

**CITY COUNCIL MINUTES**  
**Monday, November 8, 2010**  
**7:00 P.M.**

Mayor Doak called the meeting to order at 7:00 PM.

**ROLL CALL**

Present: Mayor Jim Doak; Councilmembers, Michael Jilek, Tom Newberry, Sliv Carlson and Chris Rich.

Staff: Chief of Police Cory Johnson, Zoning Administrator Gus Karpas, City Attorney Andrea McDowell Poehler and City Clerk Shelley Souers.

Guests: Carl Bennetsen, Ron Youngdahl, Rick Moehring, John Massie, Robert & Betsy Hubregtse, John Pogue, John Stoebner, Chuck and Jean Stark.

**CONSENT AGENDA**

**A. Minutes of the Council Meeting, October 11, 2010.**

*Councilmember Carlson moved to approve the consent agenda as submitted. Councilmember Rich seconded the motion. Motion carried 4-0.*

**PUBLIC COMMENTS**

No public comments.

**PUBLIC HEARING - Continued**

**A. Ordinance No. 7-07; Amending Chapter 7, Section 700.03, Building and Housing Regulations, (requiring three sets of plans with building permits and required notification of adjacent property owners).**

Mayor Doak stated that the public hearing is a continuation from the October Council meeting and second reading of proposed ordinance amendments to Chapter 7, Section 703. The amendment includes submittal of three sets building plans and notification of all persons within 500 feet of the subject property of the intent to build. The amendment provides disclosure of proposed construction plans and an opportunity for neighbors to inspect the plans at City Hall within a specified timeframe.

Mayor Doak opened the public hearing. There being no comments, Mayor Doak closed the hearing.

*Council Member Newberry moved approval of Ordinance No. 7-07; Amending Chapter 7, Section 703 of the Code. Council Member Rich seconded the motion. Motion carried 4-0.*

Council Member Jilek arrived at 7:07PM.

## **NEW BUSINESS**

### **A. Carl Bennetsen, LMCIT Agent Representative; Optional No Fault Sanitary Sewer Insurance Coverage**

Carl Bennetsen with Northern Capital Insurance, Woodland's agent representative to the League of Minnesota Cities Insurance Trust (LMCIT), summarized no-fault insurance coverage for sanitary sewer systems. Mr. Bennetsen stated that the LMCIT is requiring all cities to have records delineating maintenance of municipal sewer systems. If cities do not meet the record keeping and maintenance criteria, the deductible for claims will increase to \$1000.

Mr. Bennetsen stated that to qualify for no-fault insurance coverage the City's priority will be to make certain it is in compliance with maintenance record keeping.

Mr. Bennetsen stated that no-fault insurance coverage will provide coverage up to \$250,000 for water and sewer issues regardless of who is at fault. The municipal no-fault sewer backup coverage options are based on Woodland's current liability premium. A \$10,000 limit would cost \$135.00, a \$25,000 limit would cost \$158.00 and a \$40,000 limit would cost \$198.00 per year.

Mayor Doak asked Council Member Newberry to review whether additional coverage makes sense for Woodland.

Council will continue discussion on this matter at the December Council meeting.

### **B. John Stoebner, 18400 Maple Ridge Road; Resolution No. 25-2010; Extension of the variance granted to develop the property.**

Mr. John Stoebner, appointed trustee for 18400 Maple Ridge Road, reported that there is a purchase agreement on the property and the agreement was submitted to bankruptcy court for approval. Mr. Stoebner introduced Mr. Brian Pogue, realtor for the property and the buyers, Mr. and Mrs. Robert and Betsy Craig. Mr. Stoebner stated that none of the conditions tied to the property have changed and he is requesting a one-year extension to complete the sale of the property and to allow the buyers to acquire the necessary building permits for construction and time to work with the Minnehaha Creek Watershed District.

Mayor Doak stated that the Council has had numerous discussions regarding the property and placed multiple conditions on the property to help protect the character of the neighborhood and trees. The settlement specified the conditions which were attached to the variance approval.

*Council Member Jilek moved to approve Resolution No. 25-2010; granting an extension of the variance to develop the property at 18400 Maple Ridge Road. Council member Newberry seconded the motion. Motion carried 5-0.*

### **C. Canvass the November 2 Election Results; Resolution No. 26-2010**

Council reviewed Resolution No. 26-2010, delineating the municipal election results.

*Council Member Jilek moved to approve Resolution No. 26-2010 certifying the municipal election results from the November 2, 2010 General Election. Council Member Carlson seconded the motion. Motion carried 5-0.*

**D. Abdo Eick & Meyers, LLP, Review Water & Sewer Fund Analysis**

Council reviewed a water and sewer fund rate analysis prepared by Woodland's audit firm, Abdo, Eick & Meyers, LLP.

Council Member Carlson summarized the history of the water and sewer improvements and the fund balances. Council Member Carlson stated that maintenance inflation costs, unplanned maintenance expenditures, early prepayment of the project assessments and the loss of interest income had contributed to the declining cash balances in the enterprise funds.

Ms. Brielle Wallace, CPA with Abdo Eick and Meyers, summarized the rate analysis denoting two scenarios for discussion.

Scenario #1 depicted an annual transfer of funds from the sewer fund to the water fund to cover the year end cash deficit in the water fund. The user fee and maintenance fee would both be increased.

Scenario #2 depicted the allocation of the special assessment revenue to be split 75% to water and 25% to sewer. The user fee and maintenance fee would both be increased.

Mayor Doak noted that maintenance costs to the water system have averaged \$3,423 per year. Mayor Doak suggested that one option to control the water fund maintenance expenditures is to off set the cost of curbstops repairs to the individual homeowners. The City's General Fund could assume maintenance costs of the water hydrants.

Council Member Rich suggested that if interest income improves, the utility rate increase may be adjusted downward if possible.

Council Member Newberry stated that he was in support of shifting the curbstops maintenance to the individual owners and the fire hydrant maintenance costs to the General Fund.

Council agreed that Scenario #2 was a better option for a utility rate increase and fund management. The rates should be reviewed on an annual basis and adjusted as necessary.

Mayor Doak noted that the water bonds are callable in whole or in part and if the water fund presents adequate cash balance the City may call the bonds in part.

The City Attorney Andrea Poehler stated that a public hearing is not required to adjust utility fees.

The Groveland Homeowners Association will be meeting on November 18 and will include discussion on the potential rate increases. Homeowners with questions will be encouraged to attend the December 13 Council meeting for continued review.

Mrs. Jean Stark, 2880 West Road, asked if the City will find it acceptable to allocate the fire hydrant maintenance costs to the General Fund as suggested by the Council as an option.

Mayor Doak stated that the fire hydrants are available to serve the entire City and are a public safety benefit to all property in Woodland, and therefore could be seen as a reasonable maintenance expense to be paid for through the General Fund.

Council will continue discussion of the Rate Analysis and utility rate increase at the December 13 Council Meeting.

## **MAYOR'S REPORT**

**Board of Appeals Training** - Mayor Doak reported that Hennepin County is offering Board of Appeals training in Plymouth on November 16 for new Council Members.

**Amended Bank Agreement** - TCF Bank presented the City with an amended agreement for Woodland's Repurchase Investment Sweep Banking Account. Woodland's funds are collateralized with government bonds and comply with financial regulation delineated by the State. Mayor Doak reported that he has signed the amended agreement on behalf of the City.

**Obstructions in the road right-of-way** - Mayor Doak stated that occasionally potential obstructions like lawn markers, boulders and landscape features are placed in the public right-of-way. It is the City's obligation to keep the road and right-of-way safe and free of obstructions. Woodland's insurance company would review potential obstructions in the right-of-way from a safety standpoint and can recommend removal. Woodland would mail a notice to the property owner requiring removal of obstructions that present a safety hazard. Mayor Doak stated that the City policy should be to verify the location of items in the right-of way, document compliance methods and speak with the residents about removing obstructions first, before physically removing objects.

City Attorney Andrea Poehler stated that municipal road right-of-ways should be well documented. Prescriptive rights allow the City to remove stones and obstructions placed within the road right-of-way for maintenance and safety.

Mayor Doak stated that he and Council Member Rich will review the road right-of-way areas throughout Woodland and review what, if any, objects are located in these areas.

**Phosphorous Reductions:** Mayor Doak stated that the engineer reported over 12 pounds of phosphorous had been removed following the street sweeping. The City will work with the Minnehaha Creek Watershed District regarding on going phosphorous removal.

## **COUNCIL REPORTS**

### **Public Safety**

No report.

### **Finance & Intergovernmental Relations**

Councilmember Carlson reported that the League of MN Cities is working on language to address the variance restrictions as handed down by the State.

**Roads& Trees**

Councilmember Rich reported that he met with Hennepin County regarding ash borer and noted that since 2009 there has been only one location in Hennepin County to have ash borer. Woodland's tree contractor Aaron Smith reviewed the condition of the trees throughout the City and will remove several trees.

**Ordinance**

No report.

**ACCOUNTS PAYABLE**

*Councilmember Newberry moved approval of the Accounts Payable as submitted.*

*Councilmember Carlson seconded the motion. Motion carried 5-0.*

**TREASURER'S REPORT**

*Councilmember Newberry moved approval of the Treasurer's Report as submitted.*

*Councilmember Jilek seconded the motion. Motion carried 5-0.*

**ADJOURNMENT**

Council adjourned by consent at 8:58PM

**ATTEST:**

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Shelley J. Souers, City Clerk

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James S. Doak, Mayor