

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA CITY COUNCIL
HELD AT CITY HALL
OCTOBER 4, 2011
7:00 P.M.**

I. CALL TO ORDER

Acting Mayor Swenson called the meeting to order at 7:03 p.m.

II. ROLL CALL

Answering rollcall were Members Bennett, Brindle, Sprague, and Swenson. Mayor Hovland arrived at 9:03 p.m.

III. MEETING AGENDA APPROVED

Member Bennett made a motion, seconded by Member Sprague, approving the meeting agenda.

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

IV. CONSENT AGENDA ADOPTED

Member Sprague made a motion, seconded by Member Brindle, approving the consent agenda as revised to remove Items IV.C. Request to Purchase, Website Redesign and Intranet; IV.F. Guaranteed Energy Savings Agreement with McKinstry; and, IV.G. Sight Line Study, Valley View Road and Sally Lane, as follows:

IV.A. Approve regular and work session meeting minutes of September 20, 2011

IV.B. Receive payment of the following claims as shown in detail on the Check Register dated September 22, 2011, and consisting of 27 pages; General Fund \$420,999.79; Communications Fund \$2,865.96; Police Special Revenue \$1,461.73; Working Capital Fund \$1,781,268.74; Equipment Replacement Fund \$32,875.55; Construction Fund \$242,966.65; Art Center Fund \$246.36; Golf Dome Fund \$1,026.63; Aquatic Center Fund \$21,376.01; Golf Course Fund \$18,703.83; Ice Arena Fund \$4,746.30; Edinborough/Centennial Lakes Fund \$8,412.65; Liquor Fund \$198,743.69; Utility Fund \$864,915.90; Storm Sewer Fund \$547,284.20; Recycling Fund \$18.87; PSTF Agency Fund \$2,105.62; Payroll Fund \$3,071.60; TOTAL \$4,153,090.08; and for approval of payment of claims dated September 29, 2011, and consisting of 31 pages; General Fund \$109,021.06; Communications Fund \$10,436.64; Braemar Memorial Fund \$42.00; Working Capital Fund \$102,744.70; Construction Fund \$4,753.00; Art Center Fund \$20,369.32; Golf Dome Fund \$205.75; Aquatic Center Fund \$474.45; Golf Course Fund \$16,645.97; Ice Arena Fund \$24,705.53; Edinborough/Centennial Lakes Fund \$21,764.07; Liquor Fund \$172,222.05; Utility Fund \$92,757.13; Storm Sewer Fund \$9,675.89; Recycling Fund \$32.68; PSTF Agency Fund \$7,932.34; Payroll Fund \$5,094.39; TOTAL \$598,876.97; and, Credit Card Transactions dated July 26 – August 25, 2011; TOTAL \$10,350.76.

~~IV.C. Request to Purchase, Website Redesign and Intranet~~

IV.D. Request to Purchase, 2011 Microsoft Enterprise Agreement Renewal, awarding the bid to the recommended low bidder, Software House International at \$40,824.57.

IV.E. Accept Traffic Safety Report of September 7, 2011

~~IV.F. Guaranteed Energy Savings Agreement with McKinstry~~

~~IV.G. Sight Line Study – Intersection of Valley View Road and Sally Lane~~

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

ITEMS REMOVED FROM THE CONSENT AGENDA

IV.C. REQUEST TO PURCHASE, WEBSITE REDESIGN AND INTRANET APPROVED

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Communications Director Bennerotte reviewed the development of the City's past websites, presented the 2011 website redesign and intranet project, and described enhancements available with the new website. She advised of staff's review of the twenty-one proposals received and recommendation to hire JesseJames Creative to complete an overall website redesign with use of "OrgCentral" content management system at \$60,000; complete and integrate golf and skating lesson registration at \$7,500; develop online space reservation module at \$12,000; and, develop intranet at \$25,000 for a total project cost of \$104,500. It was noted that \$100,000 was budgeted and \$4,500 was available in the Communications Fund. Ms. Bennerotte acknowledged that out-of-State firms would result in additional travel expenses; however, the five proposals from Minnesota firms were deemed to be deficient.

The Council asked whether the scheduling option could be partnered with the school district. Ms. Bennerotte advised the module would allow for expansion so staff would explore that conversation with the school district. With regard to use of a "working group area" of a new website under the requirements of the Open Meeting Law, Ms. Bennerotte stated the area was intended for documents under development, not yet ready for public viewing, and compliance would be made with the Open Meeting Law." It was noted that building content and assuring error free content would be the responsibility of the City.

The Council indicated its support to select a vendor that could provide a fully integrated solution that was easy to update. It was noted the City Manager's Communications Advisory Committee provided helpful feedback that was used in preparing the RFP and should be asked to further opine on website designs and content as they were developed. With regard to the intranet feature, Manager Neal stated it was expected to provide improvement to communication, morale, and productivity by creating a communication vehicle to touch all City employees. Ms. Bennerotte answered the Council's questions relating to webhosting and opportunity to share space with neighborhood associations. **Member Brindle made a motion, seconded by Member Sprague, approving JesseJames Creative as the City of Edina's website redesign and intranet design consultant and use of its "orgCentral" content management system at a cost not to exceed \$104,500.**

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

IV.F. GUARANTEED ENERGY SAVINGS AGREEMENT WITH MCKINSTRY APPROVED

Manager Neal explained this comprehensive list of projects would produce energy efficiencies and savings at a number of facilities. The savings that result would be aggregated and used to defer costs associated with doing the projects. He noted this was a unique program because the contractor monitored energy costs and guaranteed sufficient savings to carry the debt service or the contractor was obligated to pay the difference.

The Council asked whether this project was competitively bid and how ongoing monitoring fit with measurements done by ULI on the B3 database. Manager Neal explained that normally public projects go through a public bidding process; however, due to the guarantee associated with these projects, the statute allowed the projects to be outside of a public bidding process. He explained he brought McKinstry into this opportunity because the City was pressed for time with the solar project and needed to bundle it with other projects so a reasonable return on investment resulted.

Greg Ackerson, McKinstry, explained the State of Minnesota holds a list of prequalified energy companies qualified for this work and the City had the ability to enter into a Guaranteed Energy Savings Agreement as long as it was with one of the prequalified energy contractors. He explained McKinstry's bidding process that included Edina vendors.

The Council asked whether the Facilities Manager would want to conduct its own due diligence. Manager Neal indicated that staff person, when hired, would serve as the City's construction manager for these

projects. The Council asked questions of staff relating to the monitoring function. Utility Engineer Struve explained the B3 database was set up through the State of Minnesota to evaluate facilities for utility costs. As energy improvements were enacted, real time energy savings and improved building performance should be reflected in the B3 database. Mr. Ackerman stated the B3 database was a great tool to create a benchmark on whole building regression remodeling year by year. However, McKinstry would analyze, with more precision, each facility improvement. The \$5,500 covered engineering to conduct quantification and weather normalization and prepare annual reports. Mr. Ackerman noted the City could cancel the contract at any point but McKinstry was not allowed to cancel and was obligated to cover the cost should there be a shortfall. City Attorney Knutson referenced the contract and advised that paragraphs 15.1 and 15.2 contained the guarantees.

With regard to accuracy in reporting, Mr. Ackerman noted the contract contained verification protocol. Mr. Ackerman explained that measurements were generally taken pre-installation and post-installation by the installing contractor with City staff witnessing those measurements. At the end of the year, the calculations could be analyzed and vetted by City staff. Manager Neal noted this would be an important role for the Edina Energy Commission (EEC) and recommended an annual meeting with staff, the EEC, and contractor to assure public accountability. **Member Brindle made a motion, seconded by Member Bennett, authorizing staff to enter into a Guaranteed Energy Savings Agreement with McKinstry.**

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

IV.G. SIGHT LINE STUDY – VALLEY VIEW ROAD AND SALLY LANE – APPROVED

The Council acknowledged that a City-wide issue had been identified with landscaping and vegetation infringing onto the public right-of-way. They acknowledged the need remained to develop policy relating to rights-of-way and vegetation and noted the six points staff suggested. It was clarified that the petition submitted by residents requesting removal of a tree at Valley View Road and Sally Lane had not led to consideration of a sight line study, it just happened to coincide with the timing of this consideration. The Council asked if any geometrical change in street design was anticipated to resolve the site line issue. Public Works Director Houle responded that no change to geometrics was anticipated at that location.

The Council discussed that it did not want the location of a sidewalk determined at this point or established on the north side of Valley View Road through the Sight Line Study. Rather, the Council wanted the sidewalk discussed at a future date. In addition, the Council indicated it would like to consider an ordinance revision at an upcoming work session that better aligns the City's right of way management with acceptable practices (boulevard gardening/softscape plantings up to a certain height that do not create a safety hazard) it found acceptable, but the current issue must be taken care of at this time. **Member Sprague made a motion, seconded by Member Brindle, requiring the adjoining residents to remove vegetation from the public right-of-way that interferes with sight lines at the intersection of Valley View Road and Sally Lane. Notice will be sent giving residents 30 days to remove the vegetation. If the vegetation is not removed within the 30-days, then staff will remove the vegetation and invoice the property owner for the cost.**

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

V. SPECIAL RECOGNITIONS AND PRESENTATIONS

V.A. BULLYING PREVENTION MONTH PROCLAIMED

Acting Mayor Swenson read in full a proclamation declaring Bullying Prevention Month. **Member Bennett made a motion, seconded by Member Brindle, approving proclamation declaring October, 2011, as Bullying Prevention Month in the City of Edina.**

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

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Lisa Finsness, Human Rights & Relations Commissioner, accepted the proclamation and thanked the Council for recognizing the importance of this issue. The Council thanked the Commission for its work.

V.B. EXCELLENCE IN COMMUNITY STORM SEWER BLUE STAR AWARD RECEIVED

Utility Engineer Struve explained the Blue Star Program involved an assessment on three core areas: water friendly planning and preservation; stormwater management standards and practices; and, stormwater pollution prevention.

Trevor Russell, Program Administrator with Minnesota Blue Star Award Program, presented the Excellence in Community Storm Sewer Blue Star Award to the City in recognition of stormwater management assessment methodologies incorporated in the GreenStep Program. He indicated this award was a reflection of the great work of City staff, leadership of the City Council, and initiative of local residents.

VI. PUBLIC HEARINGS HELD

VI.A. NEW ON-SALE AND SUNDAY SALE INTOXICATING LIQUOR LICENSES – PITTSBURGH BLUE, 3220 GALLERIA, EDINA, MN 55435

Affidavits of Notice presented and ordered placed on file.

City Clerk Mangen presented the application of Pittsburgh Blue for new On Sale Intoxicating and Sunday Sale Liquor Licenses to operate at the Galleria. She reported the applicant submitted all necessary paperwork, met Code requirements, the Administration, Health and Planning Department had reviewed the application and the Police Department had completed its background investigation with a positive outcome.

Acting Mayor Swenson opened the public hearing at 8:11 p.m.

Public Testimony

No one appeared to comment.

Member Bennett made a motion, seconded by Member Brindle, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

Member Brindle made a motion, seconded by Member Sprague, approving new On-Sale Intoxicating Liquor License and Sunday On-Sale Liquor License to Pittsburgh Blue Edina LLC dba Pittsburgh Blue, for the period beginning October 4, 2011, and ending March 31, 2012.

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

VI.B. COMPREHENSIVE GUIDE PLAN AMENDMENT – PRELIMINARY & FINAL REZONING AND PRELIMINARY & FINAL SITE PLAN – COMCAST/DAN JACKSON, 9699 DATA PARK DRIVE – RESOLUTION NOS. 2011-92 & 2011-93 ADOPTED – ZONING ORDINANCE NO. 850-A-37 ADOPTED

Affidavits of Notice presented and ordered placed on file.

Planning Director Presentation

Planning Director Teague presented the request of Comcast to renovate its existing driveway and parking areas to accommodate an increase in the number of employees within its existing three-story building located in the City of Minnetonka. The plans include construction of a new parking lot that would be partially located within the City of Edina. A small wetland would be filled to accommodate the parking lot and wetland credits were purchased to create a wetland off site. The request required a Comprehensive Guide Plan Amendment from Low Density Residential to Office to allow the parking lot expansion; a Rezoning from R-1, Single-Dwelling Unit District, to POD-1 Planned Office District-1; and, final Site Plan. It

would also be conditioned on approval by the City of Minnetonka and the Nine Mile Creek Watershed District relating to filling the wetland and moving it off site. Mr. Teague advised staff found the request to be reasonable and the Planning Commission unanimously recommended approval.

With regard to restoring the site, Mr. Teague used a site plan to point out the location of newly planted Linden trees. The Council asked about using the R-1 zoning designation as a place holder. Mr. Teague explained that R-1 was the least intense zoning district so using it as a place holder for previously undeveloped land provided the City more discretion for future development. He used a map to point out the location of the closest Edina residential property and R-1 zoned property.

Proponent Presentation

Brian Houwman, Houwman Architect representing Comcast, stated this used to be farmland. Because there was solid ground under the wetland, it could be cleared, in filled, and compacted for a parking lot. He noted the grade of the driveway was close to 12 feet above the level of the parking lot so it would not be seen from the freeway.

Acting Mayor Swenson opened the public hearing at 8:22 p.m.

Public Testimony

No one appeared to comment.

Member Bennett made a motion, seconded by Member Sprague, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

Member Bennett introduced and moved adoption of Resolution No. 2011-92, approving a Guide Plan Amendment from Low Density Residential to O, Office, for Comcast at 9699 Data Park Drive, based on the following findings:

- 1. The guide plan change is consistent with the adjacent land uses.**
- 2. The R-1 zoning of this site was to serve as a place holder for future development. Vacant land in Edina was traditionally zoned R-1, as the least intensive zoning district.**
- 3. Development of this site as low-density residential is not practical given the surrounding office land uses, the major highways to the south and east, and the site access limitations.**

And subject to the following conditions:

- 1. The proposed grading, parking lot construction and wetland filling is subject to approval of the Nine Mile Creek Watershed District. Plans may be revised per conditions of the Watershed District.**
- 2. Project approval from the City of Minnetonka.**
- 3. The Site Plan must be constructed within two years of City Council approval.**

And introduced and moved adoption of Resolution No. 2011-93, approving a Preliminary and Final Site Plan for 9699 Data Park Drive, based on the following findings:

- 1. The proposal would meet the required standards and ordinances for a Site Plan.**
- 2. The guide plan change is consistent with the adjacent land uses.**
- 3. The R-1 zoning of this site was to serve as a place holder for future development. Vacant land in Edina was traditionally zoned R-1, as the least intensive zoning district.**
- 4. Development of this site as low-density residential is not practical given the surrounding office land uses, the major highways to the south and east, and the site access limitations**

And subject to the following conditions:

- 1. The proposed grading, parking lot construction and wetland filling is subject to approval of the Nine Mile Creek Watershed District. Plans may be revised per conditions of the Watershed District.**
- 2. Project approval from the City of Minnetonka**
- 3. The Site Plan must be constructed within two years of City Council approval.**

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And to grant First and waive Second Reading adopting Zoning Ordinance No. 850-A37 An Ordinance Rezoning 9699 Data Park Drive from R-1, Single Dwelling Unit District, to POD-1, Planned Office District.

Member Sprague seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

VII. COMMUNITY COMMENT

No one appeared to comment.

VIII. REPORTS / RECOMMENDATIONS

VIII.A. RESOLUTION NO. 2011-94 ADOPTED – ACCEPTING VARIOUS DONATIONS

Acting Mayor Swenson 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. 2011-94 accepting various donations. Member Brindle seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

The Council requested that donations received from the Edina Community Foundation be so identified. Staff indicated that information would be provided, when available and appropriate.

VIII.B. RESOLUTION NO. 2011-95 ADOPTED – AWARDING THE SALE OF \$15,100,000 GENERAL OBLIGATION BONDS, SERIES 2011A

Finance Director Wallin explained this consideration related to the sale of \$15.1 million General Obligation Bonds, Series 2011A. The first purpose was to fund approximately \$11,670,000 to net \$11,525,000 for various water, sanitary sewer, and storm sewer projects. The second purpose was to fund approximately \$3,430,000 in principal to net \$3,307,764 to the Permanent Improvement Revolving (PIR) fund for the 2011 street reconstruction projects.

Mark Ruff, Ehlers & Associates, congratulated the City of Edina for its AAA rating by both Standards & Poors and Moody's. He noted this bond sale attracted national interest with eight bids. The winning bid was received from Piper Jaffray at an outstanding interest rate of 1.9583% for the ten year bonds. Mr. Ruff advised the overall size of the bond was reduced from \$15.1 million to \$14.55 million because Piper Jaffray bid a premium with higher coupon rates and due to overall lower costs and underwriter fees. It was noted the Moody's report indicated the AAA rating could change should there be significant erosion of the City's tax base (declined property values) or significant deterioration in general fund reserves.

The Council asked questions of staff relating to funding the improvement project. Mr. Wallin explained that when a project was undertaken, an internal resolution specified the funds were to be reimbursed by bonds. The Council acknowledged the favorable interest would benefit not only the City but also residents whose streets were reconstructed. **Member Bennett introduced and moved adoption of Resolution No. 2011-95, authorizing issuance, awarding sale, prescribing the form and details and providing for the payment of \$15,100,000 General Obligation Bonds, Series 2011A.** Member Brindle seconded the motion.

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson

Motion carried.

VIII.C. BUSINESS PLANS RECEIVED FOR: EDINA AQUATIC CENTER, EDINBOROUGH PARK, CENTENNIAL LAKES PARK, AND EDINA LIQUORS

Manager Neal stated the Council was presented at tonight's Work Session with business plans that would now be formally received. He advised that business plans for the Art Center, Golf Course, and Arena would

be presented at the next Council Work Session. **Member Brindle made a motion, seconded by Member Sprague, receiving business plans for Edina Aquatic Center, Edinborough Park, Centennial Lakes Park, and Edina Liquors.**

Ayes: Bennett, Brindle, Sprague, Swenson
Motion carried.

IX. CORRESPONDENCE AND PETITIONS – Acting Mayor Swenson acknowledged the Council’s receipt of various correspondence.

IX.A. PETITION ACKNOWLEDGED – RESIDENTS OF GLACIER PLACE

Acting Mayor Swenson acknowledged the petition submitted by ten residents of Glacier Place asking the City Council to not go forward with the proposed street and utility improvement on Glacier Place and forwarded it to Engineering.

IX.B. PETITION ACKNOWLEDGED – RESIDENTS REQUESTING TREE REMOVAL VALLEY VIEW ROAD & SALLY LANE RECEIVED

Acting Mayor Swenson acknowledged the petition submitted by residents requesting removal of a tree at Valley View Road and Sally Lane and forwarded it to Engineering.

IX.C. RECOGNITION OF THE LATE FLORENCE HALLBERG NORBACK

Ms. Mangen announced the passing of Florence Hallberg Norback, former Edina City Clerk from the mid-1960s to the mid-1980s.

X. MAYOR AND COUNCIL COMMENTS – This item was delayed until the arrival of Mayor Hovland.

XI. MANAGER’S COMMENTS – Received

XI.A. NEIGHBORHOOD ASSOCIATION PROGRESS REPORT

Assistant City Manager Kurt provided a progress report on the formation of neighborhood associations.

The Council discussed the formation of neighborhood associations and supported the suggestion of Member Bennett to conduct a baseline survey on a community-wide basis, by notifying residents via *City Extra* and a press release that the City was gathering information on existing associations and to have an on-line option or form available so residents could provide the following information: name, name of association/organization, when and how it was formed, whether it had bylaws, current leaders, and other known neighborhood groups. The data gathered would be used by a “Super Committee” in discussing and determining a preliminary map of neighborhood district boundaries. The Super Committee would be assembled along the same lines as the City Manager’s Advisory Committee by open invitation to interested and experienced members of the community. If the City needed to limit the number then a choice or selection could be made but it was possible there might be self selection in those who want to participate. Once the Super Committee reached a preliminary conclusion on neighborhood boundaries, there would be some form of public process prior to a final recommendation being made.

The Council discussed Options 1 and 2 on staff support and City funding and consensus was reached to proceed with Option 1 with the understanding that some level of staff support would be available, as it had been in the past. Assistant Manager Kurt indicated that resources from other communities would be provided including samples of bylaws, meeting minutes, and how to organize. The Council emphasized that the intent of neighborhood associations was to enhance quality of life in Edina, not the Balkanization of neighborhoods or to create another unit of government by politicizing associations.

X. MAYOR AND COUNCIL COMMENTS – Received

Mayor Hovland arrived at 9:03 p.m.

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The Council discussed the Blue Cross & Blue Shield of Minnesota’s “Do Town” initiative and upcoming related activities.

Park & Recreation Director Keprios presented the meeting schedule to receive public input relating to the Veterans Memorial starting with an open house on October 25, 2011, Park Board public hearing on November 7, 2011, and City Council public hearing on November 15, 2011. Mr. Keprios displayed the Veterans Memorial Power Point presentation that would be used at the open house. Related to process, it was noted the site had been selected and the consultant had indicated it would be counter productive to prepare two designs. The Council indicated support for the proposed elegant and understated design concept.

Mayor Hovland, in his role as Co-chair of the Regional Council of Mayors, reported on his trip to Portland, Oregon, to participate in the Inter-City Leadership Visit.

Manager Neal provided an update relating to the Sports Dome Study and identified work tasks: inventory of current assets; needs assessment based on current assets; feasibility study based on what was not being served in a sports dome environment that would be presented to the City Council prior to proceeding with the location/ownership/management phase.

XII. ADJOURNMENT

There being no further business on the Council Agenda, Acting Mayor Swenson declared the meeting adjourned at 9:50 p.m.

Respectfully submitted,

Debra A. Mangen, City Clerk

Minutes approved by Edina City Council, October 18, 2011.

Ann Swenson, Acting Mayor

Video Copy of the October 4, 2011, meeting available.