

## **MEDINA CITY COUNCIL MEETING MINUTES OF JANUARY 20, 2004**

The City Council of Medina, Minnesota met in regular session on January 20, 2004 at 7:30 p.m. in the City Hall Chambers. Mayor Zietlow presided.

### **I. ROLL CALL**

**Members present:** Lane, Zietlow, Smith, and Brinkman.

**Members absent:** Workman.

**Also present:** City Attorney Ron Batty, Public Works Director Jim Dillman, City Engineer Tom Kellogg, Planning and Zoning Administrator Loren Kohnen, City Administrator Chad Adams, and Recording Secretary Carla Wirth.

### **II. PLEDGE OF ALLEGIANCE**

### **III. ADDITIONS TO THE AGENDA**

It was requested to pull Item 9A, 2003 Budget Report, and to add Item 9C, Discuss Letter from Mayor of Loretto.

*Moved by Carlson, seconded by Brinkman, to approve the agenda as amended. **Motion passed unanimously.***

### **IV. APPROVAL**

#### **A. Approval of the January 6, 2004 Regular City Council Meeting Minutes**

Lane requested the following corrections:

Page 3, first paragraph, third line, "...Farr & Associates and Ryan Companies."

Page 3, first paragraph, 14th line, "...Ryan as to whether or when they are willing..."

Page 3, first paragraph, last line, "...public participation, and needs direction."

Page 3, fifth paragraph, third line, "...Adams stated the developers and Farmers State Bank of Hamel State Bank have..."

Page 4, first paragraph, third and fourth line, "...and now Prosser is telling the City ~~them~~ the process is on hold because of Ryan's ~~their~~ reluctance to front ~~the~~ money for TIF investigation."

Page 5, first paragraph, third line, "...SEH regarding the ~~TIF~~ status of TIF coverage inspections of the Uptown Hamel Redevelopment..."

Page 6, second paragraph, fourth line, "receive bids on the project."

Page 7, fourth paragraph, first line, "special meeting at 6:00 p.m. on January 13."

Page 10, last paragraph, first line, correct spelling of Lapidus

Page 11, second paragraph, third line, correct spelling of Lapidus

*Moved by Smith, seconded by Brinkman, to approve the January 6, 2004 regular City Council meeting minutes as amended. **Motion passed unanimously.***

### **V. PRESENTATIONS**

#### **A. Steve Tallen, Prosecuting Attorney – Annual Report**

Attorney Tallen introduced himself and stated he has been the prosecuting Attorney for Medina for 17 years. He advised that during calendar year 2003, including fines

generated in court as a result of tickets and prosecutions, the City collected \$103,843.71, bail of \$2,100, and \$95.50 for highway patrol cases for a total of \$106,039.21. During calendar year 2003, his firm billed Medina fees for both prosecution and forfeiture of vehicles in the amount of \$35,967.14.

Tallen advised there were no major cases and last year the big issue was whether the courthouse was going to close.

Zietlow asked about the drug forfeitures from last summer. Tallen explained it was almost entirely felony prosecutions with the County Attorney. He stated that a lot of money was forfeited and there is usually a division of funds between participating agencies but he does not know how that was finalized.

Tallen thanked the Council and stated he has enjoyed working with Medina.

Zietlow asked about the jail expenses. Tallen stated he is unable to answer that question but would estimate it at less than \$5,000. He explained it is rare for people to go to jail on a first offense and stated he will provide that information to Adams.

Lane expressed his gratitude to Tallen and his firm and stated he believes Medina is well served by Tallen's firm and staff.

## **VI. CONSENT AGENDA**

- A. Resolution Granting Preliminary Plat Approval of Weber Woods**
- B. Approval of Gambling (raffle) permit for West Metro Turn In Poachers (TIP) event at Medina Entertainment Center on Sunday, February 29, 2004**
- C. Resolution Approving Application to Conduct Annual Off-Site Gambling at Medina Entertainment Center for Thursday, February 19, 2004**
- D. Reschedule Regular City Council meeting of March 2, 2004 to March 3, 2004 at 7:30 p.m.**

*Moved by Smith, seconded by Lane, to approve the consent agenda. **Motion passed unanimously.***

## **VII. COMMENTS**

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

There were none.

### **B. Park Commission**

Adams stated the Park Commission will be meeting tomorrow night and reviewed the items contained on their agenda.

Smith asked for direction from the Council about the community building issue. Zietlow stated he would be interested in the Commission's input on what to do with the money that is received. Lane stated he would like it to be very clear that his concern relates to financial accountability and responsibility issue regarding there not being sufficient money in City's coffers to fund the design and construction of the building, not mean-spiritedness or a lack of gratitude. Smith stated that Lane and Zietlow made that clear. Lane offered to attend the Park meeting to express that opinion.

Smith stated she looks at it as a financial responsibility issue but some people interpret that to be something different. She stated she is looking for a way to go forward.

**C. Planning Commission**

Kohnen stated the Planning Commission next month will be discussing a request by Billy Croal who wants to move his business from Plymouth to the TC American building. Kohnen stated it appears this will work out well. He stated this business manufactures scales and has about 60 employees. Smith asked if Croal would be willing to give a trail easement in front of the building. Kohnen stated he will ask that question.

Planning Commissioner Weir thanked the Council for meeting with them last week and stated it was very helpful. She stated Commissioner Loe is very satisfied with the longer horizon and felt their issues were dealt with.

**VIII. NEW BUSINESS**

**A. Final Approval to Plat of Medina Parks Second Addition**

Kohnen stated the applicant would like to discuss several issues and Kellogg also has several issues that need to be clarified.

Wayne Bauernschmitt, representing the applicant, used a site plan to point out the landscaping of the substation. He noted they have increased the landscaping and planting, density of trees at the perimeter of property and easterly edge of the property. Per Smith, diversity of trees and plantings has been accomplished to provide a mix. Kellogg requested establishment of an easement on the property. Bauernschmitt explained that Kellogg does not want there to be two additional manhole structures and wants 70 feet of utility easement to be given. Bauernschmitt pointed out that providing an additional 70-foot easement would minimize the use in that area because of the 50-foot setback. He stated he thinks 70 feet is excessive and would like the Council to accept the proposal with the condition that they work with staff to come up with an alternate means of granting an easement along the property line.

Kellogg stated the preliminary plat did include an easement but it will be difficult to construct the sanitary sewer to the south lot line. He stated his preference to construct the pipe in one stretch without the additional two manholes.

Brinkman asked what they would use the property for. Bauernschmitt stated it could be used for future on-site generation or communications. Kellogg commented on the need to be able to provide maintenance in the future as well.

Bauernschmitt stated they have made all efforts to accommodate the concerns of the platting and eventually the CUP. Kohnen advised that three power poles will need to be looked at and staff will talk to the property owners.

Batty stated the Council could approve preparation of the final plat resolution and, in the mean time, a final plat can be prepared which is consistent with preliminary plat approval, with the exception of the easement alignment. Then the final plat resolution can be brought back at the first meeting in February.

Lane asked about the landscaping upgrades and suggested that the park dedication fee be determined tonight, or at least a methodology, prior to authorizing the final plat resolution. Kohnen displayed the landscaping plan, pointed out the location of additional trees, and described the type of trees.

With regard to the park dedication fee, Adams stated the City set the fair market value of \$380,000 on this property based on comps in the area and that was submitted to the City in October or November by Rolf Erickson. He noted that Wright-Hennepin has submitted a different request. Adams stated staff asked the fee owner to submit a appraisal which can be used as a factor in considering the request to lower the fee. However, that appraisal has not yet been submitted.

Zietlow asked if the purchase price is \$380,000. Lance Hovland, Wright-Hennepin, stated he is paying \$263,250. Lane stated he thinks that is the determinate of fair market value, if that is the purchase price. He stated he would be comfortable accepting that representation on behalf of the company. Smith asked how long it takes to verify market value. Lane explained that when this property sale is closed, documents will be completed with that transaction, some of which will be recorded. Lane stated it is Batty's opinion that the closing statement prepared by the closing company, which sets out closing costs to the parties, is probably the best evidence of the sale price. Lane stated that he concurs with Batty's opinion.

Brinkman stated that he does not question the sale price but his concern is with lowering the fair market value, especially since this is an industrial, money-generating, use.

Lane stated he does not know the terms of the transaction but he does not think the City should be manipulated by parties in how they structure their transaction. Lane stated the City is using Rolf Erickson as the appraiser and he has the property appraised for taxes, certified to Hennepin County, at about one-half of these numbers. Lane reviewed the estimated market value for the subject site.

Batty stated it is his experience that the tax number is considerably lower than what you would sell your property for. He stated that traditionally the Council has relied on the number calculated by Erickson and said if the applicant does not think that number is right, they can submit additional information.

Zietlow stated the ordinance addresses the fair market value, which he thinks is reflected by the sale value. Brinkman noted that the cost of the transaction could change the sale price. Batty stated you can't necessarily look at the sale price and consider it to reflect the fair market value since other obligations or costs could impact the sale price one way or the other.

Hovland stated they would like to keep the process moving forward. He suggested they be allowed to provide information to the City for review.

John Mutchler, owner, stated they have no reservation with providing a copy of the purchase agreement. He stated they attempted to get the maximum sale price.

Zietlow noted the request of Wright-Hennepin to lower the fee to 2%. Zietlow advised that the Council is not interested in lowering the rate from 10%. Lane stated he believes

there should be some Council discretion and noted that an electric power station does not populate the area with people or create a demand for park facilities.

Smith stated that someone else could have bought the property and she does not think anyone should be treated differently.

*Moved by Smith, seconded by Brinkman, to authorize the preparation of the final plat resolution for Medina Parks Second Addition and direct staff to work with Wright-Hennepin to determine the easement line and provide information to the City Assessor to determine a final park dedication. **Motion passed unanimously.***

**B. Ordinance Amending Sections 805.01 et seq. of the City Code Regarding Adoption of Building Code**

Adams noted that in October 2003, the Council approved the adoption of a perpetual building code ordinance. He stated he has not published that ordinance because it did not address whether City Code section 805 would be replaced. Adams advised that the ordinance adopted in October also did not address the appeal process. The draft ordinance includes that appeal process.

*Moved by Lane, seconded by Smith, to adopt Ordinance No. 362 Amending Sections 805.01 et seq. of the City Code Regarding Adoption of Building Code. **Motion passed unanimously.***

**C. Park Commission Appointments**

Adams explained that the two vacancies were advertised for interested individuals to serve on the Park Commission but in those three weeks only two expressed interest, the two current Commission members.

*Moved by Smith, seconded by Brinkman, to approve the appointments of Randy Hughes and Tom Gregor, to the Park Commission.*

Lane asked why only two expressed interest. Smith stated it is not uncommon that there is a lack of interest. Adams concurred and stated staff is promoting the openings. Lane stated he is grateful for those who have chosen to serve the community.

***Motion passed unanimously.***

**IX. REPORTS**

**A. 2003 Budget Report**

This item was removed upon adoption of the agenda.

**C. Discuss Letter from Mayor of Loretto**

Zietlow explained that Loretto heard Medina is hiring a full-time Planner and submitted a letter asking if Medina wants to share services. Lane stated he was delighted to see such a suggestion and, depending on whom Medina hires, it may be an interesting idea.

Smith stated she would prefer to wait a year to consider such a request. She commented on the job description, which includes duties other than planning. She expressed concern about advertising for a full-time position and then telling the applicant

they will be working four hours in Loretto. Smith stated that type of change would require a different job description.

Brinkman stated that while out campaigning, he was reminded there were conversations about hiring a full-time City Administrator and whether that would lead to bigger and growing government. Brinkman stated Loretto has an idea and he wants to talk about the applications received and reopening the application process. He suggested Medina advertise for a part-time position that would then be free to work with Loretto.

Adams reviewed that in December, the Council unanimously approved a full-time planner with a job description. Adams stated he believes it would be unwise to change that at this time. He stated a lot of time went into that analysis and the person hired will be extremely busy the first year. He stated he is currently spending a lot of time on planning issues that are outside of his job description. He noted this position will also be involved with park planning and technical GIS work, which is currently being done by the City Engineer at a higher cost per hour.

Smith urged the Council to stay with a full-time planner for a period of one year. She stated she worked for Medina fifteen and a half years ago and, at that time, there was a full-time planner plus a part-time person. Smith stated that prior to hiring Adams, the City was not being well managed. She commented on the level of the City's budget and other issues that need to be properly managed. Smith stated she does not think it is fair to change the job description after it has already been advertised.

Brinkman stated all are concerned about Adams' overloaded schedule. He stated that through the community building process it has been asked what will happen when the City gets caught up and there is too much staff. Smith stated she does not think it will be caught up until the City is fully developed. She noted that the Comprehensive Plan update is coming up and with the slow growth policy there are several homes that can be added. She stated she thinks it is unethical to change job description at this point.

Zietlow stated he will support staying the course and then re-looking at this in June once the employee is in place. Adams stated he talked with Corcoran staff about this and learned they have some opportunities for a position in code enforcement and planning that may better provide services to Loretto than Medina. He stated he thinks it will take a while to evaluate how busy the Medina employee will be.

Brinkman stated that planning help is needed now with Highways 101 and 55 and Uptown Hamel, and asked if the applicants are qualified to step in and begin work. Adams stated he hopes that is the case and advised that someone will be recommended for the Uptown Hamel project, if Council approved, but that is a separate issue. Adams stated he would not have recommended a full-time position if it was not needed. He stated he can provide more information such as comparable with staff levels of surrounding cities. Brinkman stated he is satisfied with the discussion.

Lane stated one of the reasons Medina has a low staff level is because they rely heavily on outside professionals such as Ronald Batty who has been the City's attorney for years and provides a lot of resources, as does Tom Kellogg's firm.

Lane asked about the water study that is mentioned in the letter. Adams stated they will also receive a letter from Corcoran on the water issue. He stated maybe the City should

look at a comprehensive water analysis or study as well as the needs of Corcoran and Loretto. He stated staff will be meeting with Bonestroo to discuss those issues including a scope and cost.

**B. City Administrator Report**

Adams updated the Council on items to be included on the February 3 meeting agenda.

Brinkman asked if there is a way to assure two weeks are not wasted or the opportunity for TIF lost. Adams stated in December the Council agreed that if the City received a deposit to cover the entire cost, then the building inspections will continue.

Smith stated the Uptown Hamel stormwater is not in compliance and asked when compliance has to occur. Kellogg stated the City has an understanding they will do the best management practices and include that in their SWPPP annual report. Also, as development or redevelopment occurs it will be looked at. Smith stated some people think it is okay the way it is but others do not. Kellogg agreed it could be improved.

Adams explained that the Minnehaha Creek Watershed District Grant of \$7,000 was announced about a month ago but he just received the contract documents this week. He stated he has tried to contact the Medina Horse Association members to coordinate upcoming meeting dates. Smith commented that the horse owners need to be notified that the manure piles have to be removed every year. She stated that the Council also needs to look at the horse owners that have CUPs.

**X. APPROVAL TO PAY THE BILLS**

*Moved by Smith, seconded by Lane, to approve the bills, order check numbers 26087-26140 for \$69,312.14, and payroll check numbers 18470-18492 for \$23,600.04. **Motion passed unanimously.***

**XI. ADJOURN**

*Moved by Lane, seconded by Smith, to adjourn the meeting at 9:08 p.m. **Motion passed unanimously.***

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Philip K. Zietlow, Mayor

Attest:

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Chad M. Adams, City Administrator