Clydesdale and feels this could be a safety issue being put in front of the store. Smith stated she feels the building is too big for that area and she feels there would be a need for too many variances. Workman stated he felt this isn't the area the City has thought of for this type of project. Brinkman felt the look of this project would not fit the area. Discussion was held on the features of the store.

Elizabeth Weir provided an overview of Planning Commission meeting comments. Mary Verbick stated her concerns on the impacts of the residents in that area. Bill Loe questioned if this development was consistent with the spirit of the comprehensive plan.

Kopy feels a neighborhood meeting would be the next step in the process of this development. He noted Target feels this area could support this type of store.

Smith stated her concern with layout of store and location of the road. She would like to see better architecture on building and stated she has envisioned more of a town center.

Brinkman stated he agrees with monuments but would like to see more like Uptown Hamel. He stated he does not feel this is an appropriate spot.

Acting Mayor Lane stated his concern regarding size of the building. He also stated concern regarding traffic congestion and flow, but stated several traffic pluses could occur per MnDOT approval. He stated dollars are not available to redevelop Uptown Hamel with residents' money. He stated a Target related TIF district might be only way to develop that area.

Kopy inquired to the Council if he went back to Target and spoke with them about downsizing would that be something the Council would like to see. Lane noted the Council would like to talk further and would get back to Kopy.

H. Schedule Public Hearing for Storm Water Pollution Prevention Program (SWPPP)

Adams stated the City is required to conduct a public hearing, with 30 day public notice, for comment on the City's SWPPP. He noted comments from the hearing should be documented or considered for revisions in the SWPPP, as part of the annual report the City will submit in March. Adams is recommending the February 3, 2004 Council meeting for public hearing approval.

*Moved by Smith, seconded by Brinkman to direct Staff to set up a public hearing date for February 3, 2004 City Council Meeting. **Motion passed unanimously.***

I. Capitalization Policy

Adams stated the majority of the policy was drafted off a model from the League of MN Cities, information from the State Auditor's Office, and a comparable city. Items that are unique to Medina include the useful life of assets and the threshold levels. Adams stated the policy is needed as part of the city's GASB 34 requirements that begin in 2004. Adams noted the City is "encouraged" but not "required" to capitalize/depreciate assets prior to 2004. Adams presented the depreciation schedule.

*Moved by Smith, seconded by Brinkman to adopt the capitalization policy. **Motion passed unanimously.***

J. Sick Leave Policy

Adams stated he reviews the employee's sick leave and vacation. Chief Belland had authorized Officer Jason Nelson to take sick leave to assist with an investigation of his cousin. Adams stated Nelson has vacation days available for use, and the sick leave policy does not allow for compensation pertaining to Nelson's type of absence from work. Belland inquired if the City is allowed to make an exception. Smith noted these were circumstances beyond anyone's control and would allow Nelson to take sick leave. Workman proposed paying Nelson under some other form not sick leave, i.e. mutual aid. Consensus from the council is to compensate Nelson. Smith suggested Staff check into a policy using flexible time off.

*Moved by Smith, seconded by Brinkman, to recommend paying Officer Nelson through Mutual Aid and request Officer Nelson hold a presentation with surrounding police departments, or other proper groups, to discuss his experience. **Motion passed unanimously.***

IX. APPROVAL TO PAY BILLS

*Moved by Smith, seconded by Workman, to approve the bills, order check numbers 25949 - 26060 for \$173,627.00 and payroll check numbers 18428 - 18446 for \$23,258.84. **Motion passed unanimously.***

X. ADJOURN

*Moved by Workman, seconded by Smith to adjourn the meeting at 11:30 p.m. **Motion passed unanimously.***

Jim Lane, Acting Mayor

Attest:

Chad M. Adams, City Administrator