WAYZATA CITY COUNCIL
MEETING MINUTES
July 19, 2016

AGENDA ITEM 1. Call to Order and Roll Call.
Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Anderson, Mullin, and Tyacke. Council Member excused: McCarthy. Also present: City Manager Dahl, City Attorney Schelzel, Director of Public Service Dudinsky, and Director of Planning and Building Thomson.

Mayor Willcox advised that Mrs. McCarthy was absent and excused from the Council meeting.

Mayor Willcox stated the Council met in Workshop prior to the meeting and discussed administrative staffing needs, the purchase of Mill Street and Superior/Lake Street properties, and an updated noise wall study.

AGENDA ITEM 2. Approve Agenda.
Mr. Tyacke made a motion, seconded by Mr. Mullin, to approve the agenda. The motion carried 4/0.

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

a. Recognition of Retiring Building Official Don Johaneson
Mayor Willcox recognized Don Johaneson, who has been with the City of Wayzata for 22 years and presented him with a commemorative clock.

Mr. Johaneson thanked the City Council and staff for their support.

b. Update on Legislative Session – State Senator David Osmek
Senator David Osmek provided an update on the legislative session. The Highway 12 bonding bill was not successfully passed, but safety money was in every single bonding bill this legislative session. He hopes to have a special session in late August so that it can be passed.

Senator Osmek reported on a tax bill that he did not support, that was pocket vetoed and passed. It included an additional $20 million in local government aid and a 2019 tax provision that allows the State to capture sales tax on internet purchases.

Senator Osmek stated he supported the Digital Right to Repair Bill, which allows small businesses to extend the life of digital equipment. He has also received questions regarding opioid legislation from the public.

Mr. Tyacke inquired about how the required level of budgetary reserve of 4.5% to 5% will impact local governments. Senator Osmek commented the State Auditor's office states there has to be an unreserved, undedicated fund of 20% to 25% and it would not impact local governments.

Mr. Mullin inquired about the Rail Safety Bill as it relates to Wayzata. Senator Osmek stated there are no updates on that bill. He received $4 to $5 billion dollars' worth of requests that had to be cut down, and that is where Wayzata was cut from it. It will be worked on again in 2017.

Mayor Willcox asked about the TIF extension request on Widsten. Senator Osmek stated he supports it, it was not supported by others, and he will keep working on it.

c. HRA Annual Report – Tom Shaver, Chair
Tom Shaver, Housing and Redevelopment Authority (HRA) Chair, reported on the history and objectives and goals of the HRA. There have been six TIF district established and two remain

active. The largest TIF district in place is the Bay Center Redevelopment. The most active TIF district is the Mill Street parking ramp. The HRA held their annual meeting on April 28 and reported their income and balance sheets are in good standing. The next HRA meeting will be on August 2. He announced Dr. McGill is retiring from the HRA and will be missed.

The Council thanked Mr. Shaver for his leadership with the HRA.

d. LMCD Update – Dan Baasen

Dan Baasen, Lake Minnetonka Conservation District (LMCD) Board Member, 912 East Shady Lane, Wayzata, stated they hired Jim Brimeyer as the Interim Director and have received 21 applications for the Director position. He reported on issues at Cruisers Cove, July 4 public safety update, revised LMCD codes, challenges with milfoil harvesting, issues with stolen buoy lights, boater safety education courses, and the LMCD budget.

Mr. Tyacke asked about the preventative efforts around invasive species. Mr. Baasen stated they are losing the battle with zebra mussels and trying to stay on top of the milfoil issues.

Mrs. Anderson requested clarification on whether the LMCD plays a role in the closing of beaches for bacteria. Mr. Baasen commented they are aware of the closures, but it is not their area of authority. Geese are the cause of the bacteria on the beach.

Mr. Mullin asked about the Lake Effect project and the LMCD. Mr. Baasen commented the LMCD is very interested and supportive of what is accomplished with the Lake Effect.

At the request of Mayor Willcox, Mr. Baasen commented he has been the Wayzata representative with the LMCD for six years and has also served as the vice-chair and chair.

Mayor Willcox thanked him for his service.

e. HRA Retiree, Dave McGill - Charlie Schoen

Charlie Schoen, 401 Lake Street, commented Dave McGill was nominated to the HRA on July 31, 1967. He requested the Council not accept Mr. McGill's resignation until next month so that he can have served 50 years as a nominee to the HRA. He reported on the many ways Wayzata has benefitted from having Mr. McGill serving in Wayzata.

f. Congressman Erik Paulsen - Angie Hasek

Angie Hasek, 250 Prairie Center Drive, Eden Prairie, spoke on behalf of Congressman Paulsen, advised their office is at the Star Bank building in Eden Prairie, and encouraged people to contact them if they need help with veteran's benefits, social security, passports, or anything related to the Federal Government.

<u>AGENDA ITEM 4. New Agenda Items.</u>

None.

<u>AGENDA ITEM 5. Consent Agenda.</u>

Mrs. Anderson requested item 5(j) be pulled from the Consent Agenda until the August 3 meeting.

Mayor Willcox asked about item 5(h) and if it had any impact on ground equipment. Director of Public Service Dudinsky reported there will not be any increase in the ground equipment because it will be in the AT&T shelter.

Mayor Willcox commented he lost a couple channels with Mediacom, it took them ten days to respond and they still could not fix the problem. City Manager Dahl stated they met with the franchise agreement attorney and stated they can send notifications when the stipulations within the agreement are not met. If issues are not addressed, the City will start the assessment of damages process. In addition, they will contact Century Link to provide services and competition in Wayzata.

Mr. Tyacke made a motion, seconded by Mrs. Anderson, to approve the amended consent agenda, with the removal of item 5(j) to be tabled until the next meeting on August 3:

a. Approval of City Council Workshop Meeting Minutes of July 5, 2016, and City Council Regular Meeting Minutes of July 5, 2016
b. Approval of Check Register
c. Municipal licenses which received administrative approval (informational only)
d. Police Activity Report
e. Building Activity Report
f. Approval of Second Reading of Ordinance #757 – Tree Preservation Ordinance
g. Approval of Preliminary Plans for a New Home at 141 Wooddale Avenue
h. Approval of Fourth Amendment to AT&T Lease Agreement
i. Mediacom Quarterly Customer Service Report
~~j. Accept Dr. J. David McGill's Resignation from the Housing and Redevelopment Authority, and Charter Commission~~

The motion carried 4/0.

<u>AGENDA ITEM 6. New Business.</u>

a. Update on Telecommunication Feasibility Study Update

Director of Public Service Dudinsky reported on the status of the Telecommunications Feasibility Study and the tasks associated with it. Staff is negotiating with the current tenants regarding two financial scenarios if the City builds a new telecommunication tower on the Wayzata West Middle School site for them to relocate to. The goal is to have the feasibility study completed and a full financial picture with the four tenants in October 2016 in order to be on schedule for starting construction in June 2017.

Mr. Tyacke asked if the school was okay with accessing the site through the school parking lot off Wayzata Boulevard. Mr. Dudinsky stated they verbally agreed to that and it will be described in the site agreement. Mr. Tyacke advised it would be helpful to have a photograph of a 190-foot monopole as a representation of what it will look like before it comes to the Council for approval in October.

Mr. Willcox asked what the date was for repainting the water tower. Mr. Dudinsky stated it is in the CIP for 2020, but may be moved up to 2018.

Mrs. Anderson asked what the range is that would be paid to the school for the lease of the land. Mr. Dudinsky responded it is between $20,000 and $30,000 a year for a 20-year lease.

Mr. Mullin asked why the communication with the tenants was broken into two different waves. Mr. Dudinsky stated the consultants and City Attorneys advised if they could get the two larger tenants to agree, the others would follow.

Mr. Mullin recalled the decision was already made that the refurbishment would be moved from the 2020 CIP to the 2018 CIP. The Council agreed it was going to be pushed up.

Mr. Mullin stated in addition to the monopole, they were going to engage the tenants to put up relay towers around town. Mr. Dudinsky stated this has not happened, but Verizon is working on coming in this fall with antennas on top of Edina Realty.

Dale Romsos, SEH, reported the Feasibility Study is 90 percent complete.

Mrs. Anderson referred to the report and asked if the estimated costs included the poor soils. Mr. Romsos confirmed it did. Mrs. Anderson asked when the smaller antennas would be installed. Mr. Romsos responded it is not clear and it has not been brought out in a broad scale.

Mr. Tyacke inquired if the fencing height of six feet is adequate to keep kids safe. Mr. Romsos stated the six-foot height is a baseline and reflects what is capable of securing the site within the community. A higher fence could be considered.

Mr. Willcox referred to the challenging soils and asked if it changed the design of the monopole. Mr. Romsos stated it did not and they will still use the monopole design. Any changes will take place underground and no guidewires will be used above ground.

Mr. Mullin asked if the use and safety of the monopole design instead of the water tower has been discussed with the tenants in terms of access, serviceability, efficiency and safety. Mr. Romsos stated a monopole is a better investment and only requires lightweight equipment to service it.

Mrs. Anderson recalled discussion regarding negotiating with tenants to participate in the cost of building the monopoles. Legally, the City has to offer the site, but does not have to provide the pole. Mr. Dudinsky stated they are asking the tenants to pay for the construction of the monopole.

At the request of the Council, Mr. Dudinsky provided a timeline of the project. In a month, the feasibility study will be completed. Staff will provide an update on the negotiations. In October, if there is enough information for the Council to make a decision, the project could move forward with construction beginning in June of 2017. If a decision cannot be made in October, the project will get moved back to 2018.

b. Consider Resolution No. 23-2016 Denying Meyer Place on Ferndale Redevelopment Project – 105 Lake Street East

Director of Planning and Building Thomson reported at the last Council meeting, the motion to deny approval of this application failed. Since the last Council meeting, the applicant has provided updated renderings that include minor changes to the colors of the building and additional window openings on the north side of the building.

Mr. Tyacke asked if an amendment to the Comprehensive Plan is needed to provide clarity regarding the requirement of properties to have a commercial element west of Barry Street. Mr. Thomson responded the Comprehensive Plan states that properties west of Barry Street are encouraged but not required to have a commercial element. The zoning district does require 50% of the ground floor of a building have retail or service commercial uses. The zoning district may need to be amended, but not the Comprehensive Plan. The zoning and Comprehensive Plan are consistent today. The Council could consider amending the zoning district to not require it to have retail or amending the Comprehensive Plan if retail is wanted as a requirement.

City Attorney Schelzel stated the zoning should implement the policy that the Comprehensive Plan articulates. If a zoning ordinance is in conflict with the Comprehensive Plan, the Comprehensive Plan would overrule that.

Mr. Tyacke asked if the application could be sent back to the Planning Commission because of the number of revisions made to the application since they reviewed it. Mr. Thomson stated there is not time to do that since the deadline is August 15. In this case, the changes made make it more compliant.

Rick Packer, Homestead Partners, 525 15th Avenue South, Hopkins, commented they have updated the back of the building with more windows and provided additional color options for the building. They are looking for direction on the sidewalk and have heard positive feedback on the other deviations they are requesting.

Mr. Tyacke asked if a two-story plan was ever considered that would comply with the height requirement. Mr. Packer stated it was not because they met the intent of the PUD ordinance based on other buildings that have been approved in the area.

Kathie Doerr, 112 Edgewood Court, resident owner located behind the proposed project, commented the proposed project is too big and tall, it is plain in design and does not match surrounding neighborhoods. The air conditioning units will be noisy to surrounding residents, the roof deck will give off extra noise and is a cover up of the three floor requirement, and parking and traffic will cause additional issues.

Mr. Tyacke agreed with issues the Planning Commission brought forth and stated he is concerned with the density and height of the project. He felt this project did not meet the intent of the PUD.

Mrs. Anderson commented she is still in favor of moving forward. This site has been idle for a long time and any change will be different. Things are different now than they were in 2008 with the Comprehensive Plan. There are retail spaces sitting empty in Wayzata and this plan is a good balance that will provide vibrancy at that end of town. She felt there will not be a developer able to find people to lease 50 percent of retail space at that end of town. Mrs. Anderson stated the design standards that are not met are stuck in time, the project shows the applicant has listened and tried to come up with ideas, and the new color scheme provides a younger feel.

Mr. Mullin commented he would like to see some form of the project move forward, but is uncomfortable where it is at today. He supports the proposed use without retail, more work being done with the PUD and benefit to the public, and more work being done on setback, building recession from the second to third floor, and ground level expression. He is not opposed to the penthouse, but suggested using the roofline to mask the rooftop equipment and patio. He suggested the design reflect a more historic look back to a period that would fit better into the neighborhood. Mr. Mullin felt unintended consequences will come from allowing this building to move forward as is so he supports denial of the application.

Mayor Willcox commented the building that goes into this lot needs to be more diminutive than what is proposed. The PUD does not provide any benefit to the City. If it is going to be three stories, he felt the third story needed to be set way back. Mayor Willcox stated he would not grant variances on anything on the top of the building. He does not support this project moving forward.

Mr. Tyacke made a motion, seconded by Mr. Mullin, to adopt Resolution No. 23-2016 denying Meyer Place on Ferndale Redevelopment Project-105 Lake Street.

Mr. Mullin clarified the applicant can come back with a better application.

The motion passed 3/1 (Anderson).

c. Consider Resolution No. 26-2016 for Subdivision at 320 & 346 Ferndale Road South

Director of Planning and Building Thomson reported the applicant, Peterssen/Keller Architecture and the property owner, Abbey Road Realty, are requesting to combine two existing parcels at 320 and 346 Ferndale Road into a single lot. The existing houses on both lots would be demolished, and one new single-family home would be constructed on the combined lot. The Planning Commission recommends approval of the project.

Mr. Tyacke stated the surrounding houses are historic but this plan is modern. He inquired if the architectural appearance is consistent with the surrounding houses, as stated in one of the findings. Mr. Thomson commented the standard is coming out of the subdivision regulations. In the past, the Council has interpreted it in the general appearance and scale that is seen in the neighborhood, not the architectural style in the surrounding neighborhood.

City Attorney Schelzel stated the neighborhood is actually eclectic, including both contemporary and traditional styles. In Section 3.1.6 of the Resolution, it states the neighborhood "is a combination of contemporary and traditional Lake-side styles."

Mr. Mullin asked if the lot combination triggers a design review. Mr. Thomson advised it is the subdivision that triggers the design review.

Kristine Anderson, Associate Principal/Designer with Peterssen/Keller Architecture, commented the different architectural styles enhance the City. The house consists of heritage materials that are long-lasting. They hope to submit for a building permit in mid-August and starting construction in September.

Mr. Mullin inquired about the grade change on the north of the property. Colin Oglesbay, D/O, landscape designer for the property, commented the land is relatively flat. They are going to remove invasive species and do some restoration work.

Mr. Tyacke asked if there is a fence along the property line. Mr. Oglesbay stated there is a five-foot tall metal fence that runs along the property line down to the shoreline to provide the enclosure for the pool.

Mr. Thomson stated they will work with the applicant on any changes regarding the Shaver Park area.

Mr. Tyacke made a motion, seconded by Mr. Mullin, to adopt Resolution No. 26-2016 Approving Preliminary and Final Plat Subdivision at 320 and 346 Ferndale Road South. The motion carried 4/0.

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

a. Update on Roundabout on Lake Street

City Manager Dahl advised after speed humps are in and The Landing and area road projects are completed, the roundabout will be reevaluated. There will be another public forum for the neighborhood and Council can take direction at that time. This will happen about one year from now.

Mr. Dudinsky commented staff will do traffic counts as requested by the Council, before and after the speed humps are put in, and again after Bushaway is open.

b. Miscellaneous

City Manager Dahl announced Hennepin County has opened the Wayzata Boulevard East frontage road.

Mr. Dahl advised there will be construction at the corner of Lake and Ferndale to replace three water valves. This construction will take two days, will being on Thursday, and will require lane restrictions.

Mr. Dahl announced a new restaurant in Wayzata will open at the People's Organic location.

Mr. Tyacke asked how long the beach will be closed. Mr. Dahl stated it is closed indefinitely and another test will be done tomorrow. Mr. Dudinsky stated there is a new testing method that gives them quicker results on the test.

Mr. Mullin thanked Mr. Dudinsky for his work in dealing with the construction project in front of the BP and lack of sidewalk.

Mayor Willcox announced there will be a luncheon on August 2 to honor Wayzata's first responders. He encouraged people to attend and support them.

c. Upcoming Meetings

- Lake Effect Workshop on Monday, July 25 at 5:30 p.m.
- Night to Unite on Tuesday, August 2
- Next Council meeting will be on Wednesday, August 3 at 7:00 p.m.
- Budget discussion and Mill Street Parking Ramp in Workshop on August 3 at 4:30 p.m.

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

Dan Gustafson, 1042 Circle Dr E, addressed the Council regarding the traffic in the east neighborhood. He invited Councilmembers to visit the neighborhood to observe the traffic that the neighbors experience.

AGENDA ITEM 9. Adjournment.

Mr. Tyacke made a motion, seconded by Mrs. Anderson to adjourn. There being no further business, Mayor Willcox adjourned the meeting at 9:20 p.m.

Respectfully submitted,

Becky Malone 08-03-2016

Becky Malone
Deputy City Clerk

Drafted by Shannon Schmidt
TimeSaver Off Site Secretarial, Inc.