



**MINUTES  
CITY COUNCIL MEETING  
December 5, 2017**

**CALL TO ORDER**

The meeting was called to order at 6:30 pm.

**Present:** Mayor: Marty Schneider; Council: Tim Hultmann, Tom Skjaret, Jahn Dyvik, and Michelle Jerde

**Staff Present:** City Administrator: Scott Weske; Planning Consultant: Addison Lewis; City Attorney: John Thames; and City Clerk: Jeanette Moeller

**Absent:** None

**PLEDGE OF ALLEGIANCE**

**MAYOR'S COMMENTS - LONG LAKE NEWS, MEETING REVIEW AND UPDATES**

Mayor Schneider offered the following comments and updates:

Mayor Schneider expressed appreciation to the Orono Lions Club for their annual delivery of poinsettias to various locations in the community, and for continuing to be a big part of community service in the area.

The deadline to enter the Community Christmas Home Decorating Contest is 3:00 pm on December 7. Details are available at City Hall, Long Lake True Value, Otten Bros. Nursery, Kelley & Kelley Nursery, and the Country Cake Cupboard. Judging of entries will take place on Tuesday, December 12.

The Long Lake Area Chamber of Commerce will be hosting their first annual Tree Lighting Ceremony at Nelson Lakeside Park on Thursday, December 7 beginning at 6:30 pm. The Orono High School band and choir will be participating, there will be fire rings, and light refreshments available. The community is invited to attend.

Mayor Schneider noted that participation in the events mentioned is free of charge.

**APPROVE AGENDA**

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

**CONSENT AGENDA**

The Consent Agenda consisted of:

- A. Approve Minutes of November 21, 2017 City Council Meeting
- B. Approve Vendor Claims and Payroll
- C. Adopt Resolution No. 2017-47 Approving the Issuance of 2018 Liquor Licenses
- D. Adopt Resolution No. 2017-48 Approving the Issuance of 2018 Tobacco Licenses
- E. Accept the Resignation of Firefighter Joseph Blackstone From the Long Lake Fire Department

- F. Authorize Change Order No. 2 to Valley Paving, Inc. in the Amount of \$5,304.64 for Work Performed in Conjunction with the Watertown Road Improvement Project
- G. Authorize Pay Request No. 8 (Final) to Valley Paving, Inc. in the Amount of \$55,322.73 for Work Performed in Conjunction with the Watertown Road Improvements Project, Close-Out of Construction Contract

*A motion was made by Skjaret, seconded by Hultmann, to approve the Consent Agenda as amended. Ayes: all.*

### **OPEN CORRESPONDENCE**

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

### **BUSINESS ITEMS**

#### **Public Meeting to Discuss Proposed 2018 Budget and Levy**

Weske advised that the purpose of this public meeting item is to provide an opportunity for the public to ask any questions and make comments related to the following year's budget and levy. No action is required at this meeting; however, meeting comments would be taken into consideration in preparation for adoption of the final 2018 budget and total levy at the regular meeting of December 19, 2017.

At the September 19, 2017 meeting, the City Council adopted the proposed 2018 preliminary operating levy of \$991,370 coupled with a required debt service levy of \$146,853, producing a total preliminary levy of \$1,138,223 and resulting in an increase of \$73,645. The proposed preliminary levy increase of \$73,645, accompanied by a 7.7% increase in net tax capacity, resulted in a 0.48% increase of the local City tax rate for 2018 while retaining a \$27,528 surplus as a minimal buffer for 2018.

Weske reviewed budget factors including:

- An assumption that \$6,580 of Local Government Aid (LGA) will be received in 2018.
- License and permit revenues are expected to remain flat.
- A planned salary step increase for the City Administrator and Public Works Director positions, as well as a 2% salary range move for other staff is anticipated.
- Regarding benefits, a 10% increase in employee health insurance and 1.9% increase in employee dental insurance premiums is estimated.
- An assumed 0% increase in city liability insurance premiums.
- Major General Fund capital items for 2018 including \$50,000 budgeted for a seal coat project; the continuation of annual capital replacement/maintenance activities including purchase of a one-ton pick truck for Public Works; completion of the 2040 Comprehensive Plan Update; and anticipating CR 112 Phase 2 construction.

Weske provided a review of recent City market value trends and discussed the history of the City's tax levy from years 2013 through proposed 2018. Weske also presented pie charts and percentages depicting General Fund revenue sources as well as General Fund expenses in the areas of Public Safety, Public Works, Parks, and General Administration services. Weske also summarized the 2018 General Fund budget as it is currently proposed, stating that \$1,730,482 in revenues and \$1,650,545 in expenditures results in a \$79,937 difference – minus a \$46,116 increase in debt service as compared to 2017, the proposed budget would leave a \$27,528 surplus as a buffer for 2018 General Fund operations.

Council members received the information presented and discussed the annual seal coating program; the Truth in Taxation public meeting versus levy adoption vote procedural information; the impact of property valuation increases on resident taxation; the conservative surplus level budgeted for 2018; and whether cell tower revenue could be reallocated to the General Fund to allow for a levy reduction.

The following public comment was received:

Dan MacDonald, 335 Russell Lane – Mr. MacDonald stated he would be in favor of a zero percent tax increase and questioned how many present would raise their hands in support of raising taxes.

Jane Davidson, 1020 Old Long Lake Road – As a member of the Park Board, Ms. Davidson indicated that the Board had reviewed the condition of the City's park equipment and had determined that the City will be facing substantial park equipment replacement needs in the upcoming future. She questioned the funding sources available to the Park Board and commented that it is hard to see how the City is planning ahead for replacement of park equipment. Weske clarified that park dedication fees paid by developers at time of development are a primary funding source for park improvements. Also, under the General Fund and Park Fund, there are budget line items for large capital and for basic operations. Ms. Davidson also described the spreadsheet prepared by the Park Board detailing park equipment from installation to anticipated replacement.

Mayor Schneider referred to the established set of City goals and major accomplishments achieved in 2017 in the areas of park improvements. He indicated he appreciated public input, and commented that he would like to see the City keep the tax rate low to respect affordability and maintain the high level of confidence held by businesses and residents.

### **Planning Case #2017-03 / Preliminary Plat and Planned Unit Development for 5 Single Family Homes at 1070 W Wayzata Boulevard**

Planning Consultant Lewis reported that at the City Council's last meeting, the Council tabled discussion of this agenda item had been tabled for continued review to permit an absent Council member to participate in voting on the application. No substantial changes have been made to the applicant's plan; however, the applicant has indicated that he no longer wishes to pursue the plan proposed under Planning Case #2017-03. The applicant intends to submit a new application to subdivide the subject property into four developable lots to be served by driveways rather than by a private street, eliminating the necessity of a PUD rezoning request, and designed to avoid variance requests if possible. Lewis has explained a revised plan would require submittal of a new land use application for the Planning Commission to review, and for comment by Hennepin County, the MnDNR, and the City of Orono for comment. At this time, as the application must be actioned upon by January 11, staff would recommend the Council take action on the current plan unless the applicant is willing to withdraw his current application. Lewis explained the 60-day rule and confirmed that with the 60-day period and permitted 60-day extension, the City must make a decision on the application by January 11 or the plan is considered approved.

Applicant Jim Koch stated that through the application process, public hearings, and discussion with neighbors, he and his partners had learned there are some concerns with their proposal regarding the density of a five-lot development, addressing drainage, utilizing a large private roadway system, use of the existing lake access easement by five lots versus the current single lot, the driveway easement within the property, and the shape of the lots. Based on their learned understanding, Mr. Koch's intent is to revise the preliminary plat proposal. He indicated that his hope would be to receive some feedback from the Council in terms of the direction their new plan would follow, and described their intended revisions to include:

- The density being reduced from a five-lot development to a request to subdivide for four lots, and a redesign to remove the need for a PUD rezoning request.
- Offering private driveways versus a large private roadway system, incorporating two driveways each serving two lots. There has been communication of this intent with Hennepin County Engineer Kristy Morter.
- Giving consideration to only a single lot being permitted to utilize the existing lake access easement.
- Following R-2 and subdivision ordinance design standards through reducing the plan to development of four lots, which would each be substantial in size.
- The revised plan would include an intent to share expenses for maintenance of drives with fellow Old Long Lake Road neighbors, and Koch hopes to meet with the neighbors to discuss this further.

Koch sought direction regarding how to proceed from a procedural standpoint regarding withdrawal of the existing plan application.

Lewis confirmed that if the applicant formally withdraws his application, no action on the application is necessary by the City Council at this time.

Mayor Schneider commented that application withdrawal would allow for a sooner time to restart a new application process. He observed personally that the PUD zoning tool is for many reasons an exceptional tool that can be used in exceptional circumstances to offer latitude to a developer, while allowing for discretion in how a plan is addressed by the Planning Commission and City Council. He would see a revised plan for a subdivision being a more correct application. He noted that he knew there were questions over how the lake access easement would be addressed, and having more direction on that would be a favorable step in his mind.

Council member Hultmann indicated that he would applaud the applicant for being willing to step back in his plans, and that he would be hopeful the neighbors would be more receptive as the applicant moves forward with his new plan.

Council member Dyvik questioned how access to the four lot subdivision would be configured.

Koch indicated that after communicating with County Engineer Morter, he is in favor of the "light bulb" drive extension to serve the properties from Old Long Lake Road, and would propose private driveways as curb cuts from the "light bulb" configuration. He also is amenable to a configuration where there are two separate curb cuts from Old Long Lake Road with a separation between them, and would propose one curb cut become two private drives to serve the lots. Morter is open to options regarding this access point, and Koch stated he does want to talk with the neighbors about this issue.

Council member Skjaret asked why a new four-lot proposal would no longer require the PUD rezoning as the current development proposal is requesting; and noted as a point of awareness that fewer lots larger in size could accommodate larger home construction.

Lewis indicated that the whole reason a PUD zoning classification was necessary to apply for was that the developer was proposing to access the five-lot development by a private street. However,

up to two lots can be shared by a private driveway, so two lots per drive would not require a PUD application.

Regarding home size, Koch added that homeowners would have a little discretion in what they would build but would have to follow R-2 zoning district guidelines. While he would have liked to pursue a five-lot development, he would rather have support for his proposal and follow the path of less resistance. Unless the Council has additional feedback, he stated he would make a formal request to withdraw his current application and confirmed he would send written correspondence for his withdrawal to Lewis the following day.

Council members and staff discussed how alternate drive designs from Old Long Lake Road may impact the applicant's driveway plans.

Mayor Schneider noted that he appreciated the applicant's flexibility, he accepted the withdrawal of his PUD rezoning and preliminary plat application, and would look forward to seeing Mr. Koch return in the near future. He emphasized that when the applicant makes a new application, there will be adequate opportunity for public input during the process.

### **Continue Discussion of Old Long Lake Road Drive Design and Cooperative Agreement Preparation**

City Attorney Thames reported that he had conversed with Hennepin County Project Engineer Kristy Morter regarding the Council's counter proposal requesting consideration of two 12' curb cuts separated by a two foot segment. Ms. Morter has reviewed the request and believes it would be possible to do so; however, she communicated that while the County continues to be willing to be flexible, they only want to do one more final design drawing. Referencing development of the 1070 W Wayzata Boulevard property, Thames added that it is his understanding from discussions with Orono that the "light bulb" design last proposed would only work as a private drive due to maintenance concerns expressed by neighboring residents. He conveyed that he believes there continues to be a real desire on the part of the Old Long Lake Road impacted neighbors to have separate curb cuts serving their properties versus the neighboring property.

Mayor Schneider observed that it is his interpretation the Long Lake City Council has said whether the "light bulb" cul-de-sac design or private drives, the City of Long Lake would prefer not to assume responsibility for either as part of its Pavement Management Plan. He noted that there are a few loose ends with the County Road Phase 2 design at this time including final design of this access, as well as discussion of options for a crosswalk in the Greenhill Lane / Russell Lane corridor area. He indicated it might be better to let these loose ends play out a bit rather than trying to create a drawing that may have to be changed.

Thames responded that the County will be appreciative of not having to do more than one more design drawing; however, he advised that the Council may want to be cognizant of the County's timeline. The Old Long Lake Road drive design is currently the item holding up further action on Phase 2 and the cooperative agreement, and Long Lake needs to provide direction to the County. Any design approved by Long Lake must also be put forth to Orono's Council for action as well. Thames indicated that at the Council's last meeting, direction had been given to approach the County exploring the feasibility of adding two feet to the 10 foot wide curb cut originally proposed, creating a 12 foot, two foot, and 12 foot scenario. The redesign of the 1070 W Wayzata Boulevard proposal creates a new wrinkle. Thames stated that he would like to provide the County with a set of criteria their access must meet, so that they can work out a design within those parameters.

After further discussion between Council and staff of how the access may impact proposed development of the 1070 W Wayzata Boulevard lot, a motion was made and voted upon.

*A motion was made by Hultmann, seconded by Skjaret, that a design be based on two separate 12 foot wide driveways with a two-foot wide separation between them, and connection to the access drives to be determined by the impacted neighbors. Ayes: all.*

Jane Davidson, 1020 Old Long Lake Road, stated that she and her husband had met with Orono representatives recognizing that the majority of the drives will fall within City of Orono limits. She communicated her and her neighbors' concerns regarding the substantial loss of trees that will take place at the intersection and surrounding area, shared that according to the Orono representatives they had met with, Orono has no intention of replacing lost trees or adding landscaping features to their side of the impacted area. She urged the Long Lake Council to try and protect their neighborhood area from being left with a dead, unattractive piece of land with no foliage; and pled with the Council to take care of her and her neighbors as they are Long Lake residents and will not receive assistance from Orono.

Mayor Schneider noted that he believes the City Council and staff will remain sensitive to the changes in that area and throughout the corridor. There is desire for the final result from end to end through the corridor to reflect a nice finished product.

#### **Continue Discussion of Establishing a CR 112 Project Landscaping Subcommittee**

Council member Dyvik stated that this subcommittee has not yet been formed, but he has received input from staff as to how the subcommittee may be structured. He also had spoken with Kristy Morter who offered contact information for the County's landscaping specialist and forester, and had sent the approved landscaping plan for the corridor. The plan includes details about types of plantings but goes into little detail regarding what plantings may go in what locations. The purpose of the subcommittee would be to oversee and be involved with the schedule and budgeting for corridor landscaping. The subcommittee could also work beyond the County landscaping and could focus on other landscaping enhancements such as planters in bump outs, hanging planters, etc., to highlight areas in the corridor.

Mayor Schneider shared his thought that this represents a great initiative, and added that he knows other communities work to involved businesses to sponsor planters and other items.

Council member Dyvik questioned how best to appoint the subcommittee. Staff indicated they could work with Council member Dyvik to place the item on an upcoming agenda for action.

#### **Update Regarding Public Works Director Hiring Process**

Weske advised that staff had reviewed the applications received for the position of Public Works Director and had reached a consensus regarding candidates to be interviewed. Staff will be working to schedule first interviews, with a second interview to follow at the January 2 City Council work session possibly followed by final action on the appointment at the January 2 City Council meeting. Weske indicated that if the members of the Council participating in the interview process were comfortable with staff's consensus regarding candidates to be interviewed, he will work to schedule interviews back to back on a single afternoon.

#### **County Road 112 / Wayzata Boulevard W Reconstruction Project Updates**

Mayor Schneider had spoken with Project Engineer Paul Backer. Streetlight installation is underway, however streetlights for the downtown block are not yet available. Backer will be providing the specifications for banner or planter hanger hardware for discussion, and the streetlights will incorporate the hardware as initially agreed to. Additionally, Backer advised that project work in the lakeshore area will continue as long as winter weather permits.

Weske added that he had been informed the regular project staff update meetings have been discontinued until spring. Weske also responded to Council member questions on related items and confirmed that water lines had been installed for the Dexter Park future water fountain, and that concrete will have to be removed and replaced for the new Nelson Lakeside Park restroom enclosure.

Mayor Schneider has heard some positive comments as the corridor has begun to take shape.

Council member Dyvik had noticed that the contractor appears to be digging pretty deep by the Carpenter residence. Mayor Schneider replied that their technique has been to drill in pilings as opposed to pounding them in to reduce the impact upon neighboring properties.

### **Discuss City Office Holiday Hours**

Weske reported that the December 25 Christmas Day holiday falls on a Monday this year. He sought the Council's permission for City offices to be closed on Tuesday, December 26 as well to permit staff to fully enjoy Christmas with their families on Monday. Normal City office hours would resume on Wednesday, December 27. Mayor and Council were supportive of staff's request.

*A motion was made by Hultmann, seconded by Dyvik, to close City offices on Tuesday, December 26. Ayes: all.*

### **OTHER BUSINESS**

**Tree Lighting Ceremony** – Council member Hultmann stated that unfortunately he would be unable to attend the December 7 Tree Lighting Ceremony event as he would be attending a school band concert. Council member Jerde noted that she also would not be at the event due to her son participating in a band concert.

**Shop Local** – Council member Hultmann encouraged everyone to keep shopping local, reflecting that it is important to keep the community's businesses busy.

**Return of Urban Coyotes** – Council member Skjaret noted that recently he had seen a coyote in his neighborhood and had observed tracks around Wurzer Trail. He reminded those with pets to be aware and to bring them in during the evenings. Mayor Schneider added that there are some licensed trapper resources that may be worth looking into.

**ATC / Verizon Lease Update** – City Attorney Thames reported that the City is now in receipt of the fully executed copy of the updated ATC lease agreement. Mayor Schneider thanked Thames for his work on the lease update project.

**Refuse Hauler Fee Schedules** – Moeller had sent out correspondence encouraging licensed refuse haulers to share their rate schedules for publication on the City's website. Thus far, she has received one rate schedule in response to the letter sent.

**Concept Review for Symes Street Project Proposal** – Lewis advised that the Planning Commission will be hearing a concept review for a multi-family housing project proposal on Symes Street at their December 12 meeting. Council members requested that a quorum notice be posted to allow City Council members to be present in the audience at the meeting.

**Appreciation for Work in 2017** – Mayor Schneider personally thanked City staff, Planning Consultant Lewis, and City Attorney Thames for their work particularly in the hectic last half of 2017, highlighting work regarding the County Road 112 project, cell tower lease negotiations, development

proposals, etc. He also gave thanks to Council member Hultmann for continuing to work on the best way to memorialize Officer Mathews; and lastly, wished everybody a great holiday season.

**ADJOURN**

*A motion was made by Hultmann, seconded by Skjaret, to adjourn the meeting. Ayes: all. Mayor Schneider adjourned the meeting at 8:04 pm.*

Respectfully submitted,

Jeanette Moeller  
City Clerk