WAYZATA CITY COUNCIL
MEETING MINUTES
September 16, 2014

<u>AGENDA ITEM 1. Call to Order and Roll Call.</u>
Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Amdal, Anderson, Mullin, and Tanner. Also present: City Manager Nelson, Administrative Services Director Uram, Public Works Director Dudinsky, and City Attorney Meller.

<u>AGENDA ITEM 2. Approve Agenda.</u>
Mr. Tanner made a motion, seconded by Mr. Amdal, to approve the agenda, as presented. The motion carried 5/0.

<u>AGENDA ITEM 3. Public Forum – 15 Minutes (3 minutes per person).</u>
a. Basketball Fever in Wayzata - Update on Podia from Wayzata Historical Society
Sue Sorrentino, Historical Society, and Dan Baasen, representing Wayzata High School Class of 1960, showed the Council an example of the podia commemorating Wayzata High School winning the State basketball championship in 1959 and recognizing the Coach.

Mayor Willcox added that this was a huge deal because there were not any divisions in sports at that time resulting in a school as small as Wayzata competed against all schools in the area including the large ones.

b. Event for 10th Anniversary of Big Woods
Mary Bader, 117 Peavey Lane, invited everyone to attend the event to celebrate the 10th Anniversary of the Big Woods. The event is September 25th from 4 p.m. to 7 p.m. There will be music, a scavenger hunt for kids, a raptor presentation, guided tours of the woods, and Mayor Willcox will speak. Ms. Bader asked everyone to check utility bills for their invitation.

The Council asked Ms. Bader to share the exact location and parking details. Ms. Bader answered that it was the retreat entrance east of Colonial Square. She also shared that there will be parking attendants, but parking is limited so carpooling is encouraged.

c. Wayzata Chamber of Commerce Person of the Year
Becky Pierson, Wayzata Chamber of Commerce, announced that Mayor Willcox was named the Chamber of Commerce Person of the Year. A luncheon will be held on October 9th at the Wayzata Country Club for the official presentation and everyone is invited to attend.

The Council congratulated Mayor Willcox and he, in return, thanked the Council and Ms. Pierson.

<u>AGENDA ITEM 4. Consent Agenda.</u>
Mr. Amdal made a motion, seconded by Mrs. Anderson, to approve the consent agenda:
a. Approval of Workshop Minutes of September 2, 2014 and Minutes of September 2, 2014
b. Approval of Check Register
c. Municipal licenses which received administrative approval (informational only)
d. Police Activity Report
e. Building Activity Report
The motion carried 5/0.

<u>AGENDA ITEM 5. Public Hearing.</u>
a. Consider Resolution No. 27-2014 Business Subsidy Criteria & Public Financing Policy

Ms. Nelson reported that as a part of the Redevelopment Plan created by the HRA and City Council in May of 2013, a recommendation was made to create Business Subsidy Criteria and a Public Financing Policy. She asked the Council to open the public hearing tonight and to continue the public hearing until the following City Council meeting because of one issue that needed to be resolved. Ms. Nelson asked Jason Aarsvold from Ehlers and Associates to explain the policy in more detail.

Jason Aarsvold, Ehlers and Associates, shared that the policy adheres to State Statutes, provides best practices for evaluating requests for public assistance, and is tailored to Wayzata's specific needs. The HRA provided direction on specific issues as follows: public assistance will not be provided where project costs are inflated as a result of overpayment for land, public assistance will not be provided for rental housing, forgiveness of City fees would generally not be considered, and the statutory wage floor should be set at 150% of federal minimum wage.

Mr. Aarsvold answered questions from the Council concerning the difference between TIF and tax abatement and whether the same standards apply to non-profits such as schools.

The Council requested a workshop with the HRA to better understand the policy. Ms. Nelson answered that the workshop would be arranged, but it would have to be pushed back until the following HRA meeting. The Council decided to invite an HRA member to the following City Council meeting.

Mayor Willcox opened the public hearing at 7:36 p.m. There was no input. Mayor Willcox continued the public hearing at 7:37 p.m. until the October 7, 2014 City Council meeting.

AGENDA ITEM 6. New Business.

a. Second Reading of Ordinance No. 746 Amending Zoning Ordinance to Allow Micro-production Facilities and Taprooms/Tasting Rooms as Conditional Uses and Second Reading of Ordinance No. 747 Authorizing the Issuance of Licenses for Micro-production Facilities, On-Sale Taprooms, and On-Sale Tasting Rooms

Mayor Willcox shared that Wayzata Brew Works has cancelled their application for approval of an Amendment to an existing Planned Unit Development Conditional Use Permit and site plan for 294 Grove Lane. Conditional approval has lapsed and a new application would need to be submitted if another business wanted to apply for the same site.

Ms. Nelson reported that at the September 2nd City Council meeting, the Council reviewed two draft ordinances that pertained to allowing micro-production facilities and their related components. Ordinance No. 746 was for an amendment to the City's Zoning Ordinance to allow micro-production facilities through a Conditional Use Permit process in certain commercial zoning districts. Ordinance No. 747 amended the City's General City Code pertaining to liquor licensing requirements and procedures to permit the operations of micro-production facilities. Ordinance No. 747 also establishes the number of licenses that the City may grant for micro-production facilities and associated taprooms and tasting rooms. The City Council had adopted the first reading of Ordinance Nos. 746 and 747 on a 3-2 vote. Both Ordinances Nos. 746 and 747 require City Council approval of a second reading prior to becoming effective.

The Council discussed the pros and cons of allowing micro-production facilities versus micro-breweries and brew pubs. Mr. Tanner communicated that he was in favor of changing it to micro-breweries and brewpubs only. He stated that at a micro-distillery or micro-winery, a person could only taste and would not be able to purchase the product. Mayor Willcox indicated he was still in favor of micro-breweries and brewpubs. He believed that allowing all micro-production facilities sends the wrong message.

The Council discussed tabling this to a future date and scheduling a workshop. Ms. Nelson answered that the Council could make minor changes, but if the desire was to make major changes, they would need to start the process over. The Council decided to move forward with the vote.

Mrs. Anderson made a motion, seconded by Mr. Amdal, to Adopt the Second Reading of Ordinance #746 Amending Wayzata's Zoning Ordinance to Allow Micro-production Facilities and Taprooms/Tasting Rooms as Conditional Uses and to Adopt the Second Reading of Ordinance No. 747 Authorizing the Issuance of Licenses for Micro-production Facilities, On-Sale Taprooms, and On-Sale Tasting Rooms. The motion carried 3/2 (Tanner, Willcox).

b. Consider Resolution #24-2014 Certifying the Preliminary Property Tax Levy Payable for 2015

Mr. Uram presented the 2015 preliminary general fund budget, 2015 proposed transfers spreadsheet, and resolution approving the 2015 preliminary levy. The general fund budget may be refined until final adoption in December. In order to comply with State Statute, the preliminary levy must be certified to Hennepin County by September 30, 2014. The final budget and levy will be presented to the Council for review and approval in early December. Mr. Uram noted that the final levy may not exceed the amount of preliminary levy and that the preliminary levy had increased by an amount just shy of 2%.

Mr. Mullin stated that it was his desire to see a year of zero increase and that he believed they were on track to do that this year. Mr. Mullin added he hoped that the levy increase could be lowered by the time the final budget is adopted.

Mr. Tanner made a motion, seconded by Mr. Amdal, to Adopt Resolution No. 24-2014 Certifying to the County Auditor the Preliminary Property Tax Levy Payable for 2014. The motion carried 4/1 (Mullin).

c. Consider Resolution #25-2014 Adopting Municipal Fees for 2015

Mr. Uram reported on changes made to the fee schedule for 2015. He highlighted three main changes. The first is an increase in fees for violation of liquor ordinances to address the more serious nature of those violations. Second, beach passes would no longer be sold to non-residents. Lastly, a tiered structure had been implemented for special events in order to support local, smaller organizations.

The Council asked if there was an increase in all of the fees. Mr. Uram answered that Staff reviewed the fee schedule and made changes only where necessary. The majority of fess received small inflationary increases, but some were unchanged or decreased.

Mrs. Anderson made a motion, seconded by Mr. Amdal, to Adopt Resolution No. 25-2014 Adopting Municipal Fees for 2015. The motion carried 5/0.

d. Presentation of Telecommunications Compound Site Options

Mayor Willcox acknowledged receipt of a petition at the September 2, 2014 City Council meeting signed by 500 citizens in favor of removing telecommunications equipment from North Klapprich Park. He shared that the Council will keep their wishes in mind as they hear the results of the study and go forward.

Mr. Dudinsky shared that at the April 15, 2014 City Council meeting Short Elliott Hendrickson Inc. (SEH) was authorized to analyze telecommunications site improvement options for the current telecommunications site located just north of the existing City water tower. The Council was shown a draft of the feasibility study at a workshop held on August 6, 2014. SEH presented the options that were being considered and asked for comments as they continued to refine the feasibility report. It was noted that questions raised at the workshop are addressed in the final draft of the study.

Wayne Houle, Project Manager from SEH, presented an outline of the feasibility study and covered the four options. The goals of the study sought to improve the aesthetics, alleviate noise, reduce impact of accessing the equipment, and improvements completed within a reasonable/economic time frame. Mr. Houle stated that a question had been asked at the workshop concerning relocating the telecommunications equipment to a more remote location such as on the south side of Park Avenue or if it could be accessed wirelessly. He explained that 500 feet is the farthest distance that equipment can be from an antenna. This would place the equipment approximately 300 feet from the base of the tower and would cause the potential location along Park Avenue to be adjacent to the playground parking lot. Also, the amount of data cannot currently be transmitted via a wireless system. The four feasible options were presented. The first option removed the fence and added berm and vegetation. Option 2A created an inset compound and temporarily improved the existing compound. Option 2B constructed a walled compound and temporarily improved the existing compound. Option 2C constructed an underground compound and temporarily improved the existing compound. The costs ranged from $61,500 to $478,800 depending on the option chosen.

Dale Romsos, Construction Project Manager from SEH, answered questions from the Council concerning moving the tower, coverage, and service. Mr. Romsos answered that if the tower was moved even one block it could create gaps in coverage that would require additional towers. He shared that the water tower is considered a macro-site and that additional sites were already needed. The additional sites are called micro-sites, are much smaller, and can be well hidden.

Mary Bader, 117 Peavey Lane, asked for clarification over some issues from Mr. Romsos. She asked the Council to take another look at the public works site and suggested that the options considered were a lot of money to not fix the problem.

Lucy Bruntjen, 402 Gardner Street, suggested that a macro-site could be created at the public work site and mentioned that the main issue is access for large trucks to the tower.

Susan Hughes, 416 Gardner Street, stated that the suggested berm will only take away more green space from the Park.

Mayor Willcox asked for the turning radiances of the larger trucks. Mr. Houle answered that the larger trucks will still have to drive over some grass and the cranes will still have to come from the northern driveway.

Cathy Carlson, 226 Minnetonka Avenue, expressed concern over the truck traffic and the damage it causes to the neighborhood roads.

The Council discussed all of the information shared at length. Mrs. Anderson wanted to create a business plan in order to not be dependent on this revenue source and continue communications to create a bigger plan that looks to the future. Mr. Tanner voiced concern over the high cost of the best option considering that the best option is still not a real solution. Mr. Amdal shared that this has been an ongoing problem for over ten years. He believed it was time to either move the site or lose it to the private sector. Mayor Willcox expressed concern over losing the revenue source, which would cause taxes to increase, and losing the vendors if the site was moved. Mr. Mullin offered a compromise that aimed to work backwards from 2020 when the City would be spending a significant amount of money to refurbish and repaint the tower. Mr. Mullin's proposal includes a 5-step process as follows: Step 0. Adjust CIP to reserve money in order to not be dependent on the revenue starting with $30,000-50,000 this year. Step 1. Put an ordinance in place to defer unintended consequences to coverage. Step 2. Spend $50,000 as a temporary fix to the current site to impact the visuals. Step 3. Move all ground equipment to right-of-way off Gardner Street. Step 4. Erect a monopole on public land or purchased private land to move antennas off the water tower.

The Council decided to take Mr. Mullin's proposal to a workshop and continue working on the best solution for everyone involved.

Mrs. Anderson requested a formal audio recording of the telecommunications workshop for the public. She stated that even though the workshops are open to the public, it is hard to hear what is going on and are scheduled during the work day making it hard for most people to attend. The Council discussed the pros and cons of recording the workshops and each offered their opinion. Ms. Nelson cautioned the Council that once the recordings were made, they would need to be kept, maintained, and made available. The Council decided to amplify the telecommunications workshop to improve the experience for those attending the workshop.

e. Consider Resolution #26-2014 Granting Cable Franchise Extension Beyond 09-30-2014

Ms. Nelson reported that the existing Cable Television Franchise Agreement expired on or about July 1, 2013. The City had adopted resolutions extending the franchise term through September 30, 2014. An additional extension of the franchise term is required so that Staff can continue in negotiations with Mediacom to reach a mutually acceptable franchise terms and conditions. Negotiations are anticipated to be complete in the next two months.

Mr. Tanner made a motion, seconded by Mr. Amdal, to Adopt Resolution No. 26-2014 Granting Mediacom a Franchise Extension through December 31, 2014. The motion carried 5/0.

Mrs. Anderson suggested negotiating senior discounts for those financially eligible into the contract with Mediacom. Ms. Nelson responded that she would ask Mediacom and see where it went from there.

AGENDA ITEM 7. City Manager's Report and Discussion Items.

a. Update on Mill Street Parking Request for Qualifications

Ms. Nelson shared that three firms were interviewed this morning. She asked the Council for feedback. The Council decided to organize a workshop before the following City Council meeting to discuss the interviews in more detail. The Council mentioned that HRA members would need to attend the workshop and asked for staff to provide their recommendation as well.

b. Future Calendar Items

Ms. Nelson announced the following upcoming meetings with Mary DeLaittre on the Lake Effects: September 29th from 5:30 - 7:00 p.m., October 21st, and November 18th. She also shared that absentee voting begins Friday, September 19th.

d. Announcements

Ms. Nelson reported that Bushaway construction will start in the next 10 days and that communications have been going out to the affected areas.

Mrs. Anderson shared that the Communications Board would like to hold a joint workshop with the Council. She also requested staff to send out letters to multi-family homes that all election candidates are allowed to go door-to-door.

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

There were no comments.

AGENDA ITEM 8. Adjournment.

Mr. Tanner made a motion, seconded by Mrs. Anderson to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 10:12 p.m.

Respectfully submitted,

Becky Malone

Becky Malone
Deputy City Clerk

Drafted by Sarah Peterson, *TimeSaver Off Site Secretarial, Inc.*