

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA CITY COUNCIL
HELD AT CITY HALL
APRIL 6, 2010
7:05 P.M.**

ROLLCALL Answering rollcall were Members Bennett, Brindle, Housh, Swenson and Mayor Hovland.

CONSENT AGENDA ITEMS APPROVED Motion made by Member Swenson and seconded by Member Brindle approving the Council Consent Agenda with the exceptions of Items II.B., Contract PW-2010-1A: commodities purchase, and III.H., Resolution No. 2010-33 approving a Joint Powers Agreement with City of Minnetonka for Bren Road-Londonderry Drive TH169 Interchange Project.

Rollcall:

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

***MINUTES APPROVED – REGULAR MEETING OF MARCH 16, 2010, AND WORK SESSIONS 1 AND 2 OF MARCH 16, 2010** Motion made by Member Swenson and seconded by Member Brindle approving the minutes of the Regular Meeting of March 16, 2010, and Work Sessions 1 and 2 of March 16, 2010.

Motion carried on rollcall vote – five ayes.

***AWARD OF BID – TWO FORD TRANSIT CONNECT VANS FOR ENGINEERING DEPARTMENT** Motion made by Member Swenson and seconded by Member Brindle awarding the bid for two Ford transit connect vans for the Engineering Department to the recommended low bidder, Elk River Ford Dodge Jeep at \$41,370.56.

Motion carried on rollcall vote – five ayes.

AWARD OF BID – CONTRACT PW-2010-1A: COMMODITIES PURCHASE – SAND, ROCK, BITUMINOUS MATERIALS, CONCRETE, AND WATER TREATMENT CHEMICALS The Council clarified that the term for this bid was a period of one year from April 1, 2010, to March 31, 2011. Public Works Director Houle noted the Council had been provided with a corrected staff report. Member Brindle made a motion, seconded by Member Swenson, awarding the bid for Contract PW-2010-1A, for April 1, 2010 to March 31, 2011, commodities of sand, rock, bituminous, materials, concrete, and water treatment chemicals to the recommended low bidders as follows: coarse washed sand (delivered) to SA-AG at \$7.00 per ton; coarse washed sand (picked up) to SA-AG at \$2.73 per ton; Cl.2 limestone (delivered) to Kramer Mining & Materials at \$14.16 per ton; Cl.2 limestone (picked up) to Kramer Mining & Materials at \$7.60 per ton; FA-2 seal coat chips (delivered) to Dresser Trap Rock, Inc. at \$39.40 per ton; FA-2 seal coat chips (picked up) to Dresser Trap Rock, Inc. at \$26.90 per ton; *asphalt 2350 Base Type 31 or 32 (picked up) to CS McCrossan at \$40.00 per ton; or to Commercial Asphalt (picked up) at \$43.75 per ton, or to Bituminous Roadways (picked up) at \$46.00 per ton; or to Midwest Asphalt (picked up) at \$51.95 per ton, or to Bituminous Roadways (delivered) at \$54.50 per ton, or to Midwest Asphalt (delivered) at \$55.95 per ton; *asphalt 2350 Base Type 41 or 42 to CS McCrossan (picked up) at \$46.60 per ton, or to Commercial Asphalt (picked up) at \$47.10 per ton, or to Bituminous Roadways (picked up) at \$47.75 per ton, or to Midwest Asphalt (picked up) at \$53.95 per ton, or to Bituminous Roadways (delivered) at \$56.25 per ton, or to Midwest Asphalt (delivered) at \$57.95 per ton; *asphalt 2350 Wear Type 41 or 42 to CS McCrossan (picked up) at \$43.00 per ton, or to Commercial Asphalt (picked up) at \$43.25 per ton, or to Bituminous Roadways (picked up) at \$45.60 per ton, or to Midwest Asphalt (picked up) at \$51.95 per ton, or to Bituminous Roadway (delivered) at \$54.10 per ton, or to Midwest Asphalt (delivered) at \$55.95 per ton, or to *asphalt 2360 Wear Type 31 or 32 to Commercial Asphalt (picked up) at \$51.15 per ton,

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or to CS McCrossan (picked up) for \$53.00 per ton, or to Midwest Asphalt (picked up) at \$58.00 per ton, or to Bituminous Roadways (picked up) at \$63.70 per ton, or to Midwest Asphalt (delivered) at \$62.00 per ton, or to Bituminous Roadways (delivered) at \$72.20 per ton; delivered concrete 3+ yards to AVR, Inc. at \$96.00 per cubic yard; delivered concrete 1-3 yards to AVR, Inc. at \$109.00 per cubic yard; emulsified asphalt CRS-2 to Flint Hill Resources at \$440.00 per ton; emulsified asphalt CRS-2P to Henery G. Meigs, LLC at \$510.00 per ton; emulsified tack oil to Flint Hill Resources at \$450 per ton; crack joint sealer #3725 to BrockWhite at \$0.60 per pound; hydrofluosilicic acid to DPC Industries at \$42.52 per CWT; liquid chlorine to DPC Industries at \$35.60 per CWT; water treatment chemical (poly) to DPC Industries at \$6.40 per gallon; Tonkazorb 3% to Hawkins, Inc. at \$7.65 per gallon; caustic soda to Hawkins, Inc. at \$42.75 per CWT; sanitary sewer R1733 cover complete to Northern Waterworks at \$228.50 each; storm sewer rnd. R2548 to Northern Waterworks at \$235.10 each; storm sewer rect. 3067V to Northern Waterworks at \$354.40 each; casting only-sanitary sewer R1733 to Ess Brothers & Sons, Inc. (Alt. Bid) at \$112.00 each; casting only-storm sewer rnd. R2548 to Ess Brothers & Sons, Inc. (Alt. Bid) at \$134.00 each; casting only-storm sewer rect. 3067V to Ess Brothers & Sons, Inc. (Alt. Bid) at \$112.00 each; lid only-sanitary sewer R1733 to Ess Brothers & Sons, Inc. (Alt. Bid) at \$260.00 each; lid only-storm sewer rnd. R2548 to Ess Brothers & Sons, Inc. (Alt. Bid) at \$120.00 each; lid only-storm sewer rect. 3067V to Ess Brothers & Sons, Inc. (Alt. Bid) at \$138.00 each; Lannon stone wall repair to Blackstone Contractors at \$25.00 SF; Waterous pacer classics to Northern Waterworks at \$2,491.00 each; Clow medallion to Northern Waterworks at \$2,491.00 each. (*These items are awarded on basis of total cost per ton including trucking and labor, and past year's performance.)

Ayes: Bennett, Brindle, Housh, Swenson, Hovland
Motion carried.

***AWARD OF BID – PAMELA PARK NEIGHBORHOOD ROADWAY IMPROVEMENTS, CONTRACT NO. ENG 10-2; IMPROVEMENT NOS. BA-360, SS-449, STS-358, AND WM-492**
Motion made by Member Swenson and seconded by Member Brindle awarding the bid for Pamela Park neighborhood roadway Improvement Contract No. ENG 10-2; Improvement Nos. BA-360, SS-449, STS-358, and WM-492 to the recommended low bidder, Midwest Asphalt Corporation at \$1,515,279.90.

Motion carried on rollcall vote – five ayes.

***AWARD OF BID – BRAEMAR HILLS NEIGHBORHOOD RECONSTRUCTION CONTRACT NO. ENG 10-4; IMPROVEMENT NOS. BA-359, BA-375, BA-376, SS-447, SS-455, SS-456, STS-354, STS-367, STS-368, WM-489, WM-497, WM-498, L-54, AND L-56** Motion made by Member Swenson and seconded by Member Brindle awarding the bid for Braemar Hills neighborhood reconstruction Contract No. Eng 10-4; Improvement Nos. BA-359, BA-375, BA-376, SS-447, SS-455, SS-456, STS-354, STS-367, STS-368, WM-489, WM-497, WM-498, L-54, and L-56 to the recommended low bidder, Midwest Asphalt Corporation at \$990,976.05.

Motion carried on rollcall vote – five ayes.

***AWARD OF BID – PARKWOOD KNOLLS NEIGHBORHOOD ROADWAY IMPROVEMENTS CONTRACT NO. ENG 10-5; IMPROVEMENT NOS. BA-362, SS-451, STS-360, AND WM-494**
Motion made by Member Swenson and seconded by Member Brindle awarding the bid for Parkwood Knolls neighborhood roadway improvements Contract No. ENG 10-5; Improvement Nos. BA-362, SS-451, STS-360, and WM-494 to the recommended low bidder, Northwest Asphalt, Inc. at \$946,661.10.

Motion carried on rollcall vote – five ayes.

***AWARD OF BID – INTERLACHEN CIRCLE AND BLUFF NEIGHBORHOOD ROADWAY IMPROVEMENTS, CONTRACT NO. ENG 10-6; IMPROVEMENT NOS. BA-361, BA-374, SS-450, SS-458, STS-359, STS-371, WM-486, AND WM-493** Motion made by Member Swenson and seconded by Member Brindle awarding the bid for Interlachen Circle and Bluff

neighborhood roadway improvements, Contract No. ENG 10-6; Improvement Nos. BA-361, BA-374, SS-450, SS-458, STS-359, STS-371, WM-486, and WM-493 to the recommended low bidder, Omann Brother's Paving, Inc. at \$233,518.15.

Motion carried on rollcall vote – five ayes.

With regard to the neighborhood roadway improvement and reconstruction projects, Manager Hughes advised the bids received were 15-20% below the engineer's cost estimate at the time of the public hearings. The Council expressed their pleasure with the low bids.

***AWARD OF BID – MULTI-PURPOSE ROOM FURNITURE FOR PUBLIC WORKS BUILDING**
Motion made by Member Swenson and seconded by Member Brindle awarding the bid for multi-purpose room furniture for Public Works Building to the recommended low bidder, Alternative Business Furniture, Inc. at \$43,818.42.

Motion carried on rollcall vote – five ayes.

***AWARD OF BID – OFFICE FURNITURE FOR NEW PUBLIC WORKS BUILDING** Motion made by Member Swenson and seconded by Member Brindle awarding the bid for office furniture for new Public Works Building to the recommended low bidder, S&T Office Interiors at \$87,984.55.

Motion carried on rollcall vote – five ayes.

ORDINANCE NO. 2010-05 ADOPTED – AMENDING SECTION 850 FRONT STREET SETBACKS Planning Director Teague stated the action before the Council was second reading of an ordinance amendment to Section 850, front street setbacks. He reviewed the revisions requested by the Council that were reflected in the ordinance. The Council and Mr. Teague discussed examples for determining the front setback under different scenarios. City Attorney Knutson explained how the front setback would be determined for the JMS lot under the amendment language. The Council requested changes: to indicate: "dwelling units" at the end of subdivision 7A1; to use consistent language with reference to cul-de-sacs, intersections and dead ends; and, just before Section 4 to add an "s" to the word "dwelling unit." **Member Brindle made a motion, seconded by Member Bennett, to waive Second Reading adopting Ordinance No. 2010-05, amending the City Code concerning the regulation of front street setbacks in the R-1, Single-Dwelling Unit District with noted changes.**

Rollcall:

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

ORDINANCE NO. 2010-07 ADOPTED – AMENDING SECTION 460 SIGN ORDINANCE CONCERNING NONCOMMERCIAL SIGNS Mr. Hughes recommended adoption of the amendment to the Sign Ordinance, Section 460, concerning noncommercial signs to be consistent with the newly-enacted State law moving the State Primary to the second Tuesday in August of General Election years to allow military and overseas voters 46 days in which to cast absentee ballots. The Council and City Attorney discussed how the signs would be defined and restricted during this 46-day time period noncommercial signs would be allowed during General Election years.. **Member Swenson made a motion, seconded by Member Brindle, to grant First and waive Second Reading adopting Ordinance No. 2010-07, amending the Edina City Code concerning noncommercial signs.**

Rollcall:

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

EDINA FILM FESTIVAL SUPPORTED Park and Recreation Director Keprios presented the recommendation of the Edina Art Center Board that the Edina Art Center sponsor an Edina Film Festival in October of 2010 at the Landmark Edina Theater. He applauded the Board's work and for making this recommendation.

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John Swon, 7700 Cahill Road, Apt. 209, Art Center Board Member, presented the Board's recommendation to hold its first Edina Film Festival. He stated this would be a partnership between the Art Center Board and Edina's business community and advised that the 50th and France Business Association had graciously committed to underwrite any fundraising gap in the rental of the Edina Cinema. Mr. Swon stressed that the Film Festival would only be held if private donations and sponsorships assumed all financial risk associated with this event.

The Council and Mr. Swon discussed that this local festival would be held in the Fall when there were no competing art festivals. The Council congratulated the Art Center Board for its work to assure the Film Festival was self sustaining, noting it would expand the reach of the Edina Art Center. Mr. Swon explained that should funds raised exceed expenses, a fund would be established through the Edina Community Foundation and used the following year. He reviewed the items that could be scaled back should adequate funds not be raised. The Council discussed that the Art Center Board operated under the auspices of the City of Edina so funds raised by the public should remain in the public sphere. **Member Housh made a motion, seconded by Member Swenson, supporting the Edina Film Festival proposal subject to submission of adequate financial documentation, and that funds raised in excess of budgeted amounts would go back to the Edina Art Center Board.**

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

RESOLUTION NO. 2010-32 ADOPTED ACCEPTING VARIOUS DONATIONS Mayor Hovland explained that in order to comply with State Statutes; all donations to the City must be adopted by Resolution and approved by four favorable votes of the Council accepting the donations. **Member Bennett introduced and moved adoption of Resolution No. 2010-32 accepting various donations.** Member Brindle seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

EDINA PURCHASING POLICY UPDATE APPROVED Assistant Finance Director Roggeman reviewed the previously suggested changes to the proposed Purchasing Policy which included: changing the level of purchase that would require Council approval from \$15,000 to \$20,000; changing the competitive bidding level from either \$25,000 or \$35,000 (depending on the project type) to \$100,000 for all projects; and changing the level that requires quotes from \$2,500 to \$10,000 while encouraging quotes for purchases at levels below that threshold. He also addressed questions raised by the Council and reviewed the City Attorney's recommendation to delete the sentence referencing personal liability of Council Members. Mr. Roggeman stated the justification for the recommended amendments was to provide flexibility and efficiency, not just because of inflation. He reviewed the pros and cons of each purchasing process: competitive bidding, quotation, and cooperative purchasing. It was noted that the existing internal controls would remain in place.

The Council thanked staff for providing additional information and making changes to improve the proposed Purchasing Policy. The Council discussed whether State Statute language should be included to provide clarity and specificity. City Attorney Knutson stated it was the Council's decision, but he felt the proposed policy would not conflict with State Statute. Staff stated any purchase must be approved by the Finance Director and City Manager, and purchases over \$20,000 required Council approval.

Member Bennett stated her preference for tighter language that was consistent with State Statutes. The majority of the Council indicated a comfort level with the recommended revision based on the recommendation of the City Attorney and since the Finance Director and department heads looked aggressively at their budgets. It was noted the recommended language was more

restrictive than State Law. The Council and City Attorney Knutson compared the policy language with State Statutes.

Mr. Hughes advised that due to the restrictive requirements for sealed bids, the city was possibly not soliciting as wide a vendor response as desired. He said staff felt the recommended language would expand the arena of vendors. Following discussion, Council pointed out corrections to the proposed policy: **page 3, subsection C.i., change the word “received” to “obtained,” page 5, second to last line, to indicate City Manager or Finance Director, and Appendix A, vendor, the second “e” should be an “o.”** Member Housh made a motion, seconded by Member Swenson, approving the updated Edina Purchasing Policy, with noted corrections.

Ayes: Brindle, Housh, Swenson, Hovland

Nays: Bennett

Motion carried.

***HEARING DATE SET (APRIL 20, 2010) ORDINANCE NO. 2010-08 BUILDING HEIGHT OVERLAY DISTRICT** Motion made by Member Swenson and seconded by Member Brindle setting public hearing date of April 20, 2010, for Ordinance No. 2010-08, amending Section 850 to add building height overlay district.

Motion carried on rollcall vote – five ayes.

***PORTION OF WEST 69TH STREET MOVED TO 2010 IN CAPITAL IMPROVEMENT PROGRAM** Motion made by Member Swenson and seconded by Member Brindle authorizing that the northerly portion of West 69th Street from France Avenue to York Avenue to be moved up within the Capital Improvement Program from 2011 to summer of 2010.

Motion carried on rollcall vote – five ayes.

RESOLUTION NO. 2010-33 ADOPTED – APPROVING JOINT POWERS AGREEMENT WITH CITY OF MINNETONKA FOR BREN ROAD – LONDONDERRY DRIVE TH169 INTERCHANGE PROJECT Mr. Houle presented staff’s recommendation to approve a Joint Powers Agreement (JPA) with the City of Minnetonka to remove and replace the bridge over TH169 at Londonderry Drive and Bren Road. He advised there would be no cost to Edina and traffic would not increase into the Parkwood Knolls development as a result of this project.

Lee Gustafsen, Minnetonka City Engineer, stated his appreciation to Edina’s staff for working with Minnetonka to create this project and assure minimal impacts to both cities. Following discussion, Council consensus was reached to amend the JPA, Item 7, to indicate: “...subsequent to the completion of the interchange project.” **Member Swenson introduced and moved adoption of Resolution No. 2010-33, approving a Joint Powers Agreement with the City of Minnetonka for the Bren Road – Londonderry Drive and TH169 Interchange Project, as amended.**

Member Bennett seconded the motion.

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

COMMUNITY COMMENT

No one appeared to comment.

***CONFIRMATION OF CLAIMS PAID** Motion made by Member Swenson and seconded by Member Brindle approving payment of the following claims as shown in detail on the Check Register dated March 18, 2010, and consisting of 30 pages: General Fund \$156,183.79; Communications Fund \$7,848.68; Police Special Revenue \$400.00; Working Capital Fund \$11,119.23; Construction Fund \$15,609.48; Art Center Fund \$16,611.51; Golf Dome Fund \$21,797.27; Aquatic Center Fund \$39.23; Golf Course Fund \$62,722.19; Ice Arena Fund \$52,217.13; Edinborough/Centennial Lakes Fund \$15,634.90; Liquor Fund \$162,400.26; Utility Fund \$56,791.92; Storm Sewer Fund \$1,542.17; Recycling Fund \$38,318.60; PSTF Agency Fund \$16,848.99; **TOTAL \$636,085.35** and for approval of

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payment of claims dated March 25, 2010, and consisting of 24 pages: General Fund \$269,901.26; Communications Fund \$1,336.14; Working Capital Fund \$729,057.34; Art Center Fund \$852.06; Golf Dome Fund \$198.23; Aquatic Center Fund \$80.85; Golf Course Fund \$36,090.08; Ice Arena Fund \$108,175.04; Edinborough/Centennial Lakes Fund \$10,536.84; Liquor Fund \$135,092.24; Utility Fund \$33,482.09; Storm Sewer Fund \$16,202.73; Recycling Fund \$32.44; PSTF Agency Fund \$1,302.99; **TOTAL \$1,342,340.33**; and, for approval of payment of claims dated April 1, 2010, and consisting of 29 pages: General Fund \$107,960.62; Communications Fund \$7,311.39; Working Capital Fund \$7,557.28; Art Center Fund \$29,803.40; Golf Dome Fund \$1,781.04; Golf Course Fund \$79,648.47; Ice Arena Fund \$689.47; Edinborough/Centennial Lakes Fund \$2,608.04; Liquor Fund \$150,196.48; Utility Fund \$10,339.67; PSTF Agency Fund \$5,761.53; **TOTAL \$403,657.39**; and, Credit Card Transactions dated February 26, 2010 – March 25, 2010; **TOTAL \$4,564.40**.

Motion carried on rollcall vote – five ayes.

2009 YEAR-END TRANSFERS APPROVED Mr. Roggeman stated the 2009 audit was currently underway. He explained that based upon the preliminary 2009 year end financials, Edina finished 2009 with a surplus. He gave staff's recommendation to transfer \$700,000 to the Construction Fund per the Fund Balance Policy. In addition, Mr. Roggeman stated staff recommended dividing \$300,372 (in excess TIF collections received during 2009) evenly between the Braemar Arena, Art Center, and Braemar Golf Enterprise Funds. The Council discussed the 2009 surplus noting it resulted from: tight management of the 2009 Budget, voluntary staff furloughs, deferred maintenance and delaying of equipment purchases. Mr. Hughes addressed the issue of recession sensitive enterprises such as the golf and arena businesses and the Art Center.

The Council commended staff for its work to monitor the budget. Discussion ensued regarding operating costs and loss of revenues for the Braemar Golf Course, Braemar Arena, and the Art Center. It was noted that liquor funds had been historically transferred to assisting in covering the operating losses. Mr. Roggeman stated staff recommended the TIF excess revenue be divided evenly to show bond rating agencies that the City was addressing all three facilities. Finance Director Wallin advised the last debt service payment for Braemar Golf Course would be the first day of business, 2013.

The Council discussed allocation of surplus funds. Member Bennett stated that her analysis of the transfer request had benefited from a review of the operating budget of the three enterprise facilities. She asked that enterprise facility budgets be included in annual budget presentations and review to comply with Minnesota Statutes and to help residents understand the City's financial needs, challenges and decision-making. Mr. Hughes indicated that enterprise financial statements are audited and reported in the Comprehensive Annual Financial Statement of the City. He added enterprise funds business plans were reviewed bi-annually with the Council. The Council agreed that staff's recommendations clearly related to maintenance of the City's AAA bond rating. **Member Housh made a motion, seconded by Member Brindle, authorizing transfer of \$700,000 to the Construction Fund and \$300,372 as revenue evenly split between Braemar Arena, the Art Center, and Braemar Golf Enterprise Funds.**

Ayes: Bennett, Brindle, Housh, Swenson, Hovland

Motion carried.

REQUEST OF CYPRESS EQUITIES TO AMEND LIQUOR ORDINANCE REFERRED TO STAFF Mr. Hughes presented the request of Cypress Equities to amend the Liquor Ordinance to permit issuance of an intoxicating liquor license to a full-service restaurant that features bowling and bocce ball. He advised that it had been the practice of the Council to hold a public hearing to entertain such a request, though it was not a State Statute requirement. The Council discussed the request and agreed with the need to assure a balance between an amenity for the broader community and potential impacts to nearby residents. **Member Brindle made a motion,**

seconded by Member Swenson, referring the request of Cypress Equities to the City Attorney and to discuss the matter further at the May 4, 2010, Council meeting.

Ayes: Bennett, Brindle, Housh, Swenson, Hovland
Motion carried.

PERSONNEL DECISIONS INTERNATIONAL HIRED AS CONSULTANT FOR CITY MANAGER SEARCH Member Housh made a motion, seconded by Member Swenson, directing the City Attorney to draft a contract for services aid in hiring a new City Manager to the Personnel Decisions International, per proposal.

Ayes: Bennett, Brindle, Housh, Swenson, Hovland
Motion carried.

There being no further business on the Council Agenda, Mayor Hovland declared the meeting adjourned at 9:13 p.m.

Respectfully submitted,

Debra A. Mangen, City Clerk

Minutes approved by Edina City Council, April 20, 2010.

James B. Hovland, Mayor

Video Copy of the April 6, 2010, meeting available.