

**WAYZATA CITY COUNCIL
MEETING MINUTES
November 17, 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, Director of Public Service Dudinsky, Director of Planning and Building Thomson, Management/Planning Intern Peters, City Engineer/Assistant Director of Public Works Kelly, and City Attorney Schelzel.

AGENDA ITEM 2. Approve Agenda.

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

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

a. MCES Update on 2016 Shoreline Drive Project

Mr. Tim O'Donnell, Metropolitan Council Environmental Services (MCES), reported on a sewer repair project scheduled for 2016, and the various options for repairing the sewers and the potential closure of Shoreline Drive. He reported on the purpose of MCES and the aging infrastructure of the sewer system.

Mr. Jeff Schwartz, MCES Project Manager, reported on the different phases of the proposed sewer improvement project for Wayzata and indicated they will work with City staff to decide on an option that works best.

The Council suggested MCES contact surrounding school districts to inform them of the potential work and closure of Shoreline Drive as it may affect bus routes.

The Council asked when MCES would know how long the construction disruption would be, in order to plan the project. City Engineer Kelly stated this project has a better chance on being on schedule than other recent projects in the City.

The Council expressed concerns with the project's impact on businesses in town. Mr. Schwartz stated they would prefer to close the entire road and do the project as originally designed. There are options that may allow the road to remain open, but this may delay the project. Due to the poor conditions of the existing pipe, a delay is not desirable.

The Council agreed that due to all the recent road construction in Wayzata and the impact it has had on residents and businesses, it would like to see other options explored that would not completely disrupt traffic. Mr. O'Donnell agreed and stated they look forward to working with staff to find a solution to present to the Council.

Council expressed that it is important to keep access open to Wayzata, and requested MCES look at the detours that are planned as there may be some other options to consider. MCES stated it will keep the public updated through public meetings, mailings, the website, email, and text alerts.

Terry Huml, 293 Grace Point Court, stated it would be devastating for the businesses in town if this road is closed. She suggested to either take the bike lane out and make that a temporary lane, or not start the project until 2017. She also suggested having a person in place that can oversee all these kinds of projects going forward, to make sure they do not overlap.

b. Mill Street Parking Ramp

Mayor Willcox invited people in audience wishing to speak on the proposed Mill Street Parking Ramp to speak.

Barry Petit, 420 Peavey Lane, stated the ramp should reflect the vision of Wayzata, and not just a desire to build to capacity of the available dollars. He found the design concepts

presented to date to be disappointing, and stated that they should be more simplistic. He suggested the Council find a local, talented ramp designer instead of using a construction manager.

Mary Webster, 726 Widsten Circle, stated more parking is needed and she supports the grade plus one design with a partial roof. The final ramp needs to reflect the Council's vision. She stated she does not support spending \$2.7 million on an additional level that is only needed on weekends four months out of the year.

Chris Morrison, 728 Widsten Circle, stated with the resources available, there is a unique opportunity for the City to have more development spread out over Lake Street. That opportunity may be forfeited with the proposed parking ramp.

Terri Huml, 293 Grace Pointe Court, stated there will be more visitors and businesses coming to Wayzata in the future. She stated the only viable solution is to build a parking ramp that is beautifully designed, has multiple capabilities, and is grade plus two.

Peter Hitch, 1350 Wayzata Boulevard East, Wayzata Chamber of Commerce Chair, stated the Bushaway project should be completed before the Shoreline Road project is started. The Chamber of Commerce supports a grade plus two ramp, and would like the design to reflect the City and meet the needs of Wayzata. He stated the Chamber sent out a petition and 70 people responded in favor of a grade plus two ramp.

AGENDA ITEM 4. New Agenda Items.

None.

AGENDA ITEM 5. Consent Agenda.

The Council removed item h. from the Consent Agenda to delay the vote on Resolution No. 45-2015 Adopting the Updated Lake Minnetonka Emergency Operations Plan until Council hears the full report at the regular Council meeting on December 1.

Mrs. Mullin made a motion, seconded by Mrs. Anderson, to approve the consent agenda, as amended to remove item h.:

- a. City Council Workshop Meeting Minutes of November 4, 2015 and November 9, 2105 and City Council Regular Meeting Minutes of October 20, 2015 and November 4, 2015.
- b. Approval of Check Register
- c. Municipal Licenses Which Received Administrative Approval (Informational Only)
- d. Approval of Municipal Licenses
- e. Police Activity Report
- f. Building Activity Report
- g. Consider Adoption of Citywide Public Art Policy
- h. ~~Approval of Resolution No. 45-2015 Adopting the Updated Lake Minnetonka Emergency Operations Plan~~

The motion carried 5/0.

AGENDA ITEM 6. Public Hearing.

- a. **Consider Approval for an On-Sale Wine License and On-Sale 3.2% Malt Liquor License for Ametrine, Inc. DBA "People's Organic Coffee and Wine Café"**

City Manager Nelson reported the new owner of Peoples Organic Coffee and Wine Café, applied for an on-sale wine license and an on-sale 3.2 percent malt liquor license for their restaurant located at 765 Lake Street East. Staff recommends approval of both licenses.

Diane Alexander, new owner of "People's Organic Coffee and Wine Café", stated she is excited to continue to offer an organic and diverse menu.

Mayor Willcox opened the public hearing at 7:58 p.m. There being no comment, Mayor Willcox closed the public hearing at 7:59 p.m.

1 Mr. Tyacke made a motion, seconded by Mrs. Anderson, to approve the On-sale Wine
2 License and On-Sale 3.2 percent Malt Liquor License for Ametrine, Inc. DBA "People's Organic
3 Coffee and Wine Café". The motion carried 5/0.

4
5 **AGENDA ITEM 7. New Business.**

6 **a. Finalize Programming and Pre-Design for Mill Street Ramp**

7 City Manager Nelson reported on the work that has been completed over the past year on the
8 Downtown Parking Project. She informed the Council that the Beltz Family has withdrawn their
9 interest in a potential commercial corner as part of the Mill Street Ramp, so the City is no longer
10 pursuing a potential commercial corner for the ramp.

11 Director of Planning and Building Thomson outlined the three options for a parking
12 ramp: (1) a grade plus one level at an approximate cost of \$7,020,000, (2) a grade plus two level at
13 an approximate cost of \$9,720,000, and (3) a grade plus two level with a roof at a cost of
14 \$12,300,000. He also reviewed the major pros and cons of each option, and the zoning
15 considerations and processes involved for the project.

16 Ms. Nelson reported on the status of the Carisch Ramp. The easement for free public
17 parking covers 285 stalls and is set to expire on August 17, 2017. Negotiations for extending the
18 easement have been unsuccessful.

19 Ms. Nelson reviewed the capital cost estimates for the ramp options, how those estimates
20 were reached, and some of the aesthetic details of the ramp. She outlined the potential funding
21 sources, including TIF revenues.

22 Ms. Stacie Kvilvang, Ehlers and Associates, reviewed TIF funding mechanisms and the
23 impact of TIF on school districts. Mr. Joel Sutter, Ehlers and Associates, further explained how
24 TIF does and does not affect school finances and taxation. The Council requested that Mr.
25 Sutter's presentation be available to the public and made it part of the Council Meeting record.

26 Ms. Kvilvang reported on the plan of finance, differences in the funding sources, potential
27 funding gap, and estimated tax impact for the various parking ramp options.

28 The Council asked staff what the valuation of apartment buildings are, and what the tax
29 impact would be for the residents living there. Ms. Nelson stated they could make that
30 information available and run a few scenarios to see what the tax impact would be.

31 The Council stated the numbers in used in the staff and consultant plan of finance
32 presentations are modeling a worst-case scenario burden based on conservative assumptions of
33 TIF performance. In a conservative scenario, over 90 percent of the burden is still being carried
34 by commercial property.

35 Ms. Nelson reported that Civitas, the design firm for Lake Effect, was provided
36 background material from the downtown parking project work, and observed the site and
37 conditions in downtown when on the site. She noted that Civitas felt that: 1) The location for the
38 ramp at Mill Street is appropriate given its ownership, current use, and proximity to the need for
39 parking; 2) A grade plus two parking ramp option ensures adequate parking for valet service and
40 any shifts in parking on Lake Street; 3) Estimated capital costs may be too low; and 4) There was
41 a need to balance capital needs of parking with capital needs of Lake Effect with possible
42 funding.

43 Ms. Nelson reviewed what was learned from the Parking Pilot Projects from summer
44 2015: 1) Employee Parking – should still be pursued; 2) Public Valet – there is a market for it, but
45 requires a designated space for that use; 3) Two-hour Parking Enforcement – change from two-
46 hour parking to three-hour parking; and, 4) Docks – will continue to track usage, Trolley – 2016
47 budget includes Trolley operation for two days a week.

48 Ms. Nelson reported on the costs associated with the Parking and Mobility District. Mrs.
49 Anderson stated under the mobility and wayfinding allocations, dock staff and a shuttle trolley
50 surface allocation are options that could be added based on previous conversations. The

1 administrative costs that are listed do not include any enforcement and any parking management
2 costs would be additional.

3 The Council asked why the Parking and Mobility District would not be set up if there was
4 no ramp. Ms. Nelson said a Special Service District could be set up.

5 Mr. Jay Lindgren, Dorsey & Whitney Law Firm, City consultant, reported on the variety
6 of procurement options for the ramp. These options include: 1) Design/bid/build; 2) Agent
7 Construction Manager; 3) Construction Manager at risk; and 4) Design/build or Construction
8 Manager/Design Team.

9 Ms. Nelson stated Council should direct staff whether to finalize the Downtown Parking
10 Project-Programming and Pre-Design, and proceed accordingly with Architectural and
11 Engineering (A & E) services for the options designated by Council. She noted it is also an option
12 to proceed with design on both a grade plus one ramp and a grade plus two ramp to get a better
13 idea what it will look like, but that option would be more expensive.

14 The Council asked if the existing 2002 development agreement with the Beltz family will
15 need to be amended. Mr. Lindgren stated he would need to look at the agreement again, but
16 thought the requirements under that agreement were met by building the parking ramp.

17 The Council asked about the funding sources, allocations tied to them, and what cash was
18 originally allocated in each of the funds before it was pulled to be used as cash on hand. Ms.
19 Nelson stated staff looked at the general CIP fund and projects associated with the housing fund
20 for the next five years and pulled out what could reasonably be used. The money taken from the
21 water fund and storm water fund were to cover the water infrastructure and storm sewer
22 infrastructure estimates for the project.

23 The Council recessed at 9:28 p.m. and reconvened at 9:36 p.m.

24 Mayor Willcox stated there were letters submitted by Mr. and Mrs. McWethy, the Carisch
25 Family, and two letters from the Wayzata Chamber of Commerce.

26 Ms. Becky Pierson, Greater Wayzata Area Chamber of Commerce, submitted the Mill
27 Street Parking Ramp Petitions for the Public Record.

28 Councilmember Tyacke stated this is an opportunity to create a place to park for more
29 opportunities in the future. He supports a grade plus two ramp without a roof, but would like to
30 see a design of what a roof would look like.

31 Councilmember McCarthy stated she supports a grade plus one ramp with a roof. She is
32 concerned the projected cost is too low.

33 Councilmember Anderson stated she does not feel that the experts have looked at the
34 entire City of Wayzata to see where a ramp should go or how parking should be spread out. This
35 ramp benefits the commercial property and the residents are paying for part of the bill.
36 Councilmember Anderson stated there are a lot of projects going on in the City, the cost will be a
37 strain on future communities of Wayzata and future Councils, and she would like to be more
38 conservative with spending. She found the timing of the decision of the project is off and the
39 design team of Lake Effect needs to be more involved with it. If a ramp does come in, design is
40 very important, and the estimated budget will not cover the cost. Councilmember Anderson
41 stated it is a lot of money to spend for peak hours that are 5 percent of the year. She will have a
42 hard time moving forward with TIF funding and bond obligation not knowing where the specific
43 dollars are coming from and what they were once allocated for. She would support a smaller size
44 ramp with topnotch design and a roof, and to move forward with a Parking District considering
45 the alternatives that can be done with the shuttle, enforced parking, valet parking, and employee
46 parking.

47 Councilmember Mullin stated while there is risk with this ramp, he sees the opportunity
48 and benefit it will have for everyone, not just the commercial sector. He believed that the Parking
49 District and development of the ramp are the most powerful development tools that the City has.
50 He noted there are ways to place the ramp into the hill with landscaping without putting an

1 expensive roof on it. He supports a grade plus two ramp, while staying within the budget and
2 using creative design elements to drive down costs.

3 Mayor Willcox thanked the staff and consultants for their work. He noted the City has
4 made many upgrades over the last 20 years, and he sees this ramp as part of staging Wayzata for
5 the future. The neighborhood that is affected by this is a concern, and the design of the ramp
6 needs to be as least obtrusive as possible. Mayor Willcox stated he supports a grade plus two
7 ramp, and would like to look at other options for a roof.

8 Mr. Tyacke made a motion, seconded by Mr. Mullin, to direct staff to finalize Downtown
9 Parking Project-Programming and Pre-Design for Mill Street Ramp section and proceed with
10 Architectural and Engineering Services for a grade plus two ramp, exploring design options for a
11 roof and amenities that would screen from a visual and security perspective the neighborhood to
12 the north.

13 Mr. Mullin requested the addition of two friendly amendments: 1) Include suggestions
14 made by Councilmember Anderson around the transportation elements that include trolley, valet
15 service, and the dock that can help balance out how to relieve the pressure of parking; and, 2)
16 Request staff to bring back the list of specs for the ramp, that include the amenities and optional
17 features of the ramp.

18 Ms. Nelson repeated the motion made and seconded, and summarized the friendly
19 amendments, which were accepted: to include in the district cost the operations for the trolley,
20 valet service and dock master staff, and that staff would bring back a summary in advance of
21 preparation of the RFP that would clearly outline the specifications of the ramp for amenities and
22 features to ensure alignment before the RFP would be drafted.

23 With Tyacke, Mullin and Willcox voting yes, and McCarthy and Anderson voting no, the
24 motion carried 3/2.

25 Ms. Nelson stated the financing for the Project will need to be voted on and passed by a
26 4/5 vote of Council. Mr. Willcox requested the financing plan be discussed at the next meeting.
27 Mr. Tyacke suggested a design of the ramp be made available before decisions of finance are
28 made. Mrs. Anderson stated she is hesitant to put off the discussion of finance because more
29 money will be spent rendering a design. Mrs. McCarthy stated she cannot support a grade plus
30 two ramp because of the large size of it and therefore cannot support the financing.

31 Mr. Mullin asked Mrs. McCarthy if a compromise could be made between a grade plus
32 one ramp and a grade plus two ramp. Mrs. McCarthy stated if it doesn't adversely impact the
33 community as a whole, she would consider it.

34 Mrs. Anderson stated she is not confident that a different design would solve the issues,
35 and that there have not been discussions with Lake Effect project around how much development
36 is wanted in the City.

37 Mr. Willcox stated his concern is that there are many things in the City that are contingent
38 on creating a parking structure to accommodate those future things.

39 Mr. Tyacke stated he recalled at a previous workshop meeting that the City could get two
40 to three design firms to create a design at no cost. Ms. Kvilvang confirmed Mr. Tyacke's
41 comment, but stated it is usually around a unified vision. She suggested talking with the potential
42 firms to see if something can be drawn up.

43 Mr. Mullin asked Mrs. McCarthy and Mrs. Anderson if there is anything that could be
44 done that would help achieve a compromise. Mrs. McCarthy stated she is comfortable with
45 where the funding is coming from, but the mass and design of the ramp needs to be different.

46 Mr. Willcox requested staff pursue some design firms to try and come up with designs that
47 address the concerns.

48 49 **b. Consider Approval of 2016 Revised Special Event Permit Application Form**

50 Director of Public Service Dudinsky reported the proposed 2016 fee for Annual Chamber of
51 Commerce Events is \$750, which is down from \$1,500 in 2015. Staff recommends approval of

1 the proposed 2016 Special Event Permit Application Instructions, Fee Schedule and Permit
2 Application Form.

3 Becky Pierson, Greater Wayzata Area Chamber of Commerce, requested staff look at
4 surrounding communities and their fees for Chamber events. The Wayzata fees are well above the
5 norm of other communities. She requested the fee be the same amount as in 2014, or even lower.

6 Peter Hitch, 1350 Wayzata Boulevard East, Wayzata Chamber of Commerce Chair, stated
7 out of the nine cities they researched, seven of them did not charge a fee because they viewed the
8 event as a partnership.

9 The Council asked staff what the charge was for Police and Public Works services for
10 James J. Hill Days. Mr. Dudinsky stated he does not know the exact number. The entire bill for
11 Police for the three-day event is billed to the Chamber. For Public Works, the Chamber is only
12 billed for time spent on overtime. The bill is estimated to be \$3,000-\$5,000.

13 Messrs. Tyacke and Mullin stated they would be willing to go down to \$600.

14 Mrs. McCarthy stated she supports staff recommendation at \$750.

15 Mrs. Anderson supported either reduction.

16 Mr. Willcox supported \$500 or less and to consider dropping it in future years.

17 Mrs. Anderson made a motion, seconded by Mr. Mullin, to approve a reduced event fee
18 for Chamber of Commerce designated City events to \$600. The motion carried 4/1. (Willcox)

19
20 **c. Review Treatment Plant #2 Feasibility Study and Authorize to Complete Final Plans**
21 **and Specifications, and Advertise for Bids**

22 Director of Public Service Dudinsky reported on the Water Treatment Plant 2 (WTP2) feasibility
23 study that was completed by Stantec. The rehabilitation cost is \$1,110,000 and the water capital
24 improvement fund is able to accommodate these costs. He reported it is recommended the vines
25 be taken off the building because of the damage they cause to brick and some windows need to be
26 repaired. Staff recommends the Council authorize completion of Final Plans and Specifications
27 for the Rehabilitation of WTP2 and Authorization to Advertise for bids.

28 The Council suggested, for aesthetic reasons, that staff explore using a trellis for the vines
29 instead of taking them off.

30 The Council asked why architectural costs of the rehabilitation cost estimate are not
31 considered general maintenance. Mr. Dudinsky stated one of the goals of the rehabilitation is to
32 see what can be done to increase the life of the water treatment plant and to keep the costs down
33 between rehabilitations, which occur every 20 years.

34 Mrs. Anderson made a motion, seconded by Mrs. McCarthy, to authorize completion of
35 Final Plans and Specifications for the Rehabilitation of WTP2 and Authorization to Advertise for
36 Bids and to look at the architectural rehabilitation costs to see what needs to be replaced. The
37 motion carried 5/0.

38
39 **d. Consider Interim City Manager Appointment and Selection of Executive Search**
40 **Firm for New City Manager**

41 Mayor Willcox reported the Council interviewed three Interim City Manager Candidates. Since
42 then one candidate, Jim Brimeyer, withdrew his name. The remaining Interim City Manager
43 candidates are Chris Enger and Douglas Reeder.

44 The Council voted by ballot to appoint and engage Douglas Reeder as Interim City
45 Manager during the anticipated transition to a new City Manager. (4/1)

46 Mr. Willcox reported the Council interviewed the following Executive Search Firms to
47 help the City find a new City Manager: Sharon Klumpp with Waters and Company, a Springsted
48 Company; and Richard Fursman with Brimeyer Fursman.

49 The Council voted by ballot to engage Sharon Klumpp with Waters and Company, a
50 Springsted Company as the Executive Search Firm for a new City Manager. (3/2)

e. Consider Resolution No. 42-2015 Approving HRA Appointment

Mr. Tyacke made a motion, seconded by Mrs. McCarthy, to approve Resolution 42-2015, approving Housing and Redevelopment Authority Board Appointment of Roger Wothe. The motion carried 5/0.

f. Consider Resolution No. 43-2015 Approving Planning Commission Appointments

Mrs. Anderson made a motion, seconded by Mr. Tyacke, to approve Resolution 43-2015, approving Planning Commission Appointments of Gregory Flannigan and Patrick Murray. The motion carried 5/0.

g. Consider Resolution No. 44-2015 Approving Parks and Trails Board Appointments

Mrs. Anderson made a motion, seconded by Mrs. McCarthy, to approve Resolution 44-2015, approving Parks and Trails Board Appointments of Joanie Cunningham and Merrily Borg Babcock, and Dan Baasen as the Executive Board Chair. The motion carried 5/0.

AGENDA ITEM 8. City Manager's Report and Discussion Items.

a. Update on Telecom Site Feasibility Study

Director of Public Service Dudinsky gave an update on the Telecom Site Feasibility Study. Some borings were done at the Wayzata School Telecom Site and in some areas, boring ground was not found. Additional boring and soil preparation will be costly. He recommended SEH put a hold on their work until more information is gathered.

Mr. Mullin stated because of the location, it would be worth spending more money to make it work. Mrs. Anderson stated she does not like where the proposed access road is located. Mr. Willcox stated it could be accessed through the existing parking lot and he would like to keep the site near the tennis courts. The Council recommended staff continue with the soil boring to find boring ground.

b. Other

Ms. Nelson announced the Tree-Lighting event is scheduled for Friday, November 27. There will be music from 5:00 p.m. to 6:00 p.m. at the Depot. The parade of fire trucks will start at City Hall at 6:00 p.m. and end with the tree lighting at 6:15 p.m. at the Depot.

Ms. Nelson stated they are working closely with the County to get Bushaway Road opened from Minnetonka up to McGinty Eastman.

AGENDA ITEM 8. Public Forum Continued (if necessary).

There were no comments.

AGENDA ITEM 9. Adjournment.

Mrs. McCarthy made a motion, seconded by Mrs. Anderson to adjourn. There being no further business, Mr. Willcox adjourned the meeting at 11:22 p.m.

Respectfully submitted,

Becky Malone 12-01-2015

Becky Malone

Deputy City Clerk

Drafted by Shannon Schmidt

TimeSaver Off Site Secretarial, Inc.