



**MINUTES  
CITY COUNCIL MEETING  
September 4, 2012**

**CALL TO ORDER**

The meeting was called to order at 6:32 pm.

**Present:** Mayor: Tim Hultmann; Council: Donny Chillstrom, and Brian Carpenter

**Staff Present:** City Administrator: Terrance Post; Public Works Director: Marv Wurzer; and City Clerk: Jeanette Moeller

**Absent:** Council: Tom Skjaret, and Liz Olson (both with prior notice)

**PLEDGE OF ALLEGIANCE**

**CITY OF LONG LAKE UPDATE**

Mayor Hultmann encouraged the viewing audience to continue to shop local; welcomed the new La Bamba Mexican restaurant, opening October 1 in the Long Lake Town Center; and indicated Lakeside Wine & Spirits would also be opening October 1 in their new location at the former Kenny's Market site.

**APPROVE AGENDA**

*A motion was made by Carpenter, seconded by Chillstrom, to approve the Agenda as presented. Ayes: all.*

**CONSENT AGENDA**

The Consent Agenda consisted of:

- A. Approve Minutes of August 21, 2012 City Council Work Session
- B. Approve Minutes of August 21, 2012 City Council Meeting
- C. Approve Vendor Claims and Payroll
- D. Accept the Resignation of Planning Commissioner Carol Kelley and Direct Staff to Advertise for Applicants to Fill the Unexpired Term
- E. Adopt Resolution No. 2012-24 Approving Issuance of Liquor Licenses for La Bamba Mexican Restaurant
- F. Adopt Resolution No. 2012-25 Approving Issuance of Special Event Permit #S2012-10 for the 2012 Orono Lions Carp Fishing Contest; Approve Issuance of Noise Variance Permit

*A motion was made by Carpenter, seconded by Chillstrom, to approve the Consent Agenda as presented. Ayes: all.*

**OPEN CORRESPONDENCE**

No one appeared to address the City Council during Open Correspondence.

## **BUSINESS ITEMS**

### **Appoint WSB & Associates, Inc. to Provide City Engineering Services**

Post stated that the City Council previously approved an RFP for City engineering services and directed staff to solicit submissions at their July 3, 2012 regular meeting. Council also named a four member review subcommittee consisting of Council members Chillstrom and Skjaret, Public Works Director Wurzer, and City Administrator Post. Responses from four firms were received by the July 25, 2012 deadline. Of note is the fact that the City's current engineering firm, Short Elliott Hendrickson (SEH), elected not to submit a RFP and be considered for reappointment.

On the mornings of August 21, 2012 and August 22, 2012, interviews were conducted with all of the RFP responding firms - WSB & Associates; Focus Engineering, Inc.; Stantec Consulting Services; and BDM, a Division of MSA Professional Services. The engineering firms all responded to a common set of interview questions. While all of the interview candidates clearly possessed the technical qualifications to provide quality engineering services to the City of Long Lake, the consensus of the interview committee was that firm of WSB & Associates, Inc. be recommended to the full Council as being the best fit for the City.

Post noted that the full Long Lake City Council had interviewed and asked questions of WSB & Associates, Inc. in the work session meeting immediately prior to the regular meeting.

Council members indicated they were looking forward to working with WSB & Associates, and will appreciate the firm taking a proactive approach to provision of services.

*A motion was made by Carpenter, seconded by Chillstrom, to appoint Jason Wedel as City Engineer effectively immediately and to authorize the Mayor and/or City Administrator to enter into a contract for City Engineering services with the firm of WSB & Associates, Inc. in accordance with their RFP submittal. Ayes: all.*

### **Adopt Preliminary Payable 2013 Levy and Preliminary 2013 Budget**

Post reviewed primary factors influencing the determination of the proposed preliminary 2013 General Fund operating levy. Overall, proposed 2013 General Fund revenue is up from the amended 2012 budget. Primary items driving this increase include property tax collections, increased liquor license revenue, and fire contract customer capital contributions. Likewise, proposed 2013 General Fund expenditures are also up from the amended 2012 budget. The most significant factors driving this increase are a Fire Department capital addition for a Fire Chief Command 1 vehicle, a 3.0% increase in the Wayzata Police Protection Services contract; and General Fund levy participation in the proposed 2013 Street Reconstruction Project.

Staff was tasked to achieve the delivery of 2013 General Fund services with a maximum preliminary 1.0% operating levy increase including a 1.0% pay plan range move. This direction has been incorporated into the development of a balanced proposed 2013 General Fund budget. The proposed 2013 preliminary operating levy of \$855,585 (a 0.0% increase) coupled with a required 2013 debt service levy of \$167,685 produces a total 2013 preliminary levy of \$1,023,270 or a \$15,708 or 1.56% increase compared to the adopted total 2012 payable levy of \$1,003,110.

Council member Carpenter commented that Chief Van Eyll has done a great job in working to keep operating costs flat within the Fire Department from year to year, while maintaining a well thought out capital plan. He further expressed appreciation for Administrator Post's conservative and proactive financial planning efforts.

*A motion was made by Carpenter, seconded by Chillstrom, to adopt Resolution No. 2012-022 establishing the preliminary 2012 property tax levy payable in 2013 for the City of Long Lake; and No. 2012-023 establishing the 2012 public meeting date to discuss the proposed levy and budget for taxes payable 2013 for the City of Long Lake. Ayes: all.*

**Approve MnDOT Re-conveyance #2011-0020 Land Purchase Offer**

Post reported that this parcel arose as part of the MnDOT TH12 Bypass Project. The parcel was always envisioned to be excess right-of-way by MnDOT and contemplated as a redevelopment opportunity. As early as 2004, the City was evaluating a proposal from Bohland Development for the property. In mid-2008, the City received notice of conditional approval for re-conveyance/sale of the property to the City. However, the conditional approval to sell was based on a price of \$355,000. The City did not act upon this offer for two reasons: 1) the offer price was thought not to reflect market value; and 2) the uncertainty, and environmental clean-up liability costs, stemming from petroleum contamination. After a series of communications between MnDOT and the City regarding the extent of petroleum contamination and sales price, MNDOT formally withdrew its offer effective September 10, 2010.

At an early 2011 Council strategic planning meeting, the acquisition of this property remained a priority. Council commissioned an appraisal of this property by MFR Valuation. The appraisal report's conclusion suggested a market value of \$185,000.00. The City hand-delivered this MFR Valuation appraisal report to MnDOT on May 25, 2011 and requested that MnDOT reactivate the re-conveyance process if MnDOT agreed with the MFR Appraisal valuation conclusion. On May 21, 2012, MnDOT approved the MFR Appraisal and sent out an updated offer letter on May 7, 2012. While the price was no longer an issue, the offer reference to any environmental clean-up costs being the responsibility of the City caused Council concerns about this unknown liability. This offer had a consideration expiration date of July 2, 2012. Staff requested, and MnDOT granted in a July 12, 2012 offer letter, an offer time extension until September 12, 2012 while the City further evaluated and assessed environmental issues.

The City has been working with Hennepin County Environmental officials to access Brownfields Gap Financing assistance to complete Phase I and Phase II environmental assessments and develop a remediation action plan. Hennepin County has engaged Wenck & Associates on the City's behalf to make these environmental assessments. If remediation is required, the City can apply in a competitive County Brownfield Grant program to fund clean-up costs. However, for the City to submit a grant application by September 30, 2012 to the County, it must be the property owner. There are other issues to consider in this potential land acquisition, but timing deadlines by both MnDOT and Hennepin County Brownfield Clean-Up grant applications drove this item to be considered on this meeting agenda.

While staff generally is not supportive of cities being in the land development business; it takes exception in the particular purchase of this parcel from MnDOT because of the ability to have the property environmentally cleaned-up if necessary on a no cost basis, not taking anything off the tax rolls, and potentially making redevelopment easier because of not dealing with a state agency, and recommends that Council approve the land purchase. If this occurs, staff also recommends that the 2012 EDA Fund No. 105 expenditures budget be amended to reflect the land acquisition.

*A motion was made by Chillstrom, seconded by Carpenter, to accept Minnesota Department of Transportation (MnDOT) Re-Conveyance Offer #2011-0020 to purchase a 39,164 square foot unassigned parcel generally bounded by Virginia Avenue to the west, West Wayzata Blvd to the north, Brown Road to the east, and City Hall property to the south for consideration of \$185,000.00 less deed tax of \$629.00 and to remit a cashier's check in the amount of \$184,371.00 made payable to "Commissioner of Transportation - Trunk Highway Fund" for the land acquisition and allow the*

*Planning Commission an opportunity to review and comment on the purchase before closing for conformity with the City's Comprehensive Plan in accordance with Minnesota Statutes No. 462. Motion to also amend the 2012 EDA Fund No. 105 expenditures budget to reflect the land acquisition. Ayes: all.*

### **Accept Quotation for Purchase of Replacement Skid-Steer Loader**

Post indicated that the replacement of the Public Works Department's 1996 Skid-Steer machine was originally contemplated to be replaced as a January 2013 CIP \$50,000 item purchase to participate in the 2012-2013 snow removal season. In addition to the age and operational hours of the Skid-Steer, the severity of the 2010-2011 snow removal season took a toll on this machine that required several emergency hydraulic repairs. Staff investigated the possibility of pulling this CIP item into 2012 as an unbudgeted purchase to both take advantage of 2012 State Contract pricing and maximize trade-in value prior to the 2012-2013 snow removal season. Staff discussed this budgetary option with Council at the August 21, 2012 work session meeting and received direction to obtain written vendor quotes for consideration at the September 4, 2012 regular meeting.

Staff solicited written quotations including trade-in values from selected vendors representing the three manufacturers (i.e. Bobcat, Case, and New Holland) with 2012 State Contract pricing. Staff also performed market research to determine a likely auction value of the current New Holland LX885 to evaluate the reasonableness of trade-in offers from vendors. It was apparent that the trade-in values being quoted were under the estimated market value of the New Holland Loader excluding the snow blower. The low vendor quote was received from Tri State Bobcat Inc. for a Bobcat Model S650 at a cost of \$50,766.63 without trade-in.

Staff recommends the purchase of the Bobcat Model S650 Skid-Steer Loader and the current New Holland LX885 machine and snow blower be sold at a public auction and not included in a trade-in transaction.

Public Works Director Wurzer discussed his experiences test driving a similar Skid-Steer loader to that proposed, and how its equipment package would result in improved functionality over the New Holland LX885.

*A motion was made by Chillstrom, seconded by Carpenter, to accept the August 23, 2012 quotation from Tri-State Bobcat, Inc. for the purchase of a model S650 Skid-Steer Loader at a cost of \$50,766.63, authorize the City Administrator to execute the purchase agreement, and direct staff to place the existing 1996 New Holland LX885 for sale with reserve at a public auction upon acceptance of the new Bobcat Loader delivery. Ayes: all.*

### **OTHER BUSINESS**

**Orono Lions Carp Fishing Contest** – Council member Chillstrom noted that the annual Orono Lions Carp Fishing Contest will be held Saturday, September 8 at Nelson Lakeside Park. Registration will begin at 6:00 am, with weigh in at 2:00 pm followed by prize awards for youth and adult competitors.

**James J. Hill Days** – Mayor Hultmann advised that Wayzata's James J. Hill Days event will be held during the upcoming weekend, and that he will be taking a shift to sit in the dunk tank for the Wayzata Police Department fundraiser.

**ADJOURN**

*A motion was made by Chillstrom, seconded by Carpenter, to adjourn the meeting. Ayes: all. The meeting was adjourned at 7:12 pm.*

Respectfully submitted,

Jeanette Moeller  
City Clerk