

**WAYZATA CITY COUNCIL
MEETING MINUTES
May 19, 2015**

AGENDA ITEM 1. Call to Order and Roll Call.

Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Anderson, McCarthy, Mullin and Tyacke. Also present: City Manager Nelson, Public Works Director Dudinsky, City Engineer/Assistant Director of Public Works Kelly, and Administrative Services Director Uram

AGENDA ITEM 2. Approve Agenda.

Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to approve the agenda, as presented. The motion carried 5/0.

The Council requested the addition of a new agenda item to a future City Council meeting concerning the re-creation of the Bushaway Committee in order look at new goals for landscaping and targeting monies for the project.

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

a. Presentation of the Mayor's Best Historic Restoration Award 2015

Elissa Madson, Vice-Chair of Heritage Preservation Board (HPB), presented the Mayor's Best Historic Restoration Award to Ms. Lynn Gruber, 1417 LaSalle Street, for her minimal Traditional Style suburban cottage that was built in 1949 by John Andrews Field on the site of the historic Northland Inn.

Mayor Willcox presented Ms. Gruber with a plaque to commemorate the award. Ms. Gruber thanked the Council and HPB for the award.

b. HPB Presentation of 2014 Annual Report

Kim Anderson, Chair of Heritage Preservation Board (HPB), presented the 2014 HPB Annual Report and goals for 2015. She reported the HPB serves to educate an awareness for the preservation of historic sites around Wayzata. She highlighted activities of 2014, which included the preservation of the Log Cabin ("Trapper's Cabin"), presentation of five Centennial Home Awards, awarded the Ankeny home the Mayor's Best Preserved House Award, participated in J.J. Hill Days, posted a "Wayzata Historic Landmark" plaque on the Post Office, and highlighted houses and buildings that were torn down.

The Council thanked the HPB for its work and urged the public the get involved as a volunteer or with financial donations.

The Council inquired about the walking tours. Ms. Kim Anderson replied they hope to continue walking tours as well as starting trolley tours.

c. Bushaway Road Project

Zev Oman, 250 Bushaway Road, stated he noticed some voids in a wall along Bushaway Road and was told a pipe would be installed there. He expressed his disappointment that the run-off from this pipe will be dumped onto his property, noting the area he is referring to is not big enough to be classified as a wetland.

Mr. Kelly responded that all the plans for this project presented in 2013-2014 showed this pipe. Because it is a wetland, Hennepin County is required to match the existing amount of water that went to that wetland with an outlet to that area. He stated the County would be willing to have a conversation with Mr. Oman about his concern.

Kristi Oman, 250 Bushaway Road, stated the biggest problem is lack of communication.

1 Mitch Eide, 321 Bushaway Road, stated the trees he originally thought were not going to
2 be removed are now marked for removal since the plans of the project have changed. His
3 primary concern is the lack of communication as well as the proposed plans to fix the problem.
4 He stated he is interested and very motivated to try and preserve this area in the best way
5 possible.

6 The Council asked Mr. Kelly about reported changes that are surprises. Mr. Kelly stated
7 there have been trees removed in some locations that were not part of the plan due to age of trees
8 and construction impact.

9 The Council asked Mr. Kelly who holds the County to the approved plan. Mr. Kelly
10 responded Dan Allmaras is the County Project Manager. If there are design changes that affect
11 the City of Wayzata, Mr. Allmaras would need to notify staff. The Council requested
12 clarification on what a design change is. Mr. Kelly stated it would include an aesthetic
13 improvement, such as the suggestion of a chain link fence.

14 Peter Pflaum, 623 and 630 Bushaway Road, expressed appreciation to Mrs. Anderson
15 and her suggestion of re-creating a Bushaway Committee to address these issues. He suggested
16 identifying a way for the public to understand what is going on with the project and when it is
17 expected to be completed.

18 Merrily Babcock, 337 Reno Street, stated on her street everything was dug up to install a
19 pipe to the lift station. She had called to complain about debris and garbage that was left on the
20 site and was originally told it would be cleaned up in June. Now they are giving her a later date
21 in August. She is hoping the City can address this issue sooner. Mr. Kelly said there is still work
22 to be done and it should be completed in June.

23 Alan Miller, 639 Bushaway Road, stated the resident's needs are being overlooked. Mr.
24 Kelly stated the City serves as a representative for the residents of the City of Wayzata. Mr.
25 Miller expressed concern that Council Members have not seen the project.

26 The Council indicated it is hopeful that recreating the Bushaway Committee will provide
27 a method to address these concerns and suggested scheduling a tour of Bushaway Road to view
28 the conditions.

29 Ron Anderson, 663 Bushaway Road, described the poor conditions of the road, which
30 included many large holes. He expressed that it feels like a 'battle zone' and challenged the
31 Council to come up with an award for the 'martyrs of Wayzata' for the tremendous
32 inconvenience they have experienced with the construction. He stated communication needs to
33 be improved and he supports the re-creation of a Bushaway Committee.

34 The Council requested the County summarize what they have heard and give
35 recommendations going forward. Dan Allmaras, County Project Manager, stated he has heard
36 concerns about access issues and tree issues.

37 Mr. Kelly stated there is a hotline, website, and twitter account that residents can use to
38 express concerns and when these means are used, the issues are handled well. He agreed there
39 needs to be a better communication and reaction to the issues being reported.

40 Mr. Pflaum asked the County when the project will be completed. Mr. Allmaras stated
41 the intent is to have the road up to McGinty completed by the end of the year and to finish the rest
42 of the project by the fall of next year.

43 Trudy Richter confirmed the hotline is the best way to report issues. She requested that
44 residents continue to call Manuel Jordan of Heritage Shade Tree Consultants with concerns
45 regarding the trees and confirmed the road is closed to anyone who is not a resident.

46 The Council inquired about County procedures and how major project changes are
47 communicated to the residents. The Council expressed concern about the roads being
48 impassable. Mr. Allmaras stated access is to be maintained at all times and the road is cleaned up
49 every evening.

50 Mr. Oman requested the portable toilet be removed from his driveway.

1 Mrs. Anderson suggested staff schedule the Council and Planning Commissioners to look
2 at Bushaway Road and create a photo log for community members so they can see the progress of
3 the project.

4
5 **AGENDA ITEM 4. Consent Agenda.**

6 Ms. Nelson reported on edits to the Workshop Meeting Minutes, which included amendments to
7 the downtown parking topic, if the \$9.5 million included a green roof and bathroom elements, and
8 clarification on the ramp height. She requested these edits be added to the minutes as submitted
9 by Mrs. Anderson.

10 Mr. Mullin requested the minutes also reflect the height of the ramp at 975 feet, as given
11 by the consultant.

12 Mr. Gadow provided edits to the Regular Meeting Minutes. These included page 18, line
13 24 to strike "and Charles Cudd Company" and to add on line 26 "Charles Cudd Company
14 provided new drawings to the City in March of 2015." On line 48, after "the height cap would be
15 24 feet and 25.9 feet" add for Lots 2 and 1. Also on line 48, move the sentence "Mr. Gadow
16 explained this is a different circumstance because the City is trying to get the applicant to meet
17 something that matches the scale and character of the neighborhood" to the end of that paragraph.
18 On page 20, line 19 should read, "However, if the basis for Council action or inaction on the
19 Application goes to criteria in the Subdivision Ordinance, or Planning Commission Report and
20 Recommendation, then that that would be a proper basis."

21 Mrs. McCarthy made a motion, seconded by Mrs. Anderson, to approve the consent
22 agenda:

- 23 a. Approval of Workshop Minutes of May 5, 2015 as edited and Minutes of May 5, 2015 as
24 edited, and Minutes of Strategic Planning Retreat of April 30 – May 1, 2015
- 25 b. Approval of Check Register
- 26 c. Approval of Resolution No. 22-2015 Approving Continued Support for The Lake
27 Minnetonka Trolley Program on 2015
- 28 d. Approval of Municipal Licenses
- 29 e. Municipal licenses which received administrative approval (informational only)
- 30 f. Police Activity Report
- 31 g. Building Activity Report
- 32 h. Approval of Resolution No. 23-2015 Adopting New Municipal License Fees for 2015

33 The motion carried 5/0.

34
35 **AGENDA ITEM 5. Public Hearing.**

- 36 a. **Public Hearing and Consider Approval of an On-Sale Intoxicating Liquor License**
37 **and Sunday On-Sale Intoxicating Liquor License for Lunds Inc. DBA "Lunds &**
38 **Byerlys Kitchen" at 250 Superior Boulevard**

39 Ms. Nelson reported that Lunds, Inc., has applied for an on-sale intoxicating liquor license and
40 Sunday on-sale intoxicating liquor license for Lunds & Byerlys Kitchen, located at 250 Superior
41 Boulevard. It will include the indoor restaurant and an outdoor patio on the west side of the
42 building.

43 Ms. Nelson reported the applicant currently holds an on-sale wine license, which will
44 expire on April 30, 2016 and an on-sale 3.2% malt liquor license, which will expire on December
45 31, 2015. The licenses they have applied for will be from June 1, 2015 through April 30, 2016.
46 The applicant paid a pro-rated license fee of \$9,625. A background investigation as it pertains to
47 liquor licensing was conducted on the owners and found to be in satisfactory order. The license
48 must be reviewed by the Alcohol and Gambling Enforcement following approval by the Wayzata
49 City Council. Staff recommends approval of both licenses.

50 Anissa Grustel, 2210 Black Oak Drive, Minnetonka, and Pat York, Operations Director
51 for Lunds & Byerlys, addressed the Council. Ms. Grustel stated they have been asked by

1 customers to have a full liquor license, noting this Lunds & Byerlys location is the only kitchen
2 environment that would have this available.

3 Mr. Willcox opened the public hearing at 8:43 p.m. There being no further input, Mr.
4 Willcox closed the public hearing at 8:44 p.m.

5 Mrs. Anderson made a motion, seconded by Mrs. McCarthy, to approve the On-Sale
6 Intoxicating Liquor License and Sunday On-Sale Intoxicating Liquor License for Lunds Inc.
7 DBA "Lunds & Byerlys Kitchen" at 250 Superior Boulevard.

8 Mr. Tyacke asked Ms. Nelson why the 50/50 rule does not apply in this situation. Ms.
9 Nelson clarified that if the restaurant has 50% of their sales from food and 50% of their sales
10 from liquor, it is not counted as part of the limited number of liquor licenses given by the City.

11 The motion carried 5/0.

12 13 **AGENDA ITEM 6. New Business.**

14 **a. 2014 Audit Report Presented by Bill Lauer, MMKR**

15 Bill Lauer, MMKR, described their role in preparing the 2014 Audit Report. He stated that
16 MMKR has issued an unmodified opinion on the City's basic financial statements, meaning that
17 in all material respects, the statements fairly present the financial position of the City as of
18 December 31, 2014.

19 Mr. Lauer reported that similar to past years, MMKR has identified "Segregation of
20 Duties" as a material weakness in internal control over financial reporting. This is primarily
21 caused by the limited size of the City's office staff. Staff and MMKR have agreed that with the
22 addition of an Administrative Services Director, there may be an opportunity to implement
23 internal control procedures that would help eliminate this finding. Mr. Lauer completed the
24 presentation of the Audit Report and answered questions of the Council relating to the Report.

25 The Council asked if there were guidelines as to what can be done to correct the
26 weaknesses in internal control over finance reporting. Mr. Lauer responded this weakness is
27 common in a city of this size and it is important to have more checks and balances with people
28 handling payments. He stated Wayzata is a very strong, well-run City.

29 30 **b. Consider Approval of Gravel Bed Tree Nursery – Presentation by Manuel Jordan 31 and Kyle Morris**

32 Mr. Dudinsky introduced Manuel Jordan, Heritage Shade Tree Consultants, 6347 Minnewashta
33 Woods Drive, Excelsior, and Kyle Morris from the City Parks Department. Messrs. Jordan and
34 Morris presented a report describing the benefits of using a gravel bed tree nursery system, as
35 Wayzata has many projects on the horizon offering potential opportunities to maximize the
36 dollars spent on tree plantings through the use of such a system. These opportunities include
37 replanting from ash tree removals, Bushaway tree plantings, and possible volunteer tree plantings
38 around the City. By implementing a gravel bed system, the City can save money and time on tree
39 plantings, increase community involvement, diversify the tree population, and significantly
40 increase the survivability rates of newly planted trees to ensure a continually beautiful cityscape
41 for the future.

42 Staff recommends the Council approve the building of a gravel bed system at Public
43 Works at an estimated cost of \$6,200. The project is proposed to be funded from the Parks CIP
44 line item "Planting, Removal, and Maintenance of City Trees," which has a \$45,000 budget for
45 2015.

46 The Council asked about the frost line and why the roots do not freeze in the winter. Mr.
47 Jordan responded this system is designed to keep trees in the gravel bed for one season and it is
48 not recommended to keep them longer than that. However, he does know of a company that kept
49 the trees longer and did not experience any harm from the winter season.

1 The Council asked how many trees can fit in the proposed 10 by 50 foot space and what
2 would the cost be. Mr. Morris responded it would accommodate 65-85 trees. Mr. Jordan stated
3 the cost would be \$30 to \$70 per plant, depending on the species purchased.

4 The Council inquired if there was a way to be creative with watering these plants through
5 rain collection. Mr. Dudinsky stated there is \$3,000 budgeted for irrigation.

6 The Council asked if it is possible to partner with other cities to have trees stored this
7 way. Mr. Jordan responded he anticipates with the projects in Wayzata for the next three to four
8 years, this would not be possible.

9 The Council questioned why this project would come out of Parks CIP. Mr. Dudinsky
10 stated this fund has been increased to \$45,000 in anticipation of the Emerald Ash Borer.

11 Mr. Mullin made a motion, seconded by Mrs. Anderson, to approve the use of a gravel
12 bed tree nursery at Public Works. The motion carried 5/0.

13
14 The Council recessed at 9:41 p.m. and reconvened at 9:47 p.m.

15
16 **c. Consider 2015 Parking Lot Pilot Programs and Update on Pre-Design for Mill**
17 **Street Ramp**

18 Ms. Nelson reported on the recommended 2015 Downtown Parking Lot Pilot Programs, which
19 include valet parking, employee parking, and parking enforcement. Jo Ann Olsen, SRF
20 Consulting, stated the Parking Lot Pilot Programs will take place from June 1, 2015 through
21 August 30, 2015. Valet parking would be available 11:00 a.m. to 11:00 p.m. Monday through
22 Thursday at a cost of \$6.00 per car with a charge to the City of \$50 per day.

23 The Council asked questions about data collection on this Program and suggested asking
24 people how they felt about the valet service and whether they were a visitor or a Wayzata
25 resident. Ms. Olsen reported they are attempting to determine which businesses are interested in
26 participating in designated employee parking. These lots include City Hall, Marquee Plaza
27 Ramp, third level, and the Promenade.

28 Ms. Olsen stated the on street two-hour parking will stay the same, but will now be
29 enforced. The Council suggested posting new signs to show the two-hour limit will be enforced.

30 Jim Lasher, SRF Consulting, asked Council's opinion on having two-hour parking on the
31 West City lot. The Council agreed with this proposal and suggested having it extend Broadway
32 up to Rice Street as well.

33 Mr. George Carisch, owner of Marquee Place parking ramp and building, stated he would
34 send a notice to all of his tenant to make them aware of these changes.

35 Mrs. McCarthy stated the South lot could be closed for valet parking in order to make it
36 safer and more efficient for the valet service. Mr. Tyacke expressed it does not seem like an ideal
37 spot for valet parking. Mrs. Anderson suggested closing the lot for valet only on Friday and
38 Saturday evening. Mr. Willcox recommended Mr. Lasher look at making the South lot valet
39 parking only.

40 Mr. Lasher reported on goals and benefits of a Mobility Management District. The
41 annual cost for the parking district would be \$26,000 for the following four uses: bike center and
42 restrooms, wayfinding signage, valet parking, and administration. This would cost businesses
43 \$.07 per square foot per year. He further reported the annual cost of parking stalls is \$112,500
44 and businesses that need parking would pay \$250 per stall per year.

45 Mr. Lasher gave an update on the pre-design of the parking ramp. He reported the
46 parking ramp will have up to 300 additional spaces, a maximum height of 975 feet, stair and
47 elevator towers, public restrooms, real time signage on the exterior of the ramp, secure bike
48 storage, storm water improvements, and additional development opportunities.

49 The Council asked for clarification on the timeline of the project. Mr. Lasher stated he
50 hopes the site plan will be selected at the June 2 meeting with final approval in July. Mrs.
51 Anderson stated she does not think this will be enough time to make this decision. Mrs.

1 McCarthy stated it is fast, but she would look to staff for an understanding on what all the
2 numbers mean. Mr. Willcox stated he is comfortable moving forward with these dates.

3 Mr. Tyacke made a motion, seconded by Mr. Mullin, to approve the 2015 Parking Lot
4 Pilot Projects as modified, and move forward with the design dates as presented.

5 Mrs. Anderson requested that the two items in the motion be separated. She explained
6 she is in favor of approving the Parking Lot Pilot Projects, but not in favor of the design dates as
7 presented and will not support the motion if both items are included together. Messrs. Tyacke
8 and Mullin indicated the two items in the motion go together and do not need to be separated.

9 The motion carried 4/1 (Anderson).

10
11 **d. Consider Approval of Implementation of Muni Delivery Program**

12 Mr. Uram reported Muni General Manager Castellano and his staff have developed a delivery
13 policy for Wayzata Wine and Spirits. Mr. Castellano presented details of the delivery policy and
14 stood for questions from the Council.

15 The Council asked about the lack of a delivery fee and a minimum \$30 order and
16 suggested having a delivery fee for smaller orders and waiving the fee for larger orders. Mr.
17 Castellano stated the \$30 minimum is to maintain an average transaction.

18 The Council asked for clarification on why there is delivery to the marina, but not
19 dockside. Ms. Nelson stated this was discussed at the staff level as there was concern about
20 delivery to a boatful of minors that may have one qualified purchaser. The Council stated it was
21 comfortable with the proposed policy on this item.

22 The Council inquired about the delivery radius and insurance coverage. Mr. Castellano
23 stated every delivery that goes out is covered.

24 Mrs. Anderson stated she did not know of other businesses that lease a vehicle for
25 delivery and would like to see another plan instead of making an investment on a \$10,000 lease.
26 Mr. Uram advised there is concern about liability with employees using their own vehicles, and
27 the vehicle will also be used for the Wayzata Bar and Grill for catering. There is the possibility
28 of acquiring an internal vehicle from the Police Department. If this does not happen, there needs
29 to be another plan in place. Mr. Uram stated leasing a vehicle has been a key initiative with the
30 Muni business plan and staff would like it implemented as soon as possible. Mrs. McCarthy
31 agreed it is a good plan to lease if it will also be used for catering.

32 Mr. Mullin stated the Council has been asking for this, staff has provided a plan, and he
33 believes it will pay for itself.

34 Mrs. Anderson inquired if a one-year lease had been considered. Mr. Uram stated that a
35 one-year lease is more expensive. Mr. Willcox stated he sees a demand for food delivery in
36 addition to the catering aspect by Wayzata Bar and Grill and supports the recommendation. Mrs.
37 Anderson stated she will support the recommendation if the Muni is involved, but would like to
38 see data after one year. Mr. Tyacke stated he is concerned about the cost, but it is important to
39 keep moving forward with the business plan and he supports the recommendation.

40
41 **AGENDA ITEM 7. City Manager's Report and Discussion Items.**

42 **a. Update on Legislative Session**

43 Ms. Nelson stated Senator Osmek is very optimistic about the Capital Bonding Bill for 2016 and
44 committed to continuing to work on it for Wayzata and Excelsior. There will not be a bonding
45 bill this year and unlikely in the special session.

46
47 **b. Update on Strategic Planning Event**

48 Ms. Nelson indicated she plans to report on this event at the June 2 meeting for Council review.

49
50 **c. Bushaway Project**

1 Ms. Nelson stated there is more work to be done and staff is looking forward to restarting a
2 Bushaway Committee to address issues with the project.

3
4 **d. Announcements**

5 Mr. Willcox announced on Monday, May 25, there will be a service at the cemetery at 10:00 a.m.
6 and a Memorial Day Service at Heritage Park at 11:30 a.m.

7
8 The Council confirmed with Ms. Nelson that staff may proceed with the next steps on the 253-
9 259 Lake Street project.

10
11 Mrs. Anderson reported Dig-It was a success with the leadership of Pat Broyles, Lynn McCarthy,
12 and all the volunteers. She also thanked the Public Works staff for their work with the event.

13
14 **AGENDA ITEM 7. Public Forum Continued (if necessary).**

15 There were no comments.

16
17 **AGENDA ITEM 8. Adjournment.**

18 Mrs. McCarthy made a motion, seconded by Mr. Tyacke to adjourn. There being no further
19 business, Mr. Willcox adjourned the meeting at 11:11 p.m.

20
21 Respectfully submitted,

22
23 *Becky Malone 06-02-2015*

24
25 Becky Malone
26 Deputy City Clerk

27
28 Drafted by Shannon Schmidt
29 *TimeSaver Off Site Secretarial, Inc.*