

**STAFF SUMMARY  
CITY OF MINNETONKA  
CITY COUNCIL STUDY SESSION  
MONDAY, APRIL 11, 2011  
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**Council Present:** Dick Allendorf, Bob Ellingson, Amber Greves, James Hiller, Tony Wagner, Brad Wiersum, and Mayor Terry Schneider.

**Staff:** John Gunyou, Geralyn Barone, Merrill King, Liz Berger, Julie Wischnack, Lee Gustafson, Nate Stanley, Will Manchester, Mark Raquet, Brian Wagstrom, Perry Vetter, Joe Wallin, Kevin Fox, Dave Johnson, David Maeda

Schneider called the meeting to order at 6:30 p.m. He indicated the council had been invited to participate in the Step to It challenge again.

Gunyou reported that the city had been awarded by Readers Digest as one of the 100 "We Hear You America" RV tour stops. The \$1,000 award will be donated to the ICA food shelf.

**1. CIP**

Gunyou indicated the city's 10 year street revitalization plan was in its seventh year. The plan is to transition the program to maintain and preserve city streets while continuing the reconstruction and overlay program. Gustafson said the goal of the street reconstruction program for the streets to have a 50 year life cycle. This meant building the streets correctly to begin with. Much of this was based on having a good base underneath the streets as well as having a good pavement and good curb design. Another goal was to protect the base from water infiltration. New techniques have been incorporated the last five years to assist with the maintenance and to make the streets last longer. The plan in the CIP was to help accomplish the 50 year life cycle goal and to be more proactive than reactive.

Hiller noted that when the thin overlay program first began, the goal was for the work to last eight years. He asked if that goal was being met. Gustafson said the work would likely last for more than eight years. He said the public works crews were able to fine tune the work depending on what was needed on a particular street. Gunyou said one of the goals of the new program would be to evaluate each street to determine what specifically would work best for the specific street.

Allendorf noted the information indicated that outside contractors would be used for the preservation program. Gustafson said the plan would be to have the contractors do some of the thin overlay areas. Public works crews would be used on the new projects because they take more care in determining what the individual street required.

Ellingson asked if there was consideration for using concrete rather than asphalt for city streets. Gustafson indicated there was no plan to use concrete because of the costs and the difficulty it would cause in maintenance. Ellingson asked if

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the streets were realistically built to last 50 years or if the 50 year goal was due to the amount of funding. Gustafson said both were true. The city does not have the funding to have streets last any less than 50 years so everything had to be done to ensure that they lasted that long.

Allendorf said that the mill and overlay program was easy to explain to residents. He asked for a similar simple explanation for what was being proposed. Schneider said the staff report indicated the program would be a big shift but he couldn't tell what the shift actually was from the information presented. He said in broad terms, the shift was to do a more strategic, pragmatic identification of needs rather than mass work. Gunyou agreed.

Wiersum asked on average how old the reconstructed streets were. Gustafson said the city reconstructed streets were around 18 years old but there were streets associated with developer projects that were older. Schneider said his street was built around 1958-1960 and was in fine condition.

Wagner noted there had been great bids last year that allowed the city to do some streets that were not scheduled. He said there are areas like the Ridgedale and the south frontage road by Crane Lake that even if there was a mill and overlay done, something further would have to be done in the near future just because of the amount of traffic. He asked if the plan included taking care of any of the regional centers where more intensive use would occur. Gustafson said the roads Wagner was describing were the most difficult to plan for. He said next year's budget would include a placeholder to provide funds for areas similar to those Wagner identified. Better evaluation of the soil conditions will allow staff to better predict when a road will need work and being able to reserve funding for the work. Wagner said those areas were not just important for residents but were important as show case areas for the city as well. Adding budget flexibility to ensure those streets remain in good shape was important.

Schneider said some other cities with difficult soil conditions use a higher percentage of drain tiling. He asked if staff looked at that option. Gustafson said drain tiling is looked at with every project.

Gunyou said the same dollar amount and staffing would be used in the transition. There will be a free intern courtesy of MNDOT. That person would be used to put together the initial survey of the streets. Allendorf asked what MNDOT would receive for providing the free intern. Gustafson said MNDOT felt it was beneficial to send out the interns to learn how cities and counties do their work. The intern that will be used has done work with the city before so he knows Minnetonka.

Gunyou noted as part of the public safety study, two things would be implemented related to fire hydrants. A program would be established for unidirectional flushing. An inspection program would also be put in place to make

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sure all the hydrants are up to standard. Public works would work with the fire department to develop a comprehensive plan for regular inspections. He said the city did not have a good handle on all the private hydrants in the city. There are over 3,000 public hydrants.

Gunyou said the city has made good progress with the infiltration and inflow program. Allendorf asked if the Met Council was issuing penalties. Public Works Director Brian Wagstrom said the program had been extended for cities that were making progress. Last year the legislature appropriated additional funds to address the issue. Wiersum asked if any city had reached a point where they didn't have to pay the surcharge. Wagstrom said the Met Council will re-monitor statuses at the end of the year. That's when it would be determined if surcharges are owed.

Greves asked for an update on the city's water quality improvement program. Gunyou said more data is still needed before staff can recommend a program. Gustafson said 14 months ago the city submitted a non-degradation plan to the Minnesota Pollution Control Agency. At the same time there was the Medicine Lake total maximum daily load study that the city was a part of. The PCA decided not to respond to the non-degradation plans. He said the TMDL study would not require the city to do any projects. Staff had expected that both processes would lead to a lot of work but that did not occur. The work that needs to be done is listed in the CIP including computer modeling. He said the council may see new projects appear in the CIP two years from now that are based on the computer modeling and water quality studies that are being done.

Wagner asked the status of the energy grants the city had received. Parks and Trails Manager Perry Vetter said the money had been committed but not all of it had been spent yet.

Schneider said after the recent joint meeting with the Minnehaha Creek Watershed District, he was more encouraged about the public benefit and ending up with something valuable out of the process. He said if the project gets to the point where the council likes the proposed idea and has to decide if and how the idea will be funded, he would like it to be clear how the Community Investment Fund could be used. The language in the CIP document could be interpreted that way already if the term "amenities" was broadly interpreted. Wagner agreed that clarity was important and suggested that the language be amended to make the potential use more clear. Gunyou indicated staff would make that change.

Wagner said last year there was discussion about the idea of using the CIF fund to advance key trail segments not linking to village centers. He noted several segments on the unfunded list would do that. He said he would like to see the city look into providing an incentive to private owners where if they wanted to advance their project on the list then the city could provide matching funds. He

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cited the Ridgedale area as an example of area that is not walkable that could benefit from a trail because of the amount of traffic. Wiersum said he agreed with Wagner's suggestion. Schneider said it was important to have a system in place to get trails in areas the city has identified it would like additional housing. Wiersum said adding trails in the Ridgedale area was in the best interest of the business owners to allow their employees to bike and walk to work.

Wiersum suggested the city look at adding exterior drinking fountains at different locations throughout the city where there are public buildings. This would be a beneficial amenity for walkers and bikers. Schneider said there is a device that attaches to fire hydrants that he has seen used in other cities.

Hiller said he has an ongoing concern about the city's ability to pay for more trails. He said the progress hasn't been as good as he would have liked during the past four years. Wagner noted during his time on the council there has never been a five year plan but rather trails were done as part of street improvement projects.

Allendorf said when he first became a councilmember the concept was there would eventually be total connectivity of the trails throughout the city. That changed over time as residents did not want trails that would be too near to their properties. He suggested looking at the comprehensive plan and the village center concept to identify trails that would benefit the village centers and then determining a method to pay for those trails. Schneider noted the city has made progress since the 1970s with its trail system but because of funding issues it has remained an ongoing long term process. Gunyou said staff could come back next year with options to take a more aggressive approach. Schneider said he would be concerned with using more property taxes for the trails. Wiersum said he thought the city's trail system was pretty good and better than most cities. There are missing links that could be addressed by taking the approach Allendorf suggested. Schneider suggested that staff come up with a top ten trails list.

Greves asked for more information about the pollution control requirements that have caused the costs of replacing dump trucks and plows to increase. Public Works Director Brian Wagstrom said there are federal regulations on engines that include different tiers. Currently the city is approaching tier four. Each tier adds about \$10,000 to the costs.

Gunyou noted the city has done a few things over the past few years to keep the cost of replacing fleet vehicles down. One example was not replacing cars as frequently as in the past.

Wagner asked for more information about the mobile command post. He asked if consideration was given to sharing the post with other cities in order to purchase it sooner than scheduled. Gunyou noted the item is currently unfunded and that

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reflects the recommended priority. Police Chief Mark Raquet said the city has access to a mobile command post through the county or another city if needed.

Wagner asked if the initiative to connect the water towers and pumping stations to the city's fiber network was truly needed given the only rationale being to reduce the costs being paid to Qwest or Comcast. He asked staff to look into the capital versus ongoing expense tradeoff. Wagstrom said the performance benefit would be the ability to get the information out of the system quicker. Currently using radio technology it takes about 12 minutes to get all the reports in to public works. Switching to fiber would mean getting the information in a matter of minutes. Raquet noted that reliability is another factor because Qwest is putting little into the infrastructure and that leads to more and more failures. Schneider noted Hennepin County is working on a project in Plymouth that involves a significant federal grant to expand the fiber network throughout the county. Eventually this would benefit Minnetonka as well.

## **2. TIF Pooling**

Community Development Director Julie Wischnack gave the staff report.

Wagner asked if there was a reason language was not included for areas with heavy and regular transit services as opposed to regional centers and light rail. Wischnack indicated when looking at the potential projects there had to be an extensive amount of services available besides transit. This would include groceries stores or a center that people would walk to. She said some of the centers in the comprehensive plan did not provide all the criteria being looked at and that was why she focused attention on the larger regional centers. Wagner noted the Highway 7 and County Road 101 area might be an area that would fit what was being looked at.

Allendorf asked if the Duffy project would fit in with either the regional village center or support light rail transit criteria. Wischnack indicated it would fall under the regional center because it was part of the Ridgedale area.

Gunyou said what was being suggested was priority criteria but would not determine what would necessarily qualify or not qualify. Wischnack said the criteria would help shape negotiations with developers to help guide them to understand when the city would spend the funds and when they would not.

Wischnack noted that when the EDAC discussed the Duffy development the consensus was that the city's funds would be the last funding used. Schneider cautioned the local contribution may be a factor in getting other grant funds. If the city were to require the other grant money to be used first might create issues with the availability of the other funds. He said the bottom line was determining if the project was worth doing and determining the appropriate mix of funding

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rather than the order of how the funding should be used. Wischnack clarified that if a project's funding sources increase or decrease then it would affect the amount of the city's contribution.

Wagner said he would not limit the use to regional centers or light rail. If the transportation frequency was enough, like in the Highway 7 County Road 101 area, then those areas should be considered. He said the ultimate goal was determining how to best allocate the TIF pooling. Another possible consideration was if the city wanted a variety of housing in a variety of locations around the city. Wischnack said the type of housing might be problematic because the housing would have to be rental for the funds to be used. How the unit was designed or if it was designed for seniors might be considered as a condition. Wagner said if two projects came in at the same time then consideration could be given to where the projects were. Allendorf said that having the type of product as a criterion might be interfering with the market. He agreed using the location of a project might be something he would support as a possible criterion.

**3. Adjournment**

The study session adjourned at 8:28 p.m.

Respectfully submitted,

David Maeda  
City Clerk