



**MINUTES
CITY COUNCIL MEETING
September 17, 2019**

CALL TO ORDER

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

Present: Mayor: Charlie Miner; Council: Deirdre Kvale, Michelle Jerde, Jahn Dyvik, and Tom Skjaret

Staff Present: City Administrator: Scott Weske; Planning Consultant: PeggySue Imihy, WSB; City Engineer: Alex Miller, WSB; Public Works Director: Sean Diercks; and City Clerk: Jeanette Moeller

Absent: None

PLEDGE OF ALLEGIANCE

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

Mayor Miner offered the following comments and updates:

Prior to the regular meeting, the EDA met and had a lively discussion amongst both the Board and community members in attendance, with the main topic being the City owned land located just north of City Hall. Ultimately the EDA took action by majority vote (4 voting aye, 3 voting nay) to authorize entering into purchase agreement negotiations with a developer interested in the site as a location for a 110 unit senior living and assisted memory care facility. City staff also received direction from the EDA to work towards determining a purchase price and research the best way to sell the former BP station property.

The evening of September 18, the annual Battle of the Badges game between the Long Lake Fire Department and Orono Police Department will be held at Holbrook Park beginning at 6:30 pm. Last year's event had been a fun one, and featured a guest appearance by a former Minnesota Twins player playing for Orono Police. Mayor Miner added that he will be an umpire for this year's game.

APPROVE AGENDA

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

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of September 3, 2019 City Council Work Session
- B. Approve Minutes of September 3, 2019 City Council Meeting
- C. Receive Minutes of August 20, 2019 Economic Development Authority Meeting
- D. Approve Vendor Claims and Payroll
- E. Adopt Resolution No. 2019-40 Conditionally Appointing Richard Loosbrock to the Position of Paid On-Call Firefighter for the City of Long Lake Fire Department

- F. Adopt Resolution No. 2019-41 Accepting the Donation to the Long Lake Fire Department in the Amount of \$200.00 from Minnetonka School District No. 276 for 2019 Tour de Tonka Support

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

OPEN CORRESPONDENCE

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

BUSINESS ITEMS

Planning Case #2019-14 / Request for a Variance to Allow for a Pre Browse Menu Board Sign Exceeding the Allowable Height and Sign Area on the Property at 2410 West Industrial Boulevard (Tracey Diehl, Archland Property I LLC/McDonalds Corporation)

Micaela Noy, representing McDonald's through Expedite The Diehl, arose to the podium and introduced herself.

Planning Consultant Imihy reported that the application by Expedite The Diehl and McDonald's is for a sign variance. McDonald's is working to replace its signage company-wide, and the McDonald's corporation has asked all franchisees to upgrade to its new signage package. She explained that it is important to note that they have already applied for a sign permit and received approval for one new menu board sign which met size requirements. Zoning Code allows a second menu board sign, but not to the dimensions proposed by the applicant for a second pre-browse menu board.

McDonald's currently has one menu board made up of a four-panel system that is 42 square feet in size and is non-conforming. Again, a sign permit has already been issued to replace the four-panel board with a smaller double panel board that meets size requirements. In addition to the permitted new menu board, the applicant is requesting a variance to size and height requirements for a pre-browse menu board. The pre-browse board would exceed sign area and height allowed for a second drive-through menu board. McDonald's is asking all franchisees to adopt this existing sign package and has provided no alternatives to franchisees; therefore, they have been asking many communities around the area to give them variances or adopt text amendments to permit installation of their complete sign package. Though the setup of the main menu board and second pre-browse board package would be smaller in square footage overall than the existing non-conforming board, the intent of Zoning Code is to allow one larger menu board and one smaller board – not to permit mixing and matching sizes at the applicant's preference. Zoning Code says two signs are permitted, but they need to be the correct size.

Imihy noted that her recommendation based on interpretation of Code would be to deny the application. She stated she found it difficult to find in favor for a practical difficulty that is not something created by the landowner, for example, where something about the land or site configuration causes the applicant to be unable to meet the intent of the City's ordinance. Though the applicant indicates there are no smaller signage options available to them, there are other signs manufactured – McDonald's knows other signs come in other sizes, and it is their choice to have selected a product that does not meet size requirements of the City's ordinance. McDonald's is choosing not to meet code, rather than being prevented from meeting code. She indicated many communities have chosen to consider text amendments which would allow for the sign package to be permitted, recognizing that this could potentially be the direction menu board signage is moving in with McDonald's being an innovator. In her professional opinion, she would support considering a text amendment that would change zoning code to allow the second menu board sign to be allowed; but would recommend denial of the application for a variance based on interpretation of

the criteria for issuance of a variance as identified in Zoning Code. The Planning Commission reviewed the application and voted 4:0 to recommend denial of the sign variance, noting that they would recommend Council consider giving direction to staff to pursue a text amendment to menu board sign requirements should they wish to permit the second sign.

Ms. Noy responded to Council member questions regarding the sign proposal and indicated that the two sign system would be located in the same position where the large four-panel sign is currently located; and that McDonald's sign package is for a pre-browse board and main menu board to be the same height for aesthetic purposes, with both signs to be visible for drivers in taller vehicles.

Council and staff discussed the variance application, whether a finding could be made that the plight of the landowner to be found could be McDonald's corporation enforcing a sign package requirement on its franchisees, and noted that the signs were being manufactured in Australia for McDonald's though other sign companies make different signs. Council and staff were generally supportive of a text amendment that could potentially revise menu board sign requirements to state that no more than two menu board signs are permitted for a business, with a "not to exceed" overall square footage and height to be established.

Imihy commented that she has no issue with the attractive sign package proposed, but from her perspective, she did not find that a practical difficulty for variance issuance exists. The Council has the option to approve the variance though if they feel they are able to make a different finding.

A motion was made Skjaret, seconded by Miner, to adopt Resolution No. 2019-39 denying the request for a variance to allow for a pre browse sign which exceeds the allowable height and sign area on the property located at 2410 West Industrial Boulevard.

In further discussion, Imihy clarified that approval of a variance requires a 4/5 super majority vote and failure to achieve that vote essentially constitutes a denial as well. She also clarified that if Council desires to consider a text amendment that would permit the sign, direction could be given to staff to do so and a motion is not required for that direction.

Council and staff continued to discuss the variance request and whether interpretation of variance criteria could be found in favor of the variance. Council member Skjaret pointed out that the corporation is dictating the sign package they've selected for financial purposes which is inconsistent with variance criteria, and he would support a zoning text amendment which would ultimately allow for installation of the signage through a sign permit upon adoption.

Imihy also noted that while it is her job as the City's planner to strictly interpret the City's code, as members of the community who live and own businesses in Long Lake, Council members may have a different interpretation of Code and make their own findings as well.

Procedurally, Moeller clarified that a text amendment requires noticing a hearing to be held by Planning Commission prior to action by City Council, so a text amendment could not be adopted at the current meeting.

Ayes: Miner, Skjaret. Nays: Kvale, Dyvik, Jerde. Motion failed.

A motion was made Dyvik, seconded by Jerde, to adopt Resolution No. 2019-39 approving the request for a variance to allow for a pre browse sign which exceeds the allowable height and sign area on the property located at 2410 West Industrial Boulevard. Ayes: Kvale, Jerde, Miner, Dyvik. Nays: Skjaret. Motion carried.

Council gave direction to staff to work towards preparing a zoning text amendment to update language for drive-through menu board sign size requirements for consideration at a future meeting.

Brief Update – Planning Case #2019-13 (Lifestyle Communities, LLC, Zvago Project) Tabled for October Planning Commission and City Council Review at Applicant’s Request

Imihy advised that the City did receive an application from Lifestyle Communities, LLC for a 57-unit cooperative living project proposed for property located off Wayzata Boulevard W and adjacent to Brown Road N; however, one of the applicants had a baby and the timing had impacted their application process. Imihy and Engineer Miller had been working with the applicant, but ultimately, the applicant had decided to submit a request to table their application for review until October. The applicant was able to meet with residents who had come to the September Planning Commission meeting for the noticed public hearing, predominantly occupants of the neighboring townhomes, and were able to discuss their concerns about plowing, safety access, utilities, and the attendees appeared thankful to facetime with the developer to address those issues. The applicant will be working in the weeks ahead to tie up loose ends and continue to work with Engineer Miller on items. Imihy confirmed that the developer has completed their purchase of the property on Brown Road N, and they are committed by contract for the Wayzata Boulevard W property. Primarily the applicant will be exploring alternatives to connecting to City water and sewer other than connecting through newly paved Wayzata Boulevard, and will be working with the Fire Chief to assure good public safety access and good fire flows.

Council member Dyvik noted that he was excited about the proposed project, adding that the applicant is not asking for TIF assistance. He questioned whether a ladder truck is required if there’s a fourth story to the building.

Weske indicated that a building of that size would be required to be sprinklered; but a ladder truck would be available to respond to a site if needed through mutual aid.

Mayor Miner questioned whether the applicant continues to express interest in a Symes Street project as well.

Imihy replied that the developer is still planning to move forward with an application for a Symes Street project with a much different rendering focusing on townhomes.

Council member Dyvik added that despite criticism received, there is a lot that will happen in Long Lake in the next two years.

Update on Draft 2040 Comprehensive Plan Progress

Imihy provided an update on her recent conversation with Jake Reilly, sector representative for Metropolitan Council, and indicated that he had expressed a willingness to review draft 2040 Comprehensive Plan chapters as they are developed which will be helpful in preparing a complete document for final submission. Reilly did note that the City Council should be aware it will need to make zoning updates upon completion of the Comprehensive Plan project, and as SAC determination requests are made, the Metropolitan Council will be looking to make sure the City is starting to implement its Comprehensive Plan.

Imihy also discussed setting up a goal review work session to take place separate from a Council meeting to review goals that will need to be identified in the chapters of the Comprehensive Plan. She would like to review the goals she had interpreted from the strategies included in the previous 2040 Comprehensive Plan draft document to determine if they are correct, and to have a conversation about redevelopment sites and how the City would want change to look like. She confirmed that the work session could involve the Council, Planning Commission, and members of

the Comprehensive Plan Task Force; with a potential public open house to follow at a later date if desired. She sought Council support for establishing a work session in late October or early November.

Council members were supportive of Imihy's work session suggestion.

Sanitary Flow Monitoring Near Watertown Lift Station and Future I/I Reduction Efforts

City Engineer Miller provided a presentation depicting how inflow and infiltration (I/I) occurs; describing the recent I/I metering project in the Watertown lift station sewershed; and presenting the results of the metering study. She reviewed an estimate of the probable cost to line sanitary sewer pipes in the Watertown lift station sewershed area, estimated at \$242,000, noting that some of that amount would be for preparatory work including borings and line televising. Televising would enable a review of the pipes from the interior to help determine whether pipes are a candidate for lining, and the results of televising lines would likely have an impact on total project cost. She presented a sanitary sewer map showing the multiple lift station sewershed areas in Long Lake, and indicated that it is estimated the Watertown sewershed accounts for about 13% of I/I.

Mayor Miner questioned whether the sewer pipes along Watertown Road were reconstructed at the time the roadway was rebuilt.

Miller recalled that forcemain was replaced but she did not recollect storm sewer replacements. Often sanitary sewer lines are lined rather than reconstructed during a road improvement project.

Public Works Director Diercks indicated that he has documentation going back 50 years on the ongoing I/I issue; and noted that groundwater levels have been higher with weather conditions being wetter in recent years, resulting in more seepage and water entering sewer lines. He also stated that more data would be needed to challenge Metropolitan Council on the I/I they attribute to Long Lake, and that he would like to see the City consider making improvements in the Watertown sewershed area while continuing to investigate the City's other sewersheds as well. He confirmed that the City Engineer's Watertown sewershed project estimate would include installing a meter on Line F coming from Orono in order to meter every drop of water coming in from the community outside Long Lake.

Council member Kvale asked how long sewer lining lasts.

Miller replied that she did not believe the Watertown lines were lined during the road project; however, lined pipes are considered similar to new pipe and it is estimated lining lasts decades.

Council member Dyvik questioned how significantly lining reduces the interior diameter of pipes.

Miller indicated that lining reduces interior diameter by millimeters, and televising helps designers prepare effective lining design.

Miller clarified that 2020 project work would be eligible for the next Metropolitan Council I/I grant round, and typically the grant provides reimbursement once a contractor is fully paid and the contract is closed out.

Council and staff continued to discuss a potential Watertown lift station sewershed project; how televising and boring may impact the scope of project work; metering I/I from Orono; funding sources for a sewer lining project; focusing on the City's infrastructure before asking residential homes to work on their lines as well; and the equipment used to televise lines.

Council was supportive of directing staff to prepare a proposal for investigation work for a possible Watertown lift station sewershed lining project.

Pavement Management 2019 Update

Miller presented a review of recent work conducted to update the City's Pavement Management Plan (PMP); and reviewed the 2016 PMP and schedule of proposed improvements in comparison to September 2019 road ratings recently completed. The 2016 PMP had identified a reconstruction project for Grand Avenue and Upper Lea Lane. She clarified that road reconstruction typically assumes replacing a road section, replacing watermain, completing minor update to storm sewer, no sanitary sewer improvements, and adding curb and gutter.

She presented a map of updated road condition ratings; displayed a graph showing the life cycle of a roadway; discussed at what point sealcoating is no longer effective to preserve road conditions, described the difference between a mill and overlay project versus a reconstruction project; showed photos taken by Public Works depicting crack patterns on roadways that are in poor condition including Grand Avenue and Heather Lane; and discussed a realistic timeline for a potential 2021 road reconstruction project, noting that a bid package could include bid alternates for separate streets. She also displayed a map of watermain breaks recording since 1973, pointing out the significant number of breaks that have occurred along Grand Avenue.

Diercks explained how bolt corrosion can cause watermain breaks.

Council and staff discussed roads based upon the recent road condition ratings.

Miller indicated she would like to speak with the Council in a work session to discuss road condition ratings and identifying potential road improvement projects. She noted that if a road project were to be bid with streets as bid alternates, the design would be complete for the alternates and roads not included in a project would need minimal redesign when re-bid at a later date.

Diercks mentioned alternatives to sealcoating being considered for streets currently in good condition, and Council discussed the need to maintain roads currently in good condition to prevent them from deteriorating rapidly.

Adoption of Preliminary 2020 Payable Levy; Establish Truth in Taxation Public Meeting Date to Discuss Levy and Proposed Budget

Administrator Weske introduced the proposed Preliminary 2020 Payable Levy and began with a review of 2020 budget factors. As discussion of the current 2020 recommended levy opened, Council member Kvale noted that it appeared the number for the preliminary levy had changed from previous information provided. Weske explained that changes are reflective of updates received from Hennepin County, and confirmed that in development of the recommended levy, focus was placed on the City's tax rate remaining unchanged.

Council member indicated that it appeared the budget and levy was based upon maintaining the City tax rate rather than by actual accounting.

Weske advised that the proposed budget is balanced representative of operations, and debt service levy obligations required and provided by Hennepin County. The overall preliminary levy had increased to reflect what Hennepin County provided for updated debt service obligations.

Council member Kvale stated that the City of Long Lake receives tax revenue, and she would need a good reason to raise taxes.

Council member Dyvik explained that the levy is representative of balancing expenses and revenue. He questioned where the cell tower revenue had been allocated. Weske replied that cell tower revenue is applied to the general fund.

Council member Kvale referenced notes made on paperwork she had reviewed, and indicated that when she had tried to add numbers in her materials, she arrived at a different levy amount than what was currently proposed.

Council and staff continued to discuss budget factors impacting the current levy recommendation.

Council member Kvale continued to express concern that focusing on leaving the City's tax rate unchanged would result in homeowners seeing an increase in their taxes.

Council member Skjaret noted that the City has expenses which are going up too. Council member Dyvik added that when he came on to Council, the Council had frozen the annual levy for four years consecutively, but the holding the levy constant at the same amount is not sustainable. He added that the City's tax rate has actually gone down from previous years.

Council member Skjaret added that property values had increased resulting in the City's tax rate decreasing. While Council member Kvale emphasized that this was a good thing, Council member Skjaret stated that he believed the levy should have not been frozen but rather that a small increment should have been captured each year as property values rose to create a rainy day fund. He noted that Orono School District is seeking a larger levy increase in comparison to the City struggling to keep the levy down while meeting Long Lake's needs.

Council member Kvale reiterated that she did not believe the levy math can be justified.

Moeller noted that from a procedural perspective, it was noteworthy that tonight's action to adopt a preliminary levy represents a "do not exceed" amount, and that adjustment may be made as budget discussions continue prior to adoption of the final levy in December.

Staff responded to Council member Kvale's questions regarding restricted funds, expenses and operations, and debt service.

Council member Kvale noted that if taxes have to be raised to offset expenses, she would question where money could be cut from to prevent increasing taxes as proposed.

Council member Skjaret clarified that although the dollar amount of the levy as proposed would change, based upon market values, the City's tax rate would remain unchanged.

Weske noted with the City experiencing increases in Police and Fire expenses, increases in budgetary line items, and hiring an additional employee, all those things raise expenses overall.

Weske suggested that it would be helpful if Council members would contact him with questions as they receive and review information he provides in packets or other information, so as to avoid situations where references are made to alternative materials that differ from information included in the current materials presented.

A motion was made by Skjaret, seconded by Jerde, to adopt Resolution No. 2019-37 establishing the preliminary property tax levy payable in 2020 for the City of Long Lake. Ayes: Jerde, Dyvik, Miner, Skjaret. Nay: Kvale. Motion carried.

A motion was made by Skjaret, seconded by Dyvik, to adopt Resolution No. 2019-38 establishing the Truth in Taxation public meeting date as December 3, 2019 to discuss the proposed levy and budget for taxes payable 2020 for the City of Long Lake. Ayes: all.

Reschedule October 15, 2019 City Council Meeting

Moeller stated that staff had been advised two Council members would be unable to attend the October 15 meeting as scheduled. Staff noted one member had suggested rescheduling the Council meeting to be held October 22 instead, and staff would recommend the Council consider making a motion to do so.

A motion was made by Skjaret, seconded by Jerde, to reschedule the Tuesday, October 15 City Council meeting to be held on Tuesday, October 22 at the regular start time. Ayes: all.

OTHER BUSINESS

Update on Finance Position Process – Council member Kvale questioned how the interview process is setting up for the Finance/Utility Officer position candidates. Weske replied that staff had identified four potential candidates for interview based upon resume scoring and review. Staff will be working to schedule interviews for Monday, September 23 if possible.

Wayzata Boulevard W Landscaping Project Reimbursement – Council member Dyvik questioned whether Hennepin County and the City of Orono had been invoiced yet for their share of the Wayzata Boulevard W Phase 1 landscaping project, and/or whether the City has been reimbursed yet. Weske responded that per the terms of the agreement between parties, invoicing would not take place until after the two year warranty period for the trees is complete; however, he and City Engineer Miller are working with Hennepin County towards hopefully invoicing earlier.

Boat Trailer Parking Issue – Council member Dyvik reported that on Labor Day, he had observed five boat trailers parked along Mill Street in marked spots in front of businesses. He encouraged staff to add “no trailer parking” signage in the area.

Long Lake Rowing Crew Concern – Council member Dyvik had received complaints regarding the Long Lake Rowing Crew operating past sunset without lights. Moeller stated that she had spoken with the LLRC in response to receiving a complaint, and they had indicated they would be modifying their evening coaching schedule to be more reflective of the changing sunset hours. She also shared that they had mentioned they were exploring options for adding lights to the rowing sculls for safety. Council member Dyvik questioned whether the Council should consider revisiting their previous Conditional Use Permit to be more reflective of the “sunset” usage rules that apply to watercraft. Moeller noted that staff would need to consult with the City Attorney on the process to do so, as typically a Conditional Use Permit is amended at the request of an applicant. Council member Dyvik suggested keeping a careful eye on rowing operations at dusk.

Speeding Concerns – Council member Dyvik noted that while the speed limit for traffic traveling along the lake is 30 mph, the other morning he had a vehicle behind him lay on their horn in objection to Council member Dyvik driving at the speed limit. He stated that people are not wanting to obey the speed limit in the corridor. Weske commented that additional Police enforcement is needed. Council member Skjaret also shared his concerns regarding speeding traffic, having observed a couple near-misses in the vicinity of Heather Lane. He encouraged those who live in the Greenhill/Glenmoor Lane neighborhoods to use the right turn onto Wayzata Boulevard W at Glenmoor Lane. He voiced that the way people are behaving as they drive through the corridor is scary.

Bench on Wurzer Trail – Council member Skjaret thanked Diercks and Public Works staff for installing a bench at Wurzer Trail, noting that the bench was installed in a nice location.

CSAH 112 Grand Opening Celebration – Moeller reported that planning efforts continue for the October 1 CSAH 112 grand opening celebration, and she will be meeting with the Museum on the following day to continue discussing preparations.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 9:22 pm.

Respectfully submitted,

Jeanette Moeller
City Clerk