

**MINUTES
MINNETONKA CITY COUNCIL
REGULAR MEETING, MONDAY, DECEMBER 16, 2002**

1. CALL TO ORDER.

Mayor Karen Anderson called the meeting to order at 6:35 p.m.

2. PLEDGE OF ALLEGIANCE.

All joined in the pledge of allegiance.

3. ROLL CALL.

Assistant City Manager GERALYN BARONE called the roll. Council members Dick Allendorf, Linda Koblick, Jan Callison, Al Thomas, Ken Tauer, and Karen Anderson were present. Terry Schneider was excused.

4. REORDERING THE AGENDA.

Council member Allendorf added item 6C, recognition of the Minnetonka Police Explorers for the awards they received at the National Explorer Conference.

City Planner Geoff Olson submitted an addendum changing item 10P from a consent item to item 11B, an item requiring 5 votes.

Callison moved, Tauer seconded a motion to approve the agenda as amended. All voted "yes." Motion carried.

5. MINUTES.

Allendorf moved, Koblick seconded a motion to approve the minutes of the November 25, 2002 regular council meeting. All voted "yes." Motion carried.

6. SPECIAL MATTERS.

A. Community Action Recognition (CAR) Award to Principal Lloyd Law (Groveland Elementary School) and the "Character Counts" program.

Mayor Anderson presented a Minnetonka CAR Award to Principal Lloyd Law. Mr. Law thanked the city council, students, parents and the community.

B. Presentation of Governmental Accounting Standards Board (GASB) Certificate of Recognition for Early Implementation of GASB 34 to Dale Eggenberger, Finance Director, and Greg Sticha, Assistant Finance Director.

Mayor Anderson presented the GASB certificate to Finance Director Dale Eggenberger and Assistant Finance Director Greg Sticha. Sticha thanked Eggenberger and the council for supporting early implementation of GASB 34.

Eggenberger thanked the council and city manager for supporting the city's participation in this program. He said it was a wise financial decision, especially since other cities are spending four times what Minnetonka spent to comply with the new standards. Eggenberger acknowledged Sticha for his leadership on this program.

C. Recognition of awards received by Minnetonka Police Explorers at National Explorer Conference.

Council member Allendorf recognized the awards received by the Minnetonka Police Explorers at the National Explorer Conference and congratulated all the participants and their advisors.

The city council recessed at 6:50 p.m. and reconvened at 7:10 p.m.

7. REPORTS FROM THE CITY MANAGER AND COUNCIL MEMBERS.

City Manager John Gunyou noted that city hall would be closed December 25, 2002 for the Christmas holiday and January 1, 2003 for New Year's Day. He also noted that the next city council meeting would be Monday, January 6, 2003.

Anderson reported that she and Gunyou recently attended the Minnetonka/Plymouth Business Council meeting. She said it was well attended and very informative, and noted Gunyou has been invited to speak at next month's meeting about budget basics.

Koblick said this is her last meeting as a council member before becoming a Hennepin County commissioner. She thanked the council, staff and the community for their support during her tenure. Anderson thanked Koblick for her service, noting the city will be well represented at the county. Tauer said the council would miss her.

8. CITIZENS WISHING TO DISCUSS MATTERS NOT ON THE AGENDA.

John Page, 16908 Marlborough Court, presented a series of questions regarding the proposed 2003 budget. Gunyou responded to the questions after noting that he had spoken to Page last week about the same questions.

9. BIDS AND PURCHASES.

A. Authorization of purchase agreement with Robert and Marion Paul to purchase the property at 13500 Minnetonka Boulevard.

Callison moved, Tauer seconded a motion to authorize the purchase agreement with Robert and Marion Paul to purchase the property at 13500 Minnetonka Blvd. All voted "yes." Motion carried.

10. CONSENT AGENDA (Items Requiring a Majority Vote):

A. Claims for council authorization.

Tauer moved, Koblick seconded a motion to approve the December 3, 2002 claims list, including checks numbered 170882 through 171351 totaling \$1,003,623.27. All voted "yes." Motion carried.

B. Authorization of formal agreement with Sojourner Project Inc. for domestic services for 2003.

Tauer moved, Koblick seconded a motion to approve the renewal of the agreement between the City of Minnetonka and Sojourner Project Inc. for domestic services for the year 2003 at the same rate of \$60 per hour, not to exceed \$15,000. All voted "yes." Motion carried.

C. Authorization of formal agreement with the Learning for Life Program of the Viking Council for a community-based juvenile diversion program for 2003.

Tauer moved, Koblick seconded a motion to approve the renewal of the agreement between the City of Minnetonka and the Learning for Life Program of the Viking Council for a community-based juvenile diversion program for the year 2003 at the same rate of \$200 per youth, not to exceed \$30,000, of which \$10,000 will be paid from a JAIBG grant. All voted "yes." Motion carried.

D. Authorization to enter into an agreement with Minnesota Municipal Utilities Association (MMUA) to provide consultant safety services.

Tauer moved, Koblick seconded a motion to approve the amendment to the agreement with the Minnesota Municipal Utilities Association (MMUA) to provide safety consultant services from January 1, 2003 until December 31, 2003. All voted "yes." Motion carried.

E. Resolution amending the City of Minnetonka's Flexible Spending Account Plan.

Tauer moved, Koblick seconded a motion to adopt Resolution No. 2002-133, amending and restating the City of Minnetonka Flexible Spending Account Plan document effective January 1, 2003. All voted "yes." Motion carried.

F. Resolution authorizing the installation of traffic control devices at various locations within the City of Minnetonka.

Tauer moved, Koblick seconded a motion to adopt Resolution No. 2002-134, authorizing the installation of traffic control devices at various locations within the City of Minnetonka, as follows:

1. "No Parking 8 a.m. to 3 p.m. School Days" on both sides of Greenbrier Road.
2. "No Parking 7 a.m. to 7 p.m." on both sides of McKenzie Point Road.
3. Stop sign on Belmont Road at Welland Avenue.
4. Stop signs on Yorkshire Avenue at Lakeview Drive.
5. Change the yield sign to a stop sign for eastbound Crestridge Drive at Traymore Road.

All voted "yes." Motion carried.

G. Approval of 2003 fee schedules for consulting engineering services.

Tauer moved, Koblick seconded a motion to approve the revised 2003 fee schedules proposed by the city's general services consulting engineering firms, and authorize the mayor and city manager to execute the Addenda to the Agreements for Professional Services with the following firms:

- Barr Engineering Company
- Benshoof & Associates, Inc.
- Brauer & Associates, Ltd.
- Braun Intertec Corporation
- Gale-Tec Engineering, Inc.
- Hansen Thorp Pellinen Olson Inc.
- Kaeding and Associates, Inc.
- SECOR International Incorporated
- Short Elliott Hendrickson Inc.
- SRF Consulting Group, Inc.
- STS Consultants, Ltd.
- WSB & Associates, Inc.

All voted "yes." Motion carried.

H. Authorization of Police Officer Liaison Program services agreement between the City of Minnetonka and Independent School District No. 276.

Tauer moved, Koblick seconded a motion to authorize the Mayor and the City Manager to enter into an agreement with the Minnetonka School District # 276 to provide school liaison services.
All voted "yes." Motion carried.

I. Proposed Order for a Tobacco License Stipulation for Minneapolis Marriott Southwest.

Tauer moved, Koblick seconded a motion to issue the Findings of Fact, Conclusion, and Order for Minneapolis Marriott Southwest.
All voted "yes." Motion carried.

J. Final approval of the KAREN LONE ADDITION plat, at 30 Plymouth Road for Dan and Karen Lone.

Tauer moved, Koblick seconded a motion to approve the KAREN LONE ADDITION final plat that was received on November 22, 2002, subject to the following conditions:

1. Compliance with all preliminary plat conditions, especially the specific conditions for release of the plat; and
2. Unless the City Council approves a time extension, the final plat must be recorded within one year of Council approval of the final plat.

All voted "yes." Motion carried.

K. Resolution approving a conditional use permit to remodel an existing office space into a medical clinic at 5950 Clearwater Drive for Children's Hospitals and Clinics.

Tauer moved, Koblick seconded a motion to adopt Resolution No. 2002-135 approving a conditional use permit for a 16,442-square-foot medical clinic for Children's Hospital to be operated out of part of an existing office building at 5950 Clearwater Drive. Approval is based on the finding that the proposal meets the required conditional use permit standards and is subject to the following conditions:

1. Record this resolution with the county before the city issues a building permit.
2. The city council may reasonably add or revise conditions to address any future unforeseen problems.
3. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.
4. All signage must comply with sign covenants for the Minnetonka Corporate Center, unless a variance is applied for and received.
5. The applicant must agree to the above conditions in writing.

All voted "yes." Motion carried.

L. Wetland alteration permit to add fill to part of a wetland at 14400 Cheshire Parkway for Carlson Real Estate Company.

Tauer moved, Koblick seconded a motion to approve the wetland alteration permit to add fill to part of a wetland at 14400 Cheshire Parkway for Carlson Real Estate Company subject to the following conditions:

1. Obtain approval from all appropriate agencies before construction.
2. Submittal of a plan for re-vegetation of the buffer area around the wetland. The plantings shall be subject to review and approval of the city's environmental resources coordinator.

3. Erosion control fencing must be installed and maintained until the area has vegetated.

All voted "yes." Motion carried.

M. Adoption of an ordinance amending City Code Section 205.020 regarding administration of personnel.

Tauer moved, Koblick seconded a motion to adopt Ordinance No. 2002-28, amending City Code Section 205.020 regarding administration of personnel. All voted "yes." Motion carried.

N. Approval of a resolution determining that the administrative policy on employee expenditures is appropriate and serves a legitimate public purpose.

Tauer moved, Koblick seconded a motion to approve Resolution No. 2002-136, determining that the administrative policy on employee expenditures is appropriate and serves a legitimate public purpose. All voted "yes." Motion carried.

O. Approval of the 2003 Salary Adjustment for the City Manager.

Tauer moved, Koblick seconded a motion that the City Manager's base salary is adjusted to \$112,209 effective the first pay period for 2003. All voted "yes." Motion carried.

11. Consent Agenda (Items requiring Five Votes).

A. Application for renewed on-sale wine license for 2003 for Tiramisu Ristorante.

Allendorf moved, Callison seconded a motion to approve renewed on-sale wine and on-sale 3.2 percent malt liquor licenses for Tiramisu' Ristorante, 17805 Highway 7. All voted "yes." Motion carried.

B. Resolution approving a conditional use permit for an antenna tower and equipment, with a floodplain setback variance, at 5125 County Road 101 for VoiceStream Minneapolis.

Allendorf moved, Callison seconded a motion to adopt Resolution No. 2002-137, approving a conditional use permit for a telecommunications facility, with a floodplain setback variance, at

5125 County Road 101 for VoiceStream Minneapolis, Inc. This resolution is based on the following findings:

1. Apart from floodplain setback, the proposal meets the required conditional use permit standards.
2. Strict enforcement of the ordinance would cause undue hardship because of circumstances unique to this property.
 - a. The applicant is proposing to use the property in a reasonable manner; city code recognizes telecommunications facilities as valuable public resources.
3. The variance would be consistent with the spirit and intent of the floodplain ordinance for the following reason:
 - a. The facility would be located 2 feet above the established floodplain elevation. Staff finds this vertical separation best ensures water flow patterns are preserved.

Approval is subject to the following conditions:

1. Record this resolution with the county before the city issues a building permit.
2. The site must be developed and maintained in substantial conformance with the plans dated November 14, 2002.
3. Landscaping must be installed and maintained in substantial conformance with the diagram attached as Exhibit A12.
4. The wetland buffer must be installed and maintained in substantial conformance with the diagram attached as Exhibit A12.
5. Exterior surface of the antennas and equipment must be painted a non-contrast color consistent with the surrounding area such as blue, gray, brown, or silver.
6. Equipment must maintain a 6-foot setback from the proposed eastern lease line as shown in Exhibit A12.
7. The City Council may reasonably add or revise conditions to address any future unforeseen problems.

8. Any change to the approved use that results in a significant increase in traffic or a significant change in character would require a revised conditional use permit.

9. The applicant must agree to the above conditions in writing.

All voted "yes." Motion carried.

12. INTRODUCTION OF ORDINANCES.

A. **An ordinance amending various sections of the City Code to change the name of the Operations and Maintenance Department to the Public Works Department.**

Gunyou noted that use of "public works" is a much more accepted term by the public. He added with Hennepin County sharing the new public works facility, it makes sense to make this change. Gunyou said the employees support this change.

Tauer moved, Callison seconded a motion to introduce an ordinance amending various sections of the city code to change the name of the Operations and Maintenance Department to the Public Works Department. All voted "yes." Motion carried.

13. PUBLIC HEARINGS.

A. **Items concerning the ARCHWOOD ADDITION plat at the intersection of Archwood Road and Crestridge Drive for Alan Chazin:**

- 1) **Public hearing to consider a resolution to vacate part of a right-ofway northeast corner of Archwood Road and Crestridge Drive.**
- 2) **Final plat.**

Director of Planning Geoff Olson provided an overview of this item. Anderson opened the public hearing and no one requested to speak. Anderson closed the public hearing.

Allendorf moved, Tauer seconded a motion to:

A. Adopt Resolution No. 2002-138 to vacate the northerly ten feet of the Crestridge Drive right-of-way, east of Archwood Road.

B. Approve the ARCHWOOD ADDITION final plat that was received on November 22, 2002, subject to the following conditions:

1. Compliance with all preliminary plat conditions, especially the specific conditions for release of the plat; and
2. Unless the City Council approves a time extension, the final plat must be recorded within one year of Council approval of the final plat.

All voted "yes." Motion carried.

14. OTHER BUSINESS.

A. Items relating to the Operating Budget for 2003:

- 1) **Resolution adopting a budget for the year 2003, a revised budget for 2002, and setting a tax levy for the year 2002, collectible in 2003.**
- 2) **Resolution setting a tax levy for the Bassett Creek Watershed Management Tax District for the year 2002, collectible in 2003.**

Gunyou said the council is requested to officially adopt the city's 2003 budget, which provides budget spending authority and sets the tax levy. He noted the council's preliminary budget review began in August, and several public study sessions were held to discuss the budget. Last week the council held its Truth-in-Taxation public hearing.

Gunyou said the city is expected to lose up to \$1,000,000 in 2003 as a result of the state's budget crisis. He noted the city has planned appropriately to protect core services. Spending reductions are being made in both operating and capital programs over the next five years to hold the tax increase to only 3.7%.

Allendorf asked how the city would lose \$1,000,000 and what would happen if that does not occur.

Gunyou responded the city receives only about \$140,000 in local government aid from the state, while most other cities receive much larger amounts. He said that since Minnetonka has a stable tax base, there is greater reliance on property taxes as a revenue source.

Gunyou noted with recent state tax law changes, property tax increases for moderate and low valued homes have been bought down by the state through a program called Market Value Credit. If the state discontinues this buy down, the city's property tax collections will be negatively impacted, since the state will require the city to make up the difference. Gunyou said if the impact is less than anticipated, the difference will go to the city's bottom line and adjustments can be made next year.

Anderson pointed out that the city held its official public hearing on the budget last week.

Callison moved, Allendorf seconded a motion to:

1) Adopt Resolution No. 2002-139, approving a budget for the year 2003, a revised budget for 2002, and setting a tax levy for the year 2002, collectible in 2003.

2) Adopt Resolution No. 2002-140, setting a tax levy in the Bassett Creek Watershed Management Tax District for the year 2002, collectible in 2003.

All voted "yes." Motion carried.

B. Resolution approving the Layout #1F for the reconstruction of CSAH 5 (Minnetonka Boulevard) and CSAH 73 (Hopkins Crossroad) intersection and imposing a parking ban.

City Engineer Lee Gustafson provided an overview and details regarding this project.

Tauer said there is more room to continue the trail west of CSAH 73 on the south side of Minnetonka Boulevard, and asked why the north side is designed. Gustafson responded the primary destination west of CSAH 73 is Big Willow Park. The signalized intersection allows safe movement from the south to the north side of Minnetonka Boulevard. Tauer inquired about a trail north along CSAH 73, and Gustafson said options need to be explored.

Anderson inquired about the trail on the northwest corner of the intersection, and Gustafson provided an explanation.

Callison asked about the location of the decorative circle in the intersection. Gustafson explained earlier renditions of the plans indicated a circle, and this has now been redesigned as a square.

Callison asked if the utilities would be undergrounded. Gustafson responded the existing utility costs only relate to sewer and water. He added the county will be asked to share in the costs to bury the overhead lines if the city decides to pursue this action.

Callison pointed out the construction is now scheduled for 2004. She asked if there is anything the city can do to move this ahead. Gustafson indicated that moving the schedule ahead was not possible because final design must proceed to a point where the county is comfortable before right-of-way acquisition can begin.

Allendorf said about one mile south of this intersection, a signal light is to be installed at Minnetonka Mills Road and CSAH 73. He added this project will require grading the hill, and asked if installation of the signals at this intersection and at Minnetonka Boulevard will be coordinated. Gustafson responded this project would be completed before the CSAH 73/Minnetonka Boulevard project begins.

Allendorf noted that all the City of Minnetonka has ever wanted at CSAH 73 and Minnetonka Boulevard is a stoplight. He asked what is driving the design of the intersection. Gustafson said the design is the result of a two-year process initiated by the City of Hopkins, which involved a consultant they hired to work with Hopkins residents. He indicated it was the desire of certain Hopkins residents near the intersection to have something unique.

Koblick asked what the diamond in the intersection does, will it be raised, and who is required to maintain it. Gustafson said the intersection is colored concrete and all at the same level. He did not know the purpose of it.

Koblick asked what the bollards are for, and Gustafson said they are decorative. He added that cost responsibilities for additional maintenance required for the intersection will be worked out between the county and Hopkins; Minnetonka will not be responsible for it.

Koblick commented about the unsightliness of the garbage and high grass along I-394 and I-494.

Anderson asked which direction the benches at the intersection face. Gustafson said the seat walls face the intersection, presumably to allow pedestrians to watch the traffic.

Callison commented that the design seems so extreme, and the only reason she is not asking for changes is because Minnetonka is not paying for it. She noted that all Minnetonka wants is the signal; if Hopkins wants the design enhancements and is willing to pay for them, she is willing to go along with the project. Callison stated she believes the intersection is seriously overbuilt.

Tauer said he talked with the owner of the second house west of the intersection on the north side of Minnetonka Boulevard. The owner was concerned about the impacts on his property from the trail, because there will not be much space between the road and the homes on the north side. Tauer acknowledged that it would not be safe for pedestrians to cross Minnetonka Boulevard further to the west.

Anderson expressed support for making the intersection safer. She noted that just last week, a traffic accident occurred there. She hopes the changes will vastly improve the safety of this area and improve the time it takes to move through the intersection.

Allendorf moved, Callison seconded a motion to adopt Resolution No. 2002-141, approving Layout #1F for the reconstruction of the CSAH 5 (Minnetonka Boulevard) and CSAH 73 (Hopkins Crossroad) intersection and imposing a parking ban. All voted "yes." Motion carried.

C. Ordinance amending Section 110, Salaries of Mayor and Council.

Gunyou said staff is recommending the mayor and council salaries be adjusted, effective January 2004. He noted that this is similar to the process in which all employee salaries are reviewed annually and market adjustments are made as needed.

Gunyou pointed out there will be a six-year span between council salary adjustments, which when annualized translates to increases of 1.8% per year. He indicated the recommended salary adjustments are supported by salary changes for council members in the same comparable cities used for all employee market adjustments.

Anderson said recently many people have commented that she is not in this position for the money. She suggested the changes might be made to have even monthly increments, but said she is willing to support the changes as proposed.

Tauer said the mayor's salary should be substantially higher.

Anderson noted it would be difficult to move to another arrangement mid-term. She reflected on how the mayor's job has changed in the last eight years.

Koblick moved, Callison seconded a motion to adopt an ordinance amending City Code Section 100.005 regarding council salaries. All voted "yes." Motion carried.

15. APPOINTMENTS. None

16. ADJOURNMENT.

Thomas moved, Koblick seconded a motion to adjourn the meeting at 8:24 p.m. All voted "yes." Motion carried.

Respectfully submitted,

Geralyn R. Barone
Assistant City Manager