

**MINUTES
MINNETONKA CITY COUNCIL
REGULAR MEETING, MONDAY, FEBRUARY 11, 2008**

1. CALL TO ORDER.

Mayor Callison called the meeting to order at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE.

Two members of Boy Scout Troup #346 led in the Pledge of Allegiance.

Jacob Berman, a scout from Troup #346 said members of the troop were in attendance to help meet the requirements of earning a communication merit badge.

3. ROLL CALL.

Councilmembers Dick Allendorf, Brad Wiersum, James Hiller, Terry Schneider, Bob Ellingson, Tony Wagner, and Jan Callison were present.

4. APPROVAL OF AGENDA.

City Manager John Gunyou noted addenda to items 10H and 13A.

Wiersum moved, Wagner seconded a motion to accept the agenda with the addenda. All voted "yes." Motion carried.

5. APPROVAL OF MINUTES: None.

6. SPECIAL MATTERS:

A. Recognize Lee Gustafson as recipient of the 2007 City Engineer's Association of Minnesota's Engineer of the Year Award.

Schneider read the recognition.

Gustafson thanked his colleagues for allowing him to participate in the association's activities.

7. REPORTS FROM CITY MANAGER & COUNCIL MEMBERS.

Gunyou reported on the schedule for upcoming meetings.

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

No one appeared.

9. **BIDS AND PURCHASES:** None.

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

A. **Claims for council authorization – February 11, 2008.**

Allendorf moved, Wagner seconded a motion to approve the February 11, 2008 claims which includes checks numbered 209814 through 210106, totaling \$1,417,859.56. All voted “yes.” Motion carried.

B. **Resolution supporting a grant application for Hennepin County Transit Oriented Development funds.**

Allendorf moved, Wagner seconded a motion to adopt Resolution No. 2008-006 supporting a grant application for Hennepin County Transit Oriented Development funds. All voted “yes.” Motion carried.

C. **Resolution supporting the Hennepin County Regional Railroad Authority (HCRRA) request for state funds.**

Allendorf moved, Wagner seconded a motion to adopt Resolution No. 2008-007 supporting the Hennepin County Regional Railroad Authority request for \$10 million in 2008 state bonding funds. All voted “yes.” Motion carried.

D. **Resolution pertaining to the 2008 Street Rehabilitation Program for the Stodola Road area, Project No. 08401.**

Allendorf moved, Wagner seconded a motion to adopt Resolution No. 2008-008 receiving the feasibility report, ordering the improvements in, and authorizing preparation of plans and specifications for the 2008 Street Rehabilitation Program, Project No. 08401. All voted “yes.” Motion carried.

E. **Resolution pertaining to the 2008 Street Rehabilitation Program for the Ridgewood Road Reconstruction Project No. 07404.**

Allendorf moved, Wagner seconded a motion to adopt Resolution No. 2008-009 accepting plans and specifications and authorizing the advertisement for bids for the Ridgewood Road Reconstruction Project No. 07404. All voted “yes.” Motion carried.

F. Resolutions pertaining to the 2008 Street Rehabilitation Program, Project No. 5617.

Allendorf moved, Wagner seconded a motion to adopt the following:

- 1) Resolution No. 2008-010 accepting plans and specifications and authorizing the advertisement for bids for the 2008 pavement rehabilitation program, Project No. 5617.
- 2) Resolution No. 2008-011 declaring existence of public right-of-way at 11808 Shady Oak Drive, PID NO. 26-117-22-12-0016.
- 3) Resolution No. 2008-012 declaring existence of public right-of-way at 11717 Shady Oak Drive, PID NOS. 26-117-22-13-0012 and 26-117-22-13-0023.

All voted "yes." Motion carried.

G. Ordinance modifying a wetland overlay district boundary at 5121 Baker Road for John and Maressia Twele.

Allendorf moved, Wagner seconded a motion to adopt Ordinance No. 2008-05 which approves the proposed modification of the wetland overlay district boundary at 5121 Baker Road. This ordinance is based on the following findings:

- 1) The wetland mitigation associated with the wetland impact meet the standards of the city code and the Wetland Conservation Act.
- 2) The mitigation area for the wetland is being compensated within the same sub-watershed district as the wetland being altered.
- 3) The mitigated wetland will ultimately have a higher function and value than the portion being filled.

Approval is subject to the following conditions:

- 1) Obtain approval from all appropriate agencies before construction.
- 2) Obtain approval and comply with the requirements for the Wetland Conservation Act replacement plan as presented in the plans dated September 10, 2007, and as amended.
- 3) The mitigated wetland must have 5:1 side slopes and an undulating bottom. The final construction drawings must be revised to reflect this.
- 4) The mitigated wetland must be subcut one foot below the final grade to allow placement of hydric soils. The final construction drawings must be revised to reflect this.
- 5) The restored wetland area should not be subcut since hydric soils already exist. Only minor alteration to the grade will be

- allowed in this area. The final construction drawings must be revised to reflect this.
- 6) A soil scientist must be on site at the time of hydric soil replacement in the mitigated wetland area; city staff must also be notified in order to ensure compliance with the wetland replacement plan.
 - 7) All salvaged hydric soils must be treated to ensure that they are free of invasive weed seeds such as thistle and reed canary grass.
 - 8) The construction plans must be revised to indicate a BWSR W2 seed mix in the specification and in the text under the "Notes" section. The sedge component of the W2 mix must be enhanced.
 - 9) Applicants must provide wetland conservation act forms, including: affidavit of land ownership, declaration of restrictive covenants, and consent to replacement wetland.
 - 10) Applicants must provide wetland monitoring reports annually, for a period of five years or until the technical evaluation panel accepts the mitigated wetland. At the end of the monitoring period there shall be no more than 15% invasive species present.
 - 11) Applicants must provide a cash escrow or letter of credit in the amount of \$7,500 (\$1,500 per year x 5 years) to ensure compliance with the wetland monitoring schedule.
 - 12) Applicants must provide a letter of credit for 150% of the estimated cost or 125% of the actual bid for the wetland and floodplain replacement to be constructed. The letter of credit will be reduced based on establishment of the replacement wetland.

All voted "yes." Motion carried.

H. Proposed orders for liquor license stipulations.

Allendorf moved, Wagner seconded a motion to issue Findings of Fact, Conclusion, and Order for Better Best Corporation and Don Pablo's Operating Corp. All voted "yes." Motion carried.

I. Amendment to an agreement for professional services with Hart Howerton.

Allendorf moved, Wagner seconded a motion to approve the amendment to an agreement for professional services with Hart Howerton. All voted "yes." Motion carried.

11. Items requiring Five Votes: None.

12. **INTRODUCTION OF ORDINANCES:** None.

13. **PUBLIC HEARINGS:**

A. **Continued public hearing for Marriott Minneapolis Southwest liquor licenses.**

Callison closed the hearing at 6:42 p.m.

Wagner moved, Schneider seconded a motion to grant Marriott Minneapolis Southwest liquor licenses. All voted "yes." Motion carried.

B. **Public hearing regarding the Community Development Block Grant (CDBG) program and budget.**

Community Development Supervisor Elise Durbin gave the staff report.

Allendorf asked how the city notifies residents about the programs and what the application process entails. Durbin said information is included regularly in the Minnetonka Memo and Minnetonka Script and on the city's web site. She said residents also often find out about the programs through word of mouth. The application process includes monitoring income and assets as required by the federal government.

Callison opened the hearing at 6:49 p.m.

Shirley Buehler the project coordinator for ICA Foodshelf asked why the organization was not considered for CDBG funding. She said ICA provides financial assistance to keep families in their stable homes and youth in stable schools. Buehler said ICA is not a referral agency but takes action often times in crisis situations. In November 2007 ICA distributed as much food in one month as they did in an entire year a decade ago.

Callison said the city appreciates the work ICA does in the community and supports the organization in a variety of ways. Community Development Director Ron Rankin said cities participating in the CDBG program are limited to allocating no more than 15 percent of the total allocation to public services. As in the past, staff's funding recommendation is to maintain the core of public services that traditionally have been funded through the CDBG program, before considering adding new programs.

Larry Greenbaum, the director of Jewish Vocational Service said the reason the organization is requesting its CDBG funds be used for career development is because many of the individuals served have low income jobs and are coming off welfare. These residents have not had the opportunity to establish a career or develop educationally. He said child care assistance is a band aid. JVS queried its clients and found what they needed were a wide range of career assistance services.

Barb Westmoreland, the interim director of the Family Resource Center said the center has finished a busy fall helping provide back to school supplies for over 196 children in the city. The toy chest program helped provide toys for almost 200 children in the city. The ongoing Winter Warm Wear program has provided 175 children with clothing and the program is now being expanded to adults. Last year the organization assisted around 1,000 people who either called or came into the center.

Scott Zemke from Community Action Partnership of Suburban Hennepin said the CDBG funding helps fund the full cycle home ownership center. The funds help provide foreclosure prevention services and also first time homebuyer counseling education.

Tracy Goodrich, a tenant organizer with Homeline, said the CDBG grant funds the tenant hotline that allows renters to call in to receive free landlord/tenant law advice. Last year approximately 117 Minnetonka tenants were assisted.

Angela Rightler, regional director of Minnetonka Treehouse, said the organization provides support groups and mentoring for at risk youth and their families.

Callison closed the hearing at 7:02 p.m.

Callison said it is always difficult to figure out where the CDBG funds should be allocated. The decision does not reflect the worthiness of the organizations, but rather, reflects the reality of shrinking federal resources while demands increase. She said the proposed allocations raised a few questions. One concern was addressed with the staff proposal to develop a more systematic evaluation approach for future allocations. Another concern is with the JVS request. In the past, daycare assistance was funded. The request is to now fund vocational training services. Callison said those services are worthy, but the city has not historically provided funding for them. At the same time Minnetonka Heights, an

organization that was funded in the past, has lost local funding, and has a need for programming assistance. Callison said she would like to have those needs considered because they have been funded in the past.

Wagner said he shared Callison's concern about having a more rigorous ranking and selection process. He asked about the straight line redistribution of funds from 2005, 2006, and 2007. The amount of the redistribution funds is larger than the current annual allocation. Durbin said the reallocation of funds typically takes place when activities change like what JVS is proposing. Currently there is approximately \$15,000 allocated to JVS in prior year funds. JVS has requested that \$8,250 of the prior year's funds be allocated toward the employment career training program. She said there is approximately \$7,000 more leftover from prior years. Because public service funding is limited, staff felt putting the money back into currently funded public services made the most sense.

Wagner questioned the straight line distribution and if there was a demonstrated need for the funds by the organizations. Durbin said the allocation was divided nearly evenly between the four public service organizations. Wagner asked if the city was limited in reprogramming the funds to organizations the city has historically funded. Durbin said the funds could be allocated as the council decides. Gunyou noted the reprogrammed funds are one time monies.

Schneider said the council has struggled with the funding decision every year and it is becoming more difficult as the dollar amount decreases. He agreed with developing a scoring mechanism that establishes criteria that evaluates community benefit. Due to the limited amount of funds available, he prefers higher priority for programs that provide long term relief. He said the city might consider rotating funds around to fewer organizations to get more long term benefit and allow the organizations to do more long term planning.

Wiersum said he supports the council providing objective criteria to evaluate services with the city's values and priorities. He said the evaluation criteria could be given to the organizations so they can provide the information to support how their services meet the city's values and priorities.

Allendorf said he was not comfortable changing the funding from the staff recommendation at the meeting because he did not have all the same information the staff had to make an informed decision.

Schneider said there should be a mechanism that does not allow funds to accumulate over the years. If a previous year's allocation is not used, it should be automatically redistributed. He said he shared Allendorf's concern about making changes at the meeting without developing the proper criteria to evaluate the requests.

Callison said she was comfortable discussing changes to the allocation to the Jewish Vocational Services and the redistribution of previous allocations. Gunyou said if the council decided not to redistribute previous allocations, the money could be rolled over to next year when the new evaluation system is in place. Callison said she was concerned there are agencies with immediate needs and she would be reluctant to wait a year to provide funding. Gunyou noted the city already has a council policy for funding nonprofits from the general tax levy and it would not be a major change to broaden the policy to include CDBG funding.

Wagner said he was not supportive of a straight line redistribution of previous allocations.

Callison asked if it was possible to approve the staff recommendation on the allocation of the funds for last year with the exception of JVS. This would allow the council to have further discussion on previous allocations. Gunyou said the deadline for making the decision is the end of March.

Schneider said one option might be funding one or two of the agencies that are not receiving funding rather than dividing the money up further. Hiller said it was important to keep in mind that the leftover funds are one time monies.

Allendorf said in the past the city has funded Sojourner. As the discussion is broadened it would be beneficial to find out why organizations are dropped from funding. Callison said Sojourner received capital funds one year for the construction of a new building. City Attorney Desyl Peterson noted the city does have an annual contract with Sojourner to provide assistance to victims of domestic abuse.

Gunyou said the March study session is tentatively being planned for a discussion on the city's development funds. This item could be added to the discussion, and action could be postponed until after the study session. Schneider said delaying a decision might impact some of the agency's budget plans.

Wiersum said the city's ability to raise funds is limited. He said there might be some creative ways through the city's communication tools to encourage residents to contribute to the organizations.

Allendorf said the city is limited in funding the organizations and it is the county's social service programs that provide most of the funding.

Wiersum moved, Wagner seconded a motion to:

- 1) Approve the recommendations in the staff report for the 2008 CDBG program allocations with the exception of the 2008 allocation to Jewish Vocational Services and the reallocation of funds from prior years.

All voted "yes." Motion carried.

14. OTHER BUSINESS: None.

15. APPOINTMENTS and REAPPOINTMENTS:

A. Appointment to the senior citizen advisory board.

Callison moved, Allendorf seconded a motion to appoint Marie Moilanen to the senior citizen advisory board, to serve the remainder of a two year term, effective February 12, 2008 and expiring on May 31, 2008. All voted "yes." Motion carried.

16. ADJOURNMENT.

Wiersum moved, Wagner seconded a motion to adjourn the meeting at 7:28 p.m. All voted "yes." Motion carried.

Respectfully submitted,

David E. Maeda
City Clerk