

MEDINA CITY COUNCIL MEETING MINUTES OF FEBRUARY 21, 2006

The City Council of Medina, Minnesota met in regular session on February 21, 2006 at 7:01 p.m. in the City Hall Chambers. Mayor Workman presided.

I. ROLL CALL

Members present: Brinkman, Cavanaugh, Smith, Weir, and Workman.

Members absent: None.

Also present: City Attorney Ron Batty, City Engineer Tom Kellogg, Police Chief Ed Belland, City Planner Rose Lorsung, City Planner Consultant Sarah Schield, City Administrator Chad Adams and Recording Secretary Allison Burr.

II. PLEDGE OF ALLEGIANCE

III. ADDITIONS TO THE AGENDA

Mayor Workman asked City Administrator Adams to explain the new sound system. Adams explained how the new sound system works and noted the meetings will be recorded and saved for the public record.

Adams asked to remove item A from the Consent Agenda. He also requested the addition of item J to New Business, an update from City Attorney Batty on the south frontage road project.

IV. APPROVAL OF MINUTES

A. Approval of the February 7, 2006 Special Council Meeting Minutes

*Moved by Weir, seconded by Smith, to approve the February 7, 2006 Special City Council meeting minutes as presented. **Motion passed unanimously.***

B. Approval of the February 7, 2006 Regular Council Meeting Minutes

Council Member Smith noted the second sentence at the top of page 11 should read "Dillman stated MCES will bill Medina, and then Medina receives credit towards the \$150,000 surcharge only if I/I is found."

It was noted the third paragraph on page 13 should begin with Brinkman.

Council Member Weir noted the second paragraph on page 10 should include the phrase "like those used at the 101 site" after the word sconces.

*Moved by Weir, seconded by Smith, to approve the February 7, 2006 Regular City Council meeting minutes as amended. **Motion passed unanimously.***

V. CONSENT AGENDA

A. Resolution Entering Into Traffic Signal Agreement

- B. **Relocate February 25th Council Special Meeting from Community Building to City Hall**
- C. **Approve American Legion Consumption and Display Permit**
- D. **Approve Loretto VFD and Hamel VFD Auto Start Program**
- E. **Approve Change Order No. 2 for Uptown Hamel Improvements**

*Moved by Smith, seconded by Weir, to approve the consent agenda with changes.
Motion passed unanimously.*

VI. COMMENTS

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

There were none.

B. **Park Commission**

City Planner Lorsung stated open space discussions will continue on the Park Commission, and for the next Council meeting she will be drafting a resolution to have the Council form an Open Space Committee made up of City staff and residents. The Park Commission will also be discussing getting the corridor situated as well as a couple of items that did not make it to the last meeting.

Lorsung noted the Park Commission meetings are held at City Hall.

C. **Planning Commission**

Lorsung stated the Planning Commission met last week. Both concept plans on the agenda tonight were on the agenda for the Planning Commission. They did take a final look at the grading ordinance and recommended to bring that to the Council, probably at the March 3rd meeting. She stated the Planning Commission would like to see the wetland ordinance one more time before it goes to the Council.

Lorsung stated for the next Council meeting on March 6, the grading ordinance and construction site runoff ordinance, Moratorium Committee, and Open Space Committee resolution will likely be on the agenda.

VII. OLD BUSINESS

A. **PRC, LLC at 1400 Baker Road**

1. Resolution Granting Site Plan Approval with Variances
2. Resolution Granting an Amended CUP to PRC, LLC for the Continued Use of a Drive-Thru
3. Approve Petition and Waiver Agreement
4. Approve Development Agreement

Lorsung stated the resolutions are under Old Business so that the Council can review and comment on them if need be. She noted the applicant is in the audience and invited questions and discussion.

Steve Oliver, architect for the project, stated an agreement was arrived at with regards to the roadway. He is concerned that the extension of the road will not be credited to his allocation for the entire future road construction at whatever date it occurs. Also, he would like a clarification about the water charges.

Lorsung stated Maple Plain collects fees for the agreement.

Batty added the agreement does state that the water fees are payable to Maple Plain.

Larry Palm, developer for Ace Properties and this site, stated he would like further discussion with City Engineer Kellogg regarding the letter of credit because he cannot even begin to get to those numbers. He would like additional explanation.

Workman stated the Council usually does not depart from what the engineer recommends.

Kellogg stated the only information he has received is one bid covering part of the improvements that would require a letter of credit. He stated they used a combination of Palm's numbers where applicable and the City's numbers.

Lorsung asked if they had a letter of credit for Park Commons as well. Palm stated yes, though it seemed high.

Batty stated the issue that is being raised is whether it is appropriate to grant credit for the improvements that are going to be made on what is currently a shared access point between the old Dairy Queen site and the Holiday site, and furthermore, whether it is appropriate to give credit for the petition and waiver being requested for the rest of the road.

Lorsung displayed a site plan of the area. Batty provided an overview of the site plan and explained the area of the site plan that would be granted to the City by easement.

Batty stated the petition and waiver is intended to provide what the likely cost of the road would be when built. The Engineer's cost is \$80,000. The negotiated position at this point is 15 percent of the cost might that fairly be allocated to this property, which is where the \$12,000 figure comes from.

Batty added the petition and waiver agreement is one by which Palm, as the owner of the property, would not agree to contest \$12,000 of special assessments in the future if the City decides to do that. The cost may be much higher, but that is not known until the road is built.

Batty stated the question under consideration is whether some credit should be given towards the \$12,000 because of the cost borne by Palm for improving that area.

Workman asked Palm to clarify if he is concerned about having to pay for it twice.

Palm clarified he does not have a problem cleaning up the existing road bed, but the 90-degree turn is new, and if he is constructing a future section of that roadway, that should go against the balance that may be built in the future.

Workman asked Batty if the City has ever been involved in a similar situation. Batty responded the City has provided petition and waiver agreements, and it does make sense to use the statutory tools available.

Batty continued that what makes this situation different is the City has used petition and waivers successfully for projects built in the near future, and therefore the City has a good idea about the distribution of benefit and the cost. In this case, the City is speculating about the location of the road and does not know how the property to the north will develop nor what Baker will do with his property.

Batty stated it is difficult to figure out what the price of that road may be, though unless it is built soon, it will certainly be much more than \$80,000. When it is finally built, the 15 percent may or may not be a good estimate.

Workman stated he can see some mitigation for this property owner if the development happened in a short period of time, perhaps the next three years; then maybe credit should be issued. Longer than that does not make sense.

Workman stated this issue is something the City can consider if somebody comes back in and says they want to develop this, but he does not want to include that in the motion.

Smith asked for clarification of how far back the road will be improved. Lorsung used the map to indicate the road improvements.

*Moved by Cavanaugh, seconded by Weir, to approve the resolution granting site plan approval with variances, the resolution granting an amended CUP to PRC, LLC for the continued use of a drive-thru, the petition and waiver agreement, and the development agreement, as requested. **Motion passed unanimously.***

B. Ace Properties, LLC at 5065 CSAH 101

1. Resolution Granting Final Plat Approval for West Ridge Development Second Addition
2. Resolution Granting PUD Final Plan Approval
3. Resolution Rescinding Conditional Use Permit 88-99 for Commercial Lawn & Snow, Inc.
4. Approve Development Agreement
5. Approve Assessment Agreement and Assessor's Certification
6. Ordinance Amending the Zoning Ordinance of the City Code

Lorsung noted this is the Ace Properties II site reviewed at the prior Council meeting. There are three resolutions before the Council, as well as the standard development agreement and the assessment agreement. She stated staff has been working with the developer, and the resolutions are straightforward.

Workman stated he has spoken with one of the neighbors behind the site, and they can see the top of the building and the light bothers them. He asked Palm to put in a couple pine trees for the residents.

Weir asked if there is room to put a tree there.

Smith stated she is not sure how the developer got away with not putting trees in there.

Palm stated thousands of dollars have been invested in this neighbor; trees, mulching, and landscape have been put in for this neighbor.

Workman asked if City Planner Consultant Schield knows the name of the neighbor. Schield stated the last name is Golan. Palm clarified that is not the same neighbor he has been working with.

Workman noted the resident did not ask for the trees to be put in, but she would like something to be done. Palm responded if he can get the contact information, he will work with them.

Discussion was held regarding the location of the trees at the Ryan properties.

Smith read the resolution relating to the lighting requirements. She clarified it means the parking lot lights will go off.

Workman asked if staff is working with Ryan on the fence. Schield responded affirmatively.

*Moved by Smith, seconded by Cavanaugh, to approve the resolution granting final plat approval for West Ridge Development Second Addition, the resolution granting PUD final plan approval, the resolution rescinding Conditional Use Permit 88-99 for Commercial Lawn & Snow, Inc., the development agreement, the assessment agreement and Assessor's certification, the ordinance amending the zoning ordinance of the City Code, as requested. **Motion passed unanimously.***

VIII. NEW BUSINESS

A. Preliminary Plat for Property Located at 2845 Ardmore Avenue – Greg and Joy Fries

Schild stated the applicant has submitted a request for preliminary plat approval on this property. The Planning Commission recommended approval on February 14 with one condition, which included the standard condition that the applicants provide certification of well closure.

Schild noted the property is subject to the Shoreland Overlay District requirements. The district requirements limit the impervious surface coverage to 25 percent per lot, and the applicant is proposing 20 percent of the site be impervious surface. That is slightly more than the existing residence but still well within the limitations.

Schild noted the DNR has reviewed the proposed plan and is pleased the impervious surface requirements are being met along with the combination of nonconforming lots.

Schild displayed the site plan and provided an overview of the specifications of the plat. She noted there was an issue of a drain pipe that runs through the property, but Public Works has looked at it and it is not a problem. There was also question of a utility pole, but that has been worked out with Xcel.

Schild stated this meets requirement of a subdivision and staff recommends approval.

Workman stated this is a good solution to a lot line problem.

*Moved by Cavanaugh, seconded by Weir, to approve the preliminary plat and lot combination with the stated conditions, as requested. **Motion passed unanimously.***

B. LORAM Maintenance of Way – Concept Plan Review

Lorsung provided a brief overview of the concept plan. She displayed the zoning and guiding details and also a site aerial of the area under consideration.

Lorsung noted the existing structures, including an office building and warehouse. The proposed site plans include new additions to the building, including an office. She stated they are also proposing another track at the site. This is a railway business, so there are quite a few rail lines, and they would like another one going into the facility. Loram is looking for additional outside parking as well as an accessory parking structure on the site.

Lorsung displayed the west and north elevation of the building and noted the building has been designed to look like a rail station.

Lorsung noted the staff is aware of three resolutions that have been passed for three Conditional Use Permits, dating back to 1985, 1986 and 1987. She stated staff recognizes that the outside storage is not in compliance with the maximum amount of 20 percent of the building area.

Lorsung reported staff also believes there is a wetland in the southeast corner on the site which will need to be delineated or mitigated at a 2:1 ratio. She noted the Industrial Park District only allows outdoor storage of not greater than 12,000 gross lbs. of vehicles for every 20,000 gross floor area of the building.

Lorsung continued the staff has concerns about lack of additional landscape screening on Highway 55. Additionally, the impervious surface may not exceed 50 percent of the site, and Best Management Practices should be used.

Lorsung displayed an overview project of the entire area under consideration.

Workman asked how big the area is. The applicant responded the industrial park is 25 acres.

Don Cherrey, Vice President and Chief Financial Officer for Loram, stated the company has been in business 50 years. He stated the company takes care of rails around the country. The facility was built in 1978 and expanded in 1987. It is the head office site with a manufacturing facility and a warehouse facility that has not been touched in 20 years. The national operation in Minnesota is now over \$100 million. Cherrey added Loram now does some international business, but the majority of the operation is running work trains around the country.

Cherrey stated there are 200 office people and 60 people in manufacturing area. The reason for the manufacturing is that the product cannot be bought from anyone; it has to be assembled. Loram does the welding, wiring and hydraulics. It is the same as a locomotive or rail car in terms of size, so finding enough space to build parts and maintain it as well as storing spare parts is difficult.

Cherrey indicated the warehouse space has been outgrown, and part of the plan is to address that issue. However, the main driver behind the expansion is office space.

Workman inquired if Loram employs people outside Medina. Cherrey responded there are some people on Hamel Road, and 30 accounting people are moving to Plymouth because the company waited too long to do the expansion. However, the plan is to get the employees back under one roof.

Cherrey noted Loram has been in the community a long time and has tried to be a good neighbor and community resident. He stated his goal is to present a plan that will exceed the Council's requirements. He noted the architect is present and can present more information about the building itself.

Paul Holmes, Pope Architects, stated the concept plan adds a 2-story office addition of 56,000 square feet and a warehouse/manufacturing addition of approximately 31,000 square feet. Parking is being provided in excess of what the Code requires. He noted Loram is interested in significantly upgrading the appearance of the building. It is also interested in reducing the area of outside storage that is needed in the yard.

Holmes stated there are two kinds of operations outside the building: maneuvering of equipment and materials as well as outside storage. He invited input from the Council.

Workman asked if there is anything else that can be done with the outside storage in terms of screening in front of the building, which is along Highway 55.

Holmes responded additional coniferous trees can be planted or alternatively, a freeway kind of wall or fence could be built, which would be a significant expense.

Smith asked Holmes to clarify what the maneuvering space is. Holmes pointed out the maneuvering space on the site plan.

Weir asked what the green area on the map will be. Holmes stated it will be a significantly greater area of green than is currently there. Right now it is a Class V yard where trucks are rolling. There is a lot of outside storage that is going on there now that will be inside.

Weir stated she is interested in more trees along the highway and suggested pines may be better than spruces. She stated she is also interested to know how much scrap can be moved off this site because there seems to be chronic scrap on the site.

Cherrey stated there is some scrap on the site. Some scrap has been there a while, around three years perhaps, that needs to be moved.

Weir asked if that scrap is likely to be used. Cherrey stated the manufacturing department states it will use it, but it is an internal battle about what will be used and what will not. There is a fair amount that can be moved.

Workman stated one advantage to the concept plan is the movement of storage to the back tree line from the front where it is now. Also, another improvement seems to be that the entrance site will have some better green space in that corner.

Holmes stated the new parking would extend into that area. The parking will be landscaped in accordance with landscaping ordinance; he stated it is a single-story structure.

Weir indicated overall, the concept plan is a vast improvement of what is there currently. However, she stated a preference for additional landscaping to hide outside storage.

Smith stated the plans needs to show what must be hard cover and what will be green.

Workman encouraged Loram to eliminate as much hard cover as possible.

Cavanaugh asked if it would be possible to have the new outside storage directly to the south, which would provide additional shielding from the highway. Holmes responded the issues would be involving land that would be of great use in the future, but that option can be looked at.

Cherrey added the next property is not zoned industrial, so Loram views that as potential long-term office space, not industrial space. He noted there is a 10-acre piece south of the property that would like to be kept for future long-term expansion.

Smith recalled Loram coming before the Council previously to request improvements to their site. Larsing responded she is not aware of anything other than the CUPs. She noted Loram did plant trees about 20 years ago.

Smith reiterated she recalls some improvements were to be done.

Cherrey noted the lights now do not go beyond the parking lot, and they go off at 11:00.

Smith suggested if the scrap iron sitting around is valuable, perhaps Loram should build a three-sided shed to put it in so it is not just sitting out in the elements. She stated she likes the new warehouse production where work can be done inside, though she has concerns about iron and scrap sitting out.

Smith indicated she knows it is difficult to get people to clean the scrap up, but perhaps the Council would be more willing to approve outside storage if something were done. The landscaping is greatly improved, but there could be some more done. She requested that the concept plan show the maneuvering space in white, not green, and asked the applicant to consider where to store parts other than having them lie around.

Workman stated rolling stock that is fixed is outside. Smith added an exception can be made for stuff that is moveable.

Workman noted this concept plan is a long way in the right direction. When the Comprehensive Plan was redone, this was a big issue for the Council. He added Loram is the only industrial site in this area.

Workman stated he likes the fact Loram is expanding in the City.

Smith stated the area is not real pretty right now. There are benefits for Loram being in the City, and this is a great step in improving what is there. She added that she can understand some rolling stock on the outside, but it should be limited; there should not be 100 cars outside.

The applicant stated there is no inventory on the property that is for sale. The pieces of equipment they build sell for \$4 to \$12 million. The rolling stock occasionally comes back for repair and upgrade, so it is in Loram's best interest to get it turned around quickly.

Cavanaugh stated he likes the track Loram is on with the concept plan, but requested additional landscaping. He suggested a new location for outside storage. Holmes said he would take that into consideration.

C. Promenade at Medina – Concept Plan Review

Lorsung stated the applicant is present to discuss the concept plan. The project is located on Hamel Road directly west of Rainwater Park. Lorsung displayed the site plan and provided an overview.

Lorsung stated there are a number of environmental issues on the site, including poor soils and wetland. The proposed site plan is a mixed use project with main floor retail and office space with residential units above, some of which the applicant states will be affordable units.

Lorsung reviewed the development details, including the fact that there are 330 total units planned, with 35 units per acre density.

Lorsung stated staff did an analysis of the concept plan and has a number of issues with it, the most important of which is the timing of the project. Medina is beginning the entire review of the Comprehensive Plan, which must be completed in 2008, and therefore has not had a chance to review the property for planning, transportation, utilities, etc.

Lorsung noted the staff also felt the development might be too dense for the location and the mixed-use plan may be an ineffective planning and zoning for this site.

Lorsung indicated there are some appealing things to the project. The idea of mass transit is very appealing to staff members, and staff believes the design is very high quality. Improvements to Rainwater Park would be valuable, and affordable housing is something the City is interested in.

Yele Akinsanya, Brakins Homes, presented an overview of the concept plan. He stated Medina faces chronic issues relative to parking and affordable housing. The last project on this site was a townhome project, but there is no resemblance between that plan and the current one.

Akinsanya stated the plan includes 330 units and noted the project can stand on its own. He noted there is a private homeowner who is not interested in selling his property. However, eminent domain is not something Brakins Homes is interested in. The plan does not include acquiring the property because the homeowner is not interested in selling.

Akinsanya stated for a mixed-use project, traffic needs to support retail stores. In order to attract retail shop owners, traffic needs to be generated for them to justify having retail on this site. That is why the idea of a transit center was created. He stated a key criterion in locating a transit center here is the natural boundaries. There is a perfect barrier to prevent access from 55.

Akinsanya commented the residents living on top of the retail will be attracted to the Park and Ride. Regarding the environmental issues, a soil report has been completed. He explained the soil report and how the soil conditions will be addressed. Regarding the wetlands, there is shallow marsh, which is the same vegetation at the current Target site. He stated he does not see the wetland as an issue.

Akinsanya asked Lorsung to explain to the Council about the floodplain issue. Lorsung responded the property is in the floodplain, but staff did not look at what type of floodplain because staff does not do that type of analysis at this level.

Akinsanya stated the plan calls for providing 250 to 300 parking spaces at the Park and Ride. He added if the City is against a Park and Ride, parking facilities are still needed, so a public parking garage could be there to address the parking situation in Uptown Hamel.

Akinsanya indicated the Park and Ride facility is a magnet for retail stores. In terms of density, this is just a concept plan. In the working relationship with staff, an appropriate density will be come up with.

Akinsanya stated this is not spot zoning. In terms of affordability, the plan is to have affordable housing a prominent feature in this plan, and Brakins Homes will be working with the Land Trust. Additionally, in terms of people who are credit rich, Brakins Homes is working with Countrywide Home Loans, a company that keeps mortgages in-house. They have a variety of financing options including no down payment or a maximum 5 percent down payment.

Weir commented this project interests her. The affordable housing is needed, and she likes underground parking but is concerned it is in the floodplain and what the implications of that are. The transit Park and Ride idea could work, though she is concerned about traffic in the small area.

Weir continued the affordable housing is a good and necessary thing to address. She noted the buildings are handsome, but the timing is wrong. She asked if the developer could wait until the Comprehensive Plan is redone, which is a two-year process.

Akinsanya responded he does not think that timeframe is possible. Cities and municipalities always go through development stages. The fact that Met Council is requesting that the Comprehensive Plan be done between now and 2008 does not preclude this project from happening.

Weir stated this is also a staffing issue, because the Comprehensive Plan takes up a lot of staff time.

Brinkman stated he likes the plan at first glance. He asked for clarification on the comment that the project can stand alone. Akinsanya responded the project can be done without acquiring the residential property.

Brinkman stated he likes the idea of tying in the Land Trust to make it affordable. However, he stated there are a lot of things that have to come together.

Cavanaugh stated he likes the project, though the density might be a little too much. His biggest concern is parking. He would like to ensure if something is done, enough parking stalls are being provided for what will be brought in as well as parking stalls for Uptown Hamel.

Cavanaugh asked how much wetland is currently there.

Akinsanya responded he does not think the wetland is an issue because it is shallow marsh.

Cavanaugh asked if Brakins Homes plans to mitigate it onsite. Akinsanya replied it will be part of the pond. He passed around a document to the Council showing the pond.

Lorsung noted she does not believe that can be done.

Brinkman stated it is an intriguing project, but some engineers need to be included in the planning process up front because there may be a number of things that may pose significant problems.

Cavanaugh asked if the additional taxes generated from this project may be used for TIF. Adams responded it is not in the District. He added it is probably not good policy to create a noncontiguous district and the site standing by itself would have to qualify on its own.

Batty stated it is possible to have a noncontiguous district. Any property brought into a redevelopment district has to qualify itself as a redevelopment district, and this one does not.

Smith commented she likes mixed use, and it is very intriguing to see a transit Park and Ride. She personally would like to use buses or light rail. However, the timing is not great for this concept plan. Several people have come to the City about this property, and it has its own set of issues.

Smith continued this is the kind of plan she envisioned for the Uptown Hamel area, so she hopes someday a plan like this will come to pass. It may not work with the Comprehensive Plan timing, because once an exception is made in this case, then two or three others may request it as well.

Cavanaugh stated the City is slowly seeing Uptown Hamel being redeveloped, and this could possibly spur redevelopment. If no redevelopment occurs, problems may arise with the TIF.

Workman stated it is a project that is unique and something that may want to be put in St. Louis Park or Robbinsdale. However, he does not believe residents will like the additional 1,000 cars per day. The Planning Commission comments were not very positive regarding the project. He expressed agreement that the plan is too dense and the timing is not right. The landowner issue is another issue altogether.

Akinsaya asked for a realistic timeline from the Council. Workman responded nothing can happen until the Comprehensive Plan is completed.

Akinsanya inquired if that timeline would change if some of the issues are addressed. Workman responded the goal tonight was for the Council to provide feedback without binding the situation. It will have to be left at that. He suggested if Akinsanya has additional questions, that he continue to work with staff.

D. Moratorium (Rural Residential) Committee Update

Lorsung stated an update on the Moratorium Committee was provided at the last Planning Commission meeting, but there was not a lot of substantive discussion. She stated she will bring it back to the Planning Commission because time is running out to get their feedback before the moratorium ends. She noted the last open house was well attended.

Lorsung stated the Committee's recommendations are listed in the reports in the packet. One change is the tree ordinance has been further developed. She indicated she has worked with Weir on the ordinance, and the one included in the staff report was one put together with Weir's help, though it may be too aggressive.

Lorsung indicated therefore, staff does want to get a tree ordinance passed, whether it goes into the moratorium or stands alone as a separate project, but staff realizes there does need to be some reworking.

Lorsung provided an overview of the Moratorium Committee's Power Point presentation, outlining its objectives and duties. She noted the Committee will meet one more time on the 27th to wrap up the tree ordinance. Lorsung outlined a number of the objectives of the Committee and detailed the five categories created.

Lorsung noted the Committee decided to make modifications with the zoning regulations of lot width, lot width definition, lot length and lot line setbacks, as well as the adoption of a tree replacement ordinance. She stated the Committee discussed building height and lot line setbacks as well as lot proportionality and measurement of lot width.

Lorsung stated the Committee recommends increasing the minimum lot width to 300 feet and adopting a uniform lot setback of 50 feet from all lot lines as set forth in the proposed ordinance.

Lorsung added there will be significant changes in the final document from the current tree ordinance in order to provide incentives to not cut in some cases and also to allow for a certain amount of cutting in residential and commercial.

Cavanaugh asked for clarification about the policy's specifications on the number of acres subject to restriction. Lorsung responded the new ordinance will be very specific depending on how many acres of trees are on the lot. She added the Committee is looking for a common-sense ordinance.

Weir stated regarding the lot width, she has been pushing for 300 feet because it helps to address the proportion issue. A lot of neighboring communities with similar zoning have 300 feet. She stated she paced out 300 feet, and it seems appropriate. She noted she is trying to ascertain if the 300 feet will alter the 1 in 10 overall density, per the Met Council guidelines.

Workman responded the 1 in 10 has to be looked at. Also, the contiguous soil regulation has to be factored in. With those two things, he would like to see how many lots that takes away from the potential subdivision. He noted In 1999 Medina lost over half of its sub-dividable lots, and that may be happening again. That may not be economically what the City wants to do for the future.

Smith stated she acknowledges Workman wants to sewer the whole City, but she thinks there may be places in the City in the foreseeable future that may not have sewer. In those places it might be interesting to see the 300 feet. She added if the City has a conservation ordinance on the books, it also can alter what the Council is doing.

Workman stated he is concerned with how all the pieces are put together. He stated this is a very dramatic change, and some people have planned on subdividing their property for retirement and other purposes.

Smith stated she used to live on 16 acres that could not be subdivided. Now she lives in a rural residential area, and the width of her property is about 220 feet. She noted the City has to determine what is rural. If it is someplace in the City that the City wants to keep rural, that is a decision that has to be made.

Workman asked who has to make this decision. Smith responded public hearings have been held and two mailings have been sent. The question of how this affects the number of lots is a legitimate question to ask.

Workman stated he wants to be very careful about making these decisions because they can change too many things.

Smith stated this is the public process right now. There is more publicity this time than what was done last time.

Workman added the way in which this ordinance may affect the 1 in 10 should be looked at.

Weir stated she shares the same concern. The effect on the overall density needs to be done.

Workman asked staff to look at the difference the ordinance would create in the parcels.

Lorsung stated at the beginning of the moratorium she did an analysis, and to further define that may be difficult. There are a number of ways to carve out a 20-acre parcel with 10 acres of contiguous suitable soils. She stated first, the overall density needs to be determined in rural residential, which would involve a fair amount of analysis.

Workman stated the Council understands this will not be exact, but the Council needs to know how this will impact the Comprehensive Plan as well as the finances of the City.

Smith indicated that although there has not been pressure to carve up the City, there may be that pressure in the future.

Weir reiterated there needs to be an analysis of the overall impact on the 1 in 10.

Lorsung stated the first step is to figure out where the City is right now.

Cavanaugh asked if the Committee has talked about clustering as part of the process.

Lorsung stated they talked about that at the very beginning. Staff made it clear this discussion has begun and open space planning has begun.

E. Resolution Vacating Clydesdale Court and Easements in West Ridge Development and Vacating Drainage and Utility Easements in Lot 1, Block 2, Francis Addition – Public Hearing

Lorsung stated this resolution pertains to the Ace Phase II project. Affected properties have been notified, and City staff has not received any calls.

Workman opened the public hearing at 9:07 p.m.

There were no comments from the public.

Workman closed the public hearing at 9:07 p.m.

*Moved by Weir, seconded by Cavanaugh, to approve the resolution vacating Clydesdale Court and easements in West Ridge development and vacating drainage and utility easements in Lot 1, Block 2, Francis Addition. **Motion passed unanimously.***

F. NPDES Storm Water Pollution Prevention Program (SWPPP) – Annual Report – Public Hearing

Adams stated City staff does not have a formal report for the Storm Water Pollution Prevention Program. He noted Dillman included a thorough memo on what was done this year.

Workman opened the public hearing at 9:08 p.m.

There were no comments from the public.

Workman closed the public hearing at 9:08 p.m.

Smith stated she would like the City to be more proactive in hiring someone to work with some of the neighborhoods. She stated a simple example of education is residents can collect rain from the gutters in rain barrels. It is a very simple way to improve runoff.

Adams stated there are some funds for education. Dillman stated that funding will probably be available in year 4 and 5.

Adams noted this is the third year of public hearing, so the City may be getting close the level of education component requested by Smith.

Smith added the City could be doing a lot more. Since there is so much wetland, there is a wonderful opportunity to educate residents. She noted that Plymouth has a great program going and suggested the City should visit with them.

G. Approve Brush Grinding Service Agreement with Tree Top Service

Adams stated the agreement is in the packet and staff recommends approval.

Smith asked for the range of the quotes because she did not receive a copy.

Dillman stated Dakota Grinding was \$390 an hour and another company bid at \$425 an hour.

*Moved by Cavanaugh, seconded by Weir, to approve the brush grinding service agreement with Tree Trop Service, as requested. **Motion passed unanimously.***

H. Approve Continuation of City Delivery of Wood Mulch to Medina Residents – Free of Charge

*Moved by Weir, seconded by Smith, to approve continuation of City delivery of wood mulch to Medina residents, as requested. **Motion passed unanimously.***

I. Approve Quote for Cleaning and Televising Sanitary Sewer Lines at Independence Beach System

Dillman stated the City received three quotes, and Visu-Sewer was the low quote with \$26,660.

Adams noted there is an \$80,000 budget for I/I services in 2006.

*Moved by Weir, seconded by Smith, to authorize staff to prepare an agreement with Visu-Sewer Services in the amount of \$26,660, as requested. **Motion passed unanimously.***

J. Update on South Frontage Road Project

Batty stated the agreement with Ryan made last September treated the south frontage roads a little differently than other improvements. There was a checklist of things that had to happen by certain dates, and if they did not happen by the date, the City had the right within five days to pull that from the project.

Batty continued the City has passed two of those dates successfully. The other date coming up is February 28, and that is the date by which all permits and approvals near the creek and wetlands has to be accomplished. That will not be achieved, and the City has been aware of that for some period of time and has been comfortable with that. However, now there are some new players. A meeting was held today in Kellogg's office with the DNR and the Elm Creek Watershed District regarding required permits. It is not a question of if those permits will be issued, but rather when they will be issued.

Batty stated the development agreements also contained some completion dates. Because this is the last Council meeting prior to February 28, if the Council wants to have the ability to exercise the right to pull the south frontage road from the plans, the Council would have to do that tonight.

Batty continued in order to avoid missing the opportunity, he advised staff to send a notice to Ryan. That will give the City the ability to go into the Council meeting and have some flexibility. He advised the Council does not want to go out to bid on a project that has deadlines that are too tight to get the permits.

Workman asked about the options if Ryan would decide they do not want to do this. Batty responded one alternative is to pull the plug and reduce their tax increment note to

\$1.6 million. That piece would be cut from the project, and the City would build the south frontage road on its own. This would simply be a decision not to build the road in this project.

Cavanaugh asked if it would cost the City more money in the end. Batty responded the City is reducing the tax increment obligation dollar for dollar.

Workman clarified if the project is not done, Ryan does not get \$400,000 of the \$2 million. Batty stated if the frontage road is dropped, the TIF to Ryan is decreased by the \$400,000.

*Moved by Weir, second by Brinkman, to authorize City staff to send the necessary notice to Ryan to delete the south frontage road from the project if staff is unable to negotiate change of the completion dates, as requested. **Motion passed unanimously.***

IX. CITY ADMINISTRATOR REPORT

A. Appointment of Finance Director

Adams stated he prepared a report on the applicant Jeanne Day and outlined the process dating back to when the advertisements were posted for the position. There were more interviews held than usual in this process because it is a department head position. Adams recommended the appointment of Jeanne Day under the terms in the report.

*Moved by Weir, seconded by Cavanaugh, to appoint Jeanne Day as the City's Finance Director, as requested. **Motion passed unanimously.***

Weir added Day is an energetic, competent woman who will bring a lot of energy to her position.

B. Cable Televising of Council Meetings

Adams provided a summary of what is entailed with the televising of the Council meetings. The LMCC provides the equipment, records the meetings, and airs them. Most of the cities in the area are already doing this. He noted a benefit to televising is the meetings will be posted on the LMCC website and can be downloaded and viewed at any time. That helps mitigate problems of Mediacom not being available to all residents in the City.

Cavanaugh stated this will make meetings more accessible to the community, and it is a good idea.

Weir added she sees no reason not to go forward with it.

Workman stated he does not have a preference either way, though he does not see how televising can help the meetings.

Smith stated she wishes there was a way the meetings could be televised live. When it is live, people actually come to the meetings. She stated she is amazed at how many people watch City Council meetings. It is a good way for the public to become more involved.

Brinkman stated if it could be aired live, that would be most valuable. But he questioned if it will impede business or help business.

Workman stated the Council operates informally now, and televising may change that.

Weir asked if the City can agree to it on a trial period. Workman responded he does not believe so.

Brinkman stated the Council should push for the meetings to be televised live.

Workman stated he does not believe the Council can mandate that. Adams added he will check into it, but does not believe it to be available as a service.

Adams noted in some cities, the Council Members each have laptop computers and when the meetings are live, they receive email feedback during the course of the meeting.

Workman requested that Adams follow up on with LMCC regarding the availability and the timing. He stated he would not want the televising to begin until the new Council takes over in January.

Cavanaugh stated that is a valid point because there will be people running who are not on the Council and will not have the same opportunity for air time.

Adams stated he will bring it back at a future meeting.

Workman called a recess at 9:29 p.m. The meeting was reconvened at 9:37 p.m.

X. MAYOR & CITY COUNCIL REPORTS

Workman noted he has received some phone calls from developers interested in what is available in Medina, and he usually refers them to Lorusung.

Weir stated she attended the Highway 55 Corridor Coalition meeting with Adams. The Coalition is strongly recommending that people should vote for the constitutional amendment requiring that the motor vehicle sales tax be dedicated just to roads, bridges and mass transit.

Adams added discussion of the broader Highway 55 corridor issues will be held at the goal setting session.

Weir recalled last year there was some discussion about merging the Loretto and Hamel Fire Departments. She recently spoke with Neil Wolff, a member of Hamel VFD, and suggested the goal setting session agenda include the creation of a public safety committee to get that merger moving along.

Workman responded that is something he has been working on for two years. He has been going to the Hamel meetings occasionally, and he and Police Chief Belland just spoke about it this evening.

Workman added both fire departments are going to get dispatched at the same time to the same fire, which is the first step in getting them to work together. It is an issue that

is hard to talk about because it has to do with two departments and making them one; there are a lot of political issues involved.

Weir stated there needs to be a representative from both fire departments on the committee. Workman noted the Council should not appoint them; they should be selected by the fire departments.

Adams noted the fire departments have begun joint training.

Workman added fire service issues are going to come up more and more in the future, especially as the Tri-Cities area develops.

Smith stated the Open Spaces Tour was well attended and was a nice tour. She stated she was proud of the Park Commission and suggested the tour be held again to make sure every member of the Council can attend. There are some specific natural elements in Medina that the Council needs to think about in terms of conservation.

XI. APPROVAL TO PAY THE BILLS

Adams noted there is one additional payment in the amount of \$46,426.50 to McFarland Construction for the City Hall renovation.

*Moved by Smith, seconded by Cavanaugh, to approve the bills, order check numbers 029030 -029086 for \$747,872.85, and payroll check numbers 019750-019772 for \$30,354.28. **Motion passed unanimously.***

XII. CLOSED SESSION – REVIEW OF EMPLOYEE PERFORMANCE

Workman noted a closed session will be conducted to discuss the performance of City Administrator Adams.

The council recessed to closed session at 9:48 p.m. for the purpose of conducting an evaluation of the performance of city administrator Chad Adams.

The council reconvened the meeting in open session at 11:55 p.m. A summary of the closed session includes the following: The city council and city administrator conducted a full discussion of management issues involving the administrator and his responsibilities to carry out the directions of the city council. The council expressed the view that the city administrator's job performance was strong in most aspects but areas deserving additional attention were also discussed. The council expressed its support for the city administrator and discussed ways to increase the team effort among the council, the administrator and city staff needed to keep the city going forward.

XII. ADJOURN

*Moved by Weir, seconded by Smith, to adjourn the meeting at 11:56 p.m. **Motion passed unanimously.***

Bruce D. Workman, Mayor

Attest:

Chad M. Adams, City Administrator-Clerk

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