WAYZATA CITY COUNCIL
MEETING MINUTES
August 6, 2014

AGENDA ITEM 1. Call to Order and Roll Call.

Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Amdal, Mullin, and Tanner. Council Member absent: Anderson. Also present: City Manager Nelson, City Planner Gadow, City Engineer Kelly, Public Services Director Dudinsky, and City Attorney Schelzel.

AGENDA ITEM 2. Approve Agenda.

Mr. Tanner made a motion, seconded by Mr. Amdal, to approve the agenda, as presented. The motion carried 4/0.

AGENDA ITEM 3. Public Forum – 15 Minutes (3 minutes per person).

a. Introduction of Don Uram, New Administrative Services Director

Mr. Uram thanked the Council for the opportunity and briefly shared a bit of his background. He was most recently the City Manager of the City of Victoria and before that, he worked in the City of Eden Prairie for 19 years in a variety of roles. He also worked overseas in public finance in both India and the Middle East.

Mr. Willcox asked Ms. Nelson to explain why the new position was added. Ms. Nelson explained the City wanted to bring financial leadership back in house. The City had been using consulting services, but felt a full time position would be able to shepherd over all things finance.

b. Update on MCES Lift Station Project

Scott Dentz, Metropolitan Council Environmental Services, reported on their lift station project. Mr. Dentz explained that during renovation it was discovered that the pipe walls were too thin and an emergency was declared. He stated that a couple of options were being considered and the long-term goal was to reestablish the force main system.

Mr. Kelly asked where the force main carries flow from and to. Mr. Dentz stated that it was a regional facility and carried flow to several communities to the west. Mr. Kelly shared with the Council that notices had been mailed to the residents of Grove Lane and a neighborhood meeting would be planned.

c. Parking

Terri Huml, 293 Grace Pointe Court, expressed her concern over parking in the City. Ms. Huml indicated the City now has another restaurant serving over 1,000 people per day, which is approximately another 150 cars that need parking. In addition, there are four more restaurants coming. She asked the Council what is the immediate plan to remedy the parking situation.

Ms. Nelson answered that the Council had directed Staff to prepare a request for proposal and the draft would be considered at the next City Council meeting on August 19, 2014.

Mr. Mullin mentioned other suggestions such as adding a bus service for restaurant employees and removing inactive equipment on Mill Street.

d. Telecom Feasibility Study Workshop

Susan Hughes, 415 East Gardner Street, communicated her disappointment in the Telecom Study Workshop. She stated she understood the four vendors would be upgrading again, which means truck traffic invading the neighborhood and disregard of the park space.

e. Water Tower at Telecom Site

Lucy Bruntjen, 402 Gardner Street, explained that the neighborhood is not asking the City to move the water tower, but they are asking the City to move the powerful antennas. Ms. Bruntjen shared that the 1996 Telecom Act states that telecommunications cannot be banned on the basis of health, but she asked the Council to note their health concerns. She stated that it is a non-conforming use for an R-3 zoned park and four of the seven residents lived there prior to the antennas.

f. Telecom Feasibility Study Workshop

Mary Bader, 117 Peavey Lane, stated that she served on the Council for six years. During that time, the neighborhood requested that something be done but the Council did not have the money. Ms. Bader noted that eight years later, the City is still working on a consultant study. The Telecom Study Workshop estimated cost from $50,000 to $500,000 depending on which option was chosen, but all of the options are only making visual improvements. Ms. Bader stated that moving the telecommunications to public works is a viable option and should be reconsidered.

The Council acknowledged there are several issues and concerns that have to be addressed before a solution can be attained. The revenue from the site is equal to property tax on 280 new homes. If the site is moved, the vendors could choose not to move and the City would risk losing the revenue. The Council thanked the residents for sharing and encouraged them to continue doing so.

AGENDA ITEM 4. Consent Agenda.

Mr. Tanner made a motion, seconded by Mr. Mullin, to approve the consent agenda:

a. Approval of Workshop Minutes of July 15, 2014 and Minutes of July 15, 2014
b. Approval of Check Register
c. Approval of Amendment to Contract for Janitorial Services at City Hall
d. Municipal licenses which received administrative approval (informational only)
e. Approval of Release of Claims with TRBK, Inc. DBA Bay View Charter Cruises and Bay View Event Center

The motion carried 4/0.

AGENDA ITEM 5. Public Hearing

a. Consider On-Sale Intoxicating Liquor License and Sunday On-Sale Intoxicating Liquor License for Sushi Fix LLC DBA "Sushi Fix" at 862 Lake Street East

Ms. Nelson reported that Sushi Fix LLC "Sushi Fix" has applied for an on-sale intoxicating liquor license and Sunday on-sale intoxicating liquor license for Sushi Fix, a restaurant located at 862 Lake Street East. The licensed premises will include the first floor indoor restaurant. The applicant currently holds an on-sale wine license that will expire on April 30, 2015 and an on-sale 3.2% malt liquor license that will expire on December 31, 2014. They have applied for an on-sale intoxicating liquor license and Sunday on-sale intoxicating liquor license for the license period of August 7, 2014 through April 30, 2015. The applicant will pay a pro-rated license fee of $7,925. A background investigation as it pertains to liquor licensing was conducted on the owners and was found to be in satisfactory order. The applicant paid a background investigation fee of $500. The license must be reviewed by Alcohol and Gambling Enforcement following approval by the Wayzata City Council, Police Chief, and City Manager. Staff recommends approval of both licenses.

Enkhbileg "Billy" Tserenbat, owner of Sushi Fix, explained that the restaurant started tiny, but is doing so well that it needs more space. He wants to allow customers to sit and enjoy a good time.

Mr. Willcox opened the public hearing at 7:55 p.m. There being no input, Mr. Willcox closed the public hearing at 7:56 p.m.

Mr. Tanner made a motion, seconded by Mr. Amdal, to approve On-Sale Intoxicating Liquor License and Sunday On-Sale Intoxicating Liquor License for Sushi Fix LLC DBA "Sushi Fix" at 862 Lake Street East. The motion carried 4/0.

AGENDA ITEM 6. New Business.

a. Consider 1st Reading of Ordinance No. 746 Zoning Ordinance Amendment - Micro-brewery and Taproom

Mr. Gadow reported that Boatworks II LLC and Wayzata Brew Works LLC have submitted an application for approval of an Amendment to an existing Planned Unit Development (PUD) Conditional Use Permit (PUD) to allow the operation of a microbrewery and taproom facility at 294 Grove Lane. As a separate action, the City would also need to amend its existing Liquor Ordinance to allow micro-production facilities, like a micro-brewery in the community. Two versions of this ordinance were written: Version 1 includes verbiage for micro-production facilities and Version 2 includes verbiage to only allow micro-breweries, tap rooms, and brew pubs. Mr. Gadow noted that the Planning Commission reviewed the application and recommended approval of Version 1 with seven conditions.

The Council discussed the differences between the two versions and each shared their opinions on which version to adopt. Caution was expressed relating to adoption of an ordinance allowing micro-production facilities due to the resulting negative impact to the City's image as becoming too liquor focused. Discussion was also held on the parking requirement. The Council supported the suggestion of Mr. Gadow for language indicating '1 per 40 square feet,' which is similar to a restaurant dining area. Mr. Schelzel answered the Council's question relating to availability of liquor licenses. Mr. Gadow asked whether the licensing category should be amended to allow off-sale growlers just for brew pubs. Mayor Willcox conducted a straw poll relating to which version the Council supported and whether the licensing category should be amended to allow off-sale growlers just for brew pubs. Rather, the Council supported an amendment to the number of licenses for off-sale malt liquor to be more than one (i.e., two) to have an off-sale growler license.

Mr. Amdal made a motion to Approve the First Reading of Ordinance #746, an Ordinance Amending Wayzata's Zoning Ordinance to Allow Micro-Production Facilities and Taprooms/Tasting Rooms as Conditional Uses. The motion died for lack of a second.

Mr. Tanner made a motion, seconded by Mr. Willcox, to Approve the First Reading of Ordinance No. 746, an Ordinance Amending Wayzata's Zoning Ordinance to Allow Micro-Breweries and Taprooms as Conditional Uses. The motion failed 2-2 (Amdal, Mullin).

b. Consider 1st Reading of Ordinance No. 747 Authorizing the Issuance of Licenses for Off-Sale Brewpubs, Off-Sale Micro-Breweries, and On-Sale Taprooms

Mr. Gadow explained that Ordinance No. 747 did not need to be considered until a motion had been passed on Ordinance No. 746.

c. Consider Resolution 23-2014 Boatworks PUD Amendment

Mr. Gadow reviewed Resolution 23-2014 and stated that the biggest issue with this consideration was parking.

Terry Schneider, Project Developers, Inc. representing the applicant, discussed their desire to find appropriate solutions for trash, sewer, and parking. Bill Cavanaugh and Robert Klick, the applicants, stated their desire for micro-distillery as complementary to the micro-brewery. Mr. Klick indicated they were looking for approval from the City so they could begin the long process of gaining approval from the Federal government. He indicated that a micro-distillery operation would not allow any on-site sales. Rick Born, owner of the Boatworks building, commented on the importance of succeeding and that they were all working together to make this a success. He thanked Mr. Cooper at TCF Bank for allowing them to use their parking lot after hours.

Mr. Mullin made a motion, seconded by Mr. Amdal, to table consideration of the First Reading of Ordinance No. 746, an Ordinance Amending Wayzata's Zoning Ordinance to Allow Micro-Breweries and Taprooms as Conditional Uses; the First Reading of Ordinance No. 747, an Ordinance Authorizing the Issuance of Licenses for Off-Sale Brewpubs, Off-Sale Micro-Breweries, and On-Sale Taprooms; and Resolution No. 23-2014, a Resolution Approving PUD Amendment and Site Plan for 294 Grove Lane. The motion carried 4/0.

The Council asked Mr. Gadow to write a second version of Ordinance No. 747 to allow for all micro-production facilities and agreed that Agenda Items 6a, 6b, and 6c will be reconsidered and voted on at an upcoming City Council meeting.

The Council agreed with the suggestion of Mr. Mullin to consider item 6e prior to item 6d.

e. Consider Design Application 301-324 Bushaway Road

Mr. Gadow reported that on March 6, 2012, the City Council voted to approve a five-lot subdivision at 310 and 324 Bushaway Road. One of the conditions of approval was that the applicant should submit plans for review and approval by the Planning Commission and City Council. Charles Cudd Company is working on behalf of the owner to construct the last two homes that are part of the five-lot development on Lots 1 and 5. The applicant has submitted the proposed building plans for review. The designs for Lots 2, 3, and 4 were previously reviewed and approved in 2013. Lots 1 and 5 would be the fourth and fifth houses of the approved five lots to start construction. Mr. Gadow then reviewed floor plans, architectural plans, sketches, and building materials of the two homes.

John Sonnek, Charles Cudd Company, described which trees needed to be removed.

Mr. Tanner made a motion, seconded by Mr. Amdal, to Approve the 310 and 324 Bushaway Road Residential House Design File No. PR 2014-9. The motion carried 4/0.

d. Consider Award of Sealcoat Bid

Mr. Dudinsky reported that Public Works had accepted bids for the seal coating of certain streets in Wayzata on July 31, 2014. The project estimate was $144,983. There were bids from: Pearson Brothers Incorporated for $142,130.59 and Allied Blacktop Company for $155,822.55. Staff recommends award to the low bidder: Pearson Brothers Incorporated. It was noted the contractor will have until August 29, 2014, to complete the work.

Mr. Amdal made a motion, seconded by Mr. Mullin, to Award the Contract for the Seal Coating of Certain Streets in Wayzata to Pearson Brothers Incorporated in the amount of $142,130.59. The motion carried 4/0.

e. Consider Design Application 301-324 Bushaway Road

This item was considered prior to item 6d.

f. Consider Grant Application to MN Association for Volunteer Administration for Enhancing a City Volunteer Program

Ms. Nelson explained that the Minnesota Association for Volunteer Administration (MAVA) is requesting proposals from Minnesota cities to receive a $2,000 grant for starting or enhancing a City volunteer program. After reviewing the RFP with the Volunteer Coordinator, staff would like to submit a proposal to use the grant for two projects: a volunteer recruitment video and an Emerald Ash Borer Tree Identifier Volunteer Ambassador Program.

The Council asked about the requirement of sending reports back to MAVA and if this would cause more work than the amount of the grant. Ms. Nelson responded that Staff had reviewed the requirements and were satisfied that the grant was worth the work.

Mr. Tanner made a motion, seconded by Mr. Amdal, to Support the Grant Application to Minnesota Association for Volunteer Administration for Enhancing a City Volunteer Program. The motion carried 4/0.

AGENDA ITEM 6. City Manager's Report and Discussion Items.

a. Update on Bushaway Road Project

Mr. Kelly reported that the County opened bids on July 15, 2014. The engineer's estimate was just over $35 million. The low bidder's estimate was approximately $6 million over the engineer's estimate. The overall impact to Wayzata costs is just over $350,000. Mr. Kelly noted there were some items of expected cost savings and those savings could be used to cover the difference. He discussed different options for minimizing cost.

The Council asked about the upcoming open house. Mr. Kelly stated the Bushaway open house will be on August 19, 2014, at 5:30 p.m. before the City Council meeting. The County will be presenting information and the time line for construction.

b. Update on Beach Concession Stand & Interim Transient Docks

Mr. Dudinsky reported on the beach concession stand. He stated they are working on three-phase power to the beach house and should have concessions by next spring. He explained that the beach house has had some trouble over the last month and a half. The sewer line from the beach house has been plugging and some of the line has broken away and will need to be fixed in the fall. The cost estimate will be included in the work that is already underway.

Ms. Nelson reported on the Interim Transient Docks. The City submitted an application to the LMCD that will be considered on August 13, 2014.

c. Announcements

Ms. Nelson stated that Night to Unite was well participated and a great event. She thanked everyone for their participation.

Mr. Willcox shared that in February, Wayzata met with 14 surrounding cities and discussed the possibility of adding a scenic byway. Four cities declined to go forward. It has been decided to pull the scenic byway topic from the table; however, the other cities would still like to coordinate marketing strategies.

AGENDA ITEM 7. Public Forum Continued (if necessary).

There were no comments.

AGENDA ITEM 8. Adjournment.

Mr. Tanner made a motion, seconded by Mr. Willcox to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 10:06 p.m.

Respectfully submitted,

Becky Malone

Becky Malone
Deputy City Clerk

Drafted by Sarah Peterson
TimeSaver Off Site Secretarial, Inc.