

CITY OF BLOOMINGTON
2215 WEST OLD SHAKOPEE ROAD
HENNEPIN COUNTY, MINNESOTA 55431

CITY COUNCIL MEETING

Approved Minutes
Regular Meeting
Meeting #23

7:00 p.m.
September 17, 2001
Council Chamber

Call to Order and
Pledge to Flag

Mayor Gene Winstead called the meeting to order and Boy Scout Troop #439 from Christ the King Lutheran Church presented the colors led the Council and audience in the pledge of allegiance to the flag. The scouts introduced themselves: Jason McCabe, Dan Olson, Glen Terpstra, Alex Stetson, and Jeff Leonard.

Roll Call

Present: Mayor Winstead, Councilmembers D. Abrams, M. Fossum, H. Harden, A. Ornat, S. Peterson, and V. Wilcox.

Proclamation Expressing
Sympathy and Extending
Support in the Wake of
the September 11, 2001
Terrorist Attack on
America
R-2001-127

Mayor Winstead requested the Council and audience join him in a moment of silence to remember the victims and events of the terrorist attack on America on Tuesday, September 11, 2001. He read a proclamation, passed unanimously by Council, expressing sympathy to the families and friends of the victims and extending support to the cities of New York and Washington, D.C. from the City Council and citizens of Bloomington.

Winstead explained the actions that the City of Bloomington took on September 11, 2001, after hearing news of the attack and what additional steps it is taking to ensure the safety of its employees and citizens of Bloomington. He mentioned that because of Bloomington's close proximity to the Minneapolis/St. Paul International Airport and the high profile of the Mall of America, the City's Emergency Operation Center was activated. He stressed, however, that there was no indication that anyone or anything in Bloomington was ever the target of any terrorist attack. He thanked Sue White of Fast Signs for the banner they created as a symbolic effort of support for all those affected by the events of September 11. To put this tragic event into perspective, Winstead provided the following comparisons to what happened in New York City to Bloomington: Office space square footage: (Bloomington – 11,280,112 square feet, New York City lost in excess of 12,000,000 square feet), Fire Department: (Bloomington – 112 firefighters, New York City lost twice that number in their rescue efforts), Total work force: (Bloomington – 525 total employees, New York City – a single bond trading firm, Cantor Fitzgerald, lost 700 employees in one event), Jobs: (Bloomington – 100,000 jobs, New York City – more than 2 ½ times that number of employees are displaced). He recognized the efforts and events surrounding the death of Thomas E. Burnett, Jr., a Bloomington native who graduated from Jefferson High School and whose heroic efforts changed the course of United Airlines Flight #93 that crashed outside of Pittsburgh, Pennsylvania. He continued by sharing some personal thoughts regarding his own daughter Becky's situation stating that while she was at home recuperating in Minnesota, her place of employment in One World Trade Center had been struck by an airplane. He concluded by stating that it will take America time to heal and that it will with everyone helping each other.

The video prepared by City of Bloomington cable staff was shown.

Proclamation Declaring
September 19, 2001 as
Racial Equality Day

Mayor Winstead read and presented a proclamation to Gary Boettcher, Chair of the Bloomington Human Rights Commission proclaiming September 19, 2001, as Racial Equality Day.

Cable Division Awards
Presentation

Mayor Winstead introduced Diann Kirby, City's Cable Administrator who described two recent awards won by the Bloomington Cable Division at a national Savvy competition, sponsored by 3CMA (City, County, Communications and Marketing Association). Staff earned a 2nd place Silver Circle Award in the category of Most Creative Program for Least Dollars Spent for "Tech Team Report." The other award was a 3rd Place Award of Excellence in the One-Time Video category for "At Your Service." Cable employees Tim Sasse and Rolanda Taylor-Enroth assisted in the presentation of the awards. She explained that there were over 700 entries this year and that this is the third consecutive year that the City has won an award in this competition.

Adopted a Resolution
Approving Issuance of
Revenue Notes for
Presbyterian Homes
Bloomington Care
Center
Item 4.4
R-2001-129

Motion was made by Peterson, seconded by Abrams, and all voting aye, to adopt a resolution approving issuance of revenue notes for Presbyterian Homes Bloomington Care Center to the City of Arden Hills, and to authorize execution of a Joint Powers Agreement, approving a housing program and ratifying preparation and publication of a notice of the hearing.

Presbyterian Homes Bloomington Care Center, Inc. desires to refinance the acquisition of approximately 18 cooperative senior housing units in the Gideon Pond Cooperative located at 9901 Penn Avenue South in the City, finance the acquisition of additional housing units in the Gideon Pond Cooperative, refinance capital costs incurred by the Company and affiliated entities in connection with its health care facilities known as the Bloomington Care Center, an 80-bed skilled nursing facility located at 401 West 95th Street in the City and the McKnight Care Center, a 208-bed nursing home facility located in the City of Arden Hills and finance related costs including financing working capital costs and costs of issuance. There is no general or moral obligation to the City of Bloomington.

Terri Heaton, Chief Financial Officer explained that this approval is for a bond issuance that the City of Arden Hills is undertaking for Bloomington for the financing of eighteen cooperative housing units at the Gideon Pond Cooperative at 9901 Penn Avenue South. She stated the financing will provide for acquisition of additional housing units, refinance capital costs incurred by the Company and the affiliated entities, plus refinancing additions in two other communities with the total refinancing at approximately \$4.5 million. Bloomington would be providing host approval for the issuance of notes to the City of Arden Hills and that it is conduit financing with no obligation whatsoever to Bloomington.

Speaker #1: Steve Fendland, Financial Advisor to Presbyterian Homes
He clarified the amount of financing is \$5.1 million.

Council to Discuss
Commission Rules
Regarding Attendance
for Preparation of Draft
Ordinance Revisions
Item 7.1

Motion was made by Abrams, seconded by Wilcox, to re-enact the original task force along with any interested Council Members to reconvene for one meeting to look at the issue of attendance at commission meetings, youth in particular, upon receiving feedback on this issue from all City commissions, and directed the City Attorney to draft an ordinance change based upon the changes determined by the task force. Motion passed 6-1-0 (Harden opposing).

Kevin Kelleher, Human Rights Commission Member explained that the proposed changes to the Human Rights Commission's Attendance Policy were prompted due to their inability to attract and retain youth members on their commission of which they have two authorized positions. He stated that youth members are very busy and don't have the same flexibility in their schedules to make meetings as do adult members. The Commission, therefore, is requesting a language change that would allow the Commission to count activities that those members are involved in outside of the Commission meetings in which they are conducting business on behalf of the Commission to be used as a credit towards the time they could have spent in a Human Rights Commission meeting. This results in their request to reduce the required number of meetings per year from nine to eight.

Abrams inquired if changing the proposed language to specifically address the youth members would be acceptable to the Commission.

Kelleher responded that he believed it would because that is where the primary problem lies regarding attendance at meetings.

Wilcox stated his reluctance to give the Commission Chair the responsibility of deciding what events would be authorized to count towards a commissioner's attendance because he was a member of a task force that created attendance guidelines at the request of the commissions.

Winstead stated that he would support the change if it was restricted to youth members

Peterson stated that because the issue had been previously brought forward, it might be time for Council to look at the attendance policies again.

Item 7.1 continued

Gary Boettcher, Human Rights Commission Chair stated that there has been an attendance problem for adults as well as youth and that it should be considered for all commissions across the board.

Mark Bernhardson, City Manager explained that a policy amendment would require incorporation into an ordinance and bylaws and that staff could be directed to bring back an ordinance addressing the particular changes that would be envisioned, specific to youth members, and that one required meeting could be substituted for some other commission related activity. He stated that it would have to be decided if this would pertain to all commissions and whether it should be youth specific.

Motion was made by Abrams, seconded by Wilcox, to request the City Attorney draft for Council consideration an ordinance change regarding the substituting of one commission-related activity for attendance at a regular commission meeting that would apply to all City commissions.

Wilcox inquired if the motion could be amended to include the re-enacting of the original task force along with other interested Council Members to reconvene for one meeting upon receiving feedback from other commissions regarding this issue.

Abrams accepted the amendment.

Opened Public
Comment Period

The Mayor declared the public comment period open for those wishing to address the Council on matters other than items included on the agenda.

Speaker #1: Jennifer Holtgren, 8513 14th Avenue South

She stated her awareness of the mediation process available for unfounded complaints through the Environmental Health Department, but inquired if there could be a mediation process for neighbors who don't get along and who, as a result of their calls to Environmental Health, cause the City to continually inspect a property.

Winstead stated that he had spoken with Ms. Holtgren previously on this matter regarding reported violations, enforcement, and some compliance, etc. in the matter of her parent's property in Bloomington resulting in conflict within the neighborhood.

Bernhardson explained that the mediation process is voluntary and that there has been a long history of undertaking enforcement at her parent's property and that enforcement cannot be stopped to put something into mediation. He stated that if all of the parties involved do not voluntarily choose to participate in mediation, the process would not move forward. However, if all parties requested the mediation process, the City could help arrange a third-party mediator. In response to Ms. Hultgren's inquiry regarding reporting violations in her neighborhood, stated that she should report the addresses of suspected violators and the suspected violation to City Hall and that City staff would investigate. He also informed her that there is printed information explaining some of the common Code violations that she could get from Environmental Health. He concluded by stating that there is no action required by Council on this matter.

Accepted the Advisory
Board of Health
Communication
Item 4.5A

Motion was made by Abrams, seconded by Wilcox, and all voting aye, to accept the Advisory Board of Health communication regarding the 2002-2003 Community Health Services Plan Update.

Karen Zeleznak, Health Administrator presented the 2002-2003 Community Health Services Plan Update explaining that it had been presented at a public meeting in August and that the Advisory Board of Health accepted the Plan Update with recommended modification and is requesting Council's approval of its submission to the Minnesota Department of Health. She stated that it is the mid-course review of the Plan Update that is being presented which is required as part of the process to obtain the \$295,062 in Minnesota Department of Health (MDH) projected funding for community health services in 2002. She proceeded to explain the mid-course review highlighting the changes since the last Plan approval, i.e. the demographic changes, new activities, and new minority health data. Other highlights included the following information:

- Item 4.5A continued
1. Demographic changes: (1% decrease in Bloomington's population, 52% increase in the 65+ population, 6.6% increase in population diversity, 2.7% increase in Hispanic population).
 2. New activities: (development and installation of satellite dish for distance learning, tobacco grant for prevention of youth tobacco use, youth risk behavior to promote increased physical activity and proper nutrition, home visiting program targeted for pregnant and parenting teens, State incentive grant for prevention of underage alcohol and marijuana use, and new partnership with Bloomington Schools for safe, drug free schools).
 3. Minority health assessment: (Metro-wide grant from MDH to look at minority health data as Minnesota needs to improve on its assessment and reporting of the data on this issue).

No public testimony was received.

Adopted a Resolution
Approving the 2002-
2003 Community Health
Services Plan Update and
Authorized its
Submission
Item 4.5B
R-2001-130

Motion was made by Abrams, seconded by Wilcox, and all voting aye, to adopt a resolution approving the 2002-2003 Community Health Services Plan Update and to authorize its submission for the related State subsidy.

No public testimony was received.

Closed Public
Comment Period

The Mayor asked if anyone else wished to address the Council during the public comment period or it would be closed. No one came forward to speak and the public comment period was closed.

Approved New
Therapeutic Massage
Enterprise License for
Southpoint Fitness
Center at 1650 West
82nd Street, Suite 10
Item 4.1A

Motion was made by Fossum, seconded by Abrams, and all voting aye, to approve a new therapeutic massage enterprise license application for Health Fitness Corporation doing business as Southpoint Fitness Center located at 1650 West 82nd Street, Suite 10 for the period expiring August 31, 2002.

No staff report provided and no public testimony received.

Adopted a Resolution
Approving a Class A
Gambling Premise
Permit at South
Town Bingo at
8049 Morgan Circle
Item 4.1B
R-2001-128

Motion was made by Wilcox, seconded by Fossum, to adopt a resolution approving a Class A (Bingo, raffles, tipboards, paddlewheels and pull-tabs) Minnesota Lawful Gambling Premise Permit application for the Bloomington Crime Prevention Association at South Town Bingo at 8049 Morgan Circle. Motion passed 6-1-0 (Ornat opposing).

No staff report provided and no public testimony received.

Adopted a Resolution
Confirming Delinquent
Water, Sewer, Storm
Water Drainage, and
Recycling Utility
Assessments
Item 4.2A
R-2001-135

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to adopt a resolution confirming delinquent water, sewer, storm water drainage, and recycling utility assessments.

Joe Huss, Finance Manager responding to an inquiry by Ornat regarding whether or not the habitual offenders are tracked, explained that the accounts are tracked in the system and that it is staff's hope that the habitual offenders will be encouraged to pay when it results in an annual assessment if they don't. He explained that they do receive a Notice to Shut Off if they are delinquent and then eventually assessed. He added that those assessed account for less than 1% of the total amount that is billed for those services.

Adopted a Resolution
Confirming Assessment
of Tree Removal Costs
Item 4.2B
R-2001-136

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to adopt a resolution confirming assessment of tree removal costs.

No staff report provided and no public input received.

Postponed to October 1 the Revised Preliminary Development Plan, Final Development Plan, and Preliminary Plat for Mall of America Company Item 4.3

Motion was made by Peterson, seconded by Abrams, and all voting aye, to postpone to the October 1 Regular Council meeting, the revised preliminary development plan, final development plan for an office building, and the preliminary plat of Mall of America 5th Addition for the Mall of America Company.

Winstead explained that it was recommended that this item be continued to October 1, 2001.

Continued to November 5 the Amendment to the Comprehensive Plan, Rezoning, and Preliminary and Final Development Plan for Sand Companies, Inc. at 8916 Lyndale Avenue South Item 4.6

Motion was made by Wilcox, seconded by Ornat, to continue to the November 5 Regular Council meeting, the amendment to the Comprehensive Land Use Plan, the rezoning of property, and the preliminary and final development plan for Sand Companies, Inc. at 8916 Lyndale Avenue South for the purpose of allowing staff time to provide Council, the developer, and the neighborhood with additional information as requested. Motion passed 5-0-1 (Harden abstaining).

Rebecca Schindler, Planner provided the staff report explaining that the proposal is for a three-story, 47-unit apartment building on the site of the former Bloomington Maple Manor Nursing Home. She explained that the nursing home would be demolished and the new building would be located in the center of the site with the access on the west side of the building onto Aldrich Avenue. She stated there would be 100 parking spaces provided (66 in an underground garage and 34 on the west side of the building). She stated that the access to the building from Lyndale Avenue would be with right turns in and out only. She stated that the Bloomington Housing and Redevelopment Authority (HRA) reviewed the application and has committed to providing some funding for the purpose of asbestos removal and demolition of the existing building, however the exact amount has not yet been determined. She explained that the change in land use designation in the Comprehensive Plan from Quasi-Public to High Density Residential is necessary for the development of the apartment building and that the site was designed as Quasi-Public previously to accommodate the use of the property for a nursing home. She stated that one of the policy objectives in the Comprehensive Land Use Plan is to provide or promote additional affordable rental housing and stated that this project would support that objective. She concluded by stating that staff considers the change in land use designation to be appropriate given the location and nature of the project. Schindler explained that the purpose of the RM-24 zoning district is to provide areas for multiple-family residential development that are compatible with other residential districts. Regarding landscaping, she stated that the applicant plans to provide landscaping along Aldrich Avenue in addition to the 3-foot high solid screening required between the surface parking lot and the street. She proceeded to show how the new building would look on the site by overlaying it onto a 1998 aerial. She concluded that staff recommends approval of the Comprehensive Plan amendment, approval of the rezoning, and approval of the preliminary and final development plans for the apartment building subject to the 13 conditions and 8 Code requirements.

Peterson inquired if there was more specific traffic count information available comparing the nursing home use to the apartment use to evaluate any discussion relating to increased traffic use on Aldrich Avenue. Schindler stated that staff did analyze trip generation rates for the former tenant and the proposed land uses for the site, and the increased trips from the nursing home to an apartment use would be 14 trips in the morning peak hours, 16 trips in the afternoon peak hours, and 140 trips daily. She added that current zoning would allow a retail center on that site and that it would generate an increase of 155 trips during morning peak hours, 112 trips in the evening peak hours, and an average daily trip increase of 893. For clarification, it was mentioned that related to an apartment use, the trip generation would be oriented to Aldrich Avenue whereby it would be oriented to Lyndale Avenue for a commercial use.

Speaker #1: Jim Sand, Vice President of Development for Sand Companies, Inc. He stated that the company held a meeting with the neighborhood on August 20, 2001, to explain their proposal and that many of the same neighbors attended the City's Planning Commission meeting. He provided some background on the Sand Companies stating that they currently have approximately 500 units under management in central Minnesota and the Metro Area. He stated that they intend to join the Crime Free Drug Free Multi-Housing Association in Bloomington and explained their resident selection criteria. He stated that their rental criteria is almost the same for their affordable housing properties as it is for their market rate properties. He showed a drawing of their proposed development stating that the cost of construction for the proposed development would be approximately \$5.8 million or \$123,000 per unit. He stated that they would work hard to be a good neighbor to the neighborhood and would be available to handle any issue as it arises. In response to an inquiry from Fossum regarding Section 8 housing, Sand replied that they have submitted an application for Section 42 Tax Credits from Minnesota Housing and Finance Agency and that in all of their developments, they reserve the right to accept or decline Section 8 vouchers. In this proposal, he stated that their intention would be to accept Section 8 vouchers. He explained that he would not know the results of their application for Section 42 Tax Credits until the third week in October at which time they will know the results of their financing.

Fossum stated that the applicant did not fully disclose the information regarding the financing application to the Bloomington HRA and that he had previously remarked that he did not want to see a concentration of Section 8 housing along Lyndale Avenue or an overuse of that tool in a confined area such as Lyndale Avenue.

Mr. Sand explained that the application they submitted is for a mixed income market, 20% market rate and 80% affordable.

Speaker #2: Jamie Thelen, President of Sand Companies, Inc. He explained that if they are not awarded the tax finance credits they've applied for, the building would be all market rate.

In response to Fossum's inquiry regarding the extent of the background checks the applicant conducts on its tenants, Sand explained that they conduct extensive criminal background checks and in all of the states listed as previous residences on their application. He clarified the fact that any felony conviction results in a disqualification of their rental application.

Wilcox expressed his concern with the request for a zoning change for this application to multiple-family residential when so much of the surrounding area is zoned commercial and that this results in spot zoning, something the City has been trying to get away from.

Bob Hawbaker, Senior Planner responded by stating that there are a number of mixed zoning districts along Lyndale Avenue (83rd & 86th Street – residential under construction) and that there are apartments further to the south on Lyndale Avenue.

In response to Peterson's inquiry regarding what defines a median income, Mr. Sand replied that it would be \$44,000 per year for a family of four and it was stated that entry level policemen, teachers, Public Works employees, etc. might be representative of individuals in that income category.

Speaker #3: Julie McGinley, 8916 Aldrich Avenue (Representing her neighbors)

She explained that she was representing all of the neighbors that have concerns with the redevelopment proposal for 8916 Lyndale Avenue and asked that those in the audience supporting her raise their hands and they did. She stated that she would be submitting a petition signed by the neighbors that states they would like to see the Comprehensive Land Use Plan maintained as Quasi-Public and with the current zoning as B-2 Retail Business. She stated that although the neighborhood is not against affordable housing nor does it disagree that it is a need in Bloomington, they are not supportive of the proposed three-story complex on the 1-acre site. She stated that the neighbors do not believe spot zoning is effective in blending residential and commercial properties. She stated that commercial property would add to the tax base and that this residential property has been promised City assistance for demolition of the building, Federal tax breaks and credits that would cost the taxpayers additional money. Of critical concern to the residents, is the issue of increased density in their neighborhood, as the Sands Company already has residential projects approved at 83rd & 86th and Lyndale Avenue, stated McGinley. She provided a photograph of a typical home in their neighborhood stating that the neighbors do not believe a three-story apartment complex would blend aesthetically into their neighborhood. To illustrate this point, she requested the assistance of another neighbor.

Speaker #4: Neighbor (Frank)

He showed a representation of what the proposed building would look like on the site stating that the difference in building size is quite drastic. Bob Hawbaker agreed that the representation was a reasonable comparison of the elevation difference.

McGinley requested more detailed information from staff regarding the amount of housing density in the neighborhood to help determine whether or not the neighborhood could support the additional density proposed by this project. In order to allow staff time to prepare this information, she requested that Council delay its action on this project until that has been provided. She summarized by stating that it is the neighborhood's desire to see the site stay commercial with a business use rather than residential and that any access to Aldrich Avenue be limited or eliminated putting the primary access off of Lyndale Avenue.

Bernhardson stated that whatever information was provided to the HRA would also be provided to the Council, the applicant, and the neighborhood, specifically relating to the request for the density of the different housing types in the surrounding area.

Speaker #5: Gretchen Wronka, 5201 West 108th Street

She stated that she supports the proposal by the Sands Company because it would help provide affordable housing opportunities for families who would like to live in Bloomington, just as she and her husband determined 28 years ago. She stated that she was impressed by the thoughtful way the Sands Company has approached this need for housing issue. She requested that the Council look at this issue as more of a community-wide issue rather than an issue on Lyndale Avenue.

Speaker #6: Craig Heinen, 8817 Bryant Avenue South

He expressed concern regarding the addition of 47 housing units to his neighborhood and the additional traffic that it will generate. He stated that he witnessed very few cars on a nightly basis access the current building when it was a nursing home and that an apartment building would add much more traffic. From an aesthetics issue, he supports a business in that location rather than a multi-family residential building also. He suggested that the existing building could be refurbished to provide some handicap housing units for seniors, for example, without changing the aesthetics of the neighborhood.

Speaker #7: Margaret Gillespie, 4101 West 98th Street

She supports the availability of affordable housing like the ones proposed by the Sands Company.

Item 4.6 continued

Abrams mentioned a concern that he has with this proposal in that there are likely to be children living in the building and stated that there is not enough adequate and easily accessible play areas for them. He encouraged the developer to look at increasing the size of the tot lot to make it more of an all purpose type of playground to accommodate a broader range of children who might live in the building even if it meant shrinking the footprint of the building. He stated he would not like to see kids being forced to play on Aldrich Avenue as it wouldn't be fair to the kids or the neighbors.

Wilcox stated that his issue with this project is density. He requested that the City look to see what other projects similar to this one being proposed that are of similar density on similar sized properties. He mentioned that there appears to be more green space on the Lyndale Avenue side of the building and that that is where kids would end up playing.

To reply to Ornat's inquiry regarding what size commercial building could be located on that site with an allowance for proper parking, Hawbaker replied that a similar sized commercial building to the one being proposed could be built, however, the problem would be providing enough parking space. He stated that there is no maximum ground coverage or footprint in the B-2 District but that it's determined by setbacks. He stated that the issue is the Comprehensive Land Use Plan that designates the site as Quasi-Public and finding a use that meets Quasi-Public and Retail in the B-2 District is difficult.

Postponed to October 1 the Final Site and Building Plans for Kensington Investments at 1901 West 96th Street and 9601 Newton Avenue
Item 4.7AB

Motion was made by Abrams, seconded by Wilcox, and all voting aye, to postpone to the October 1 Regular Council meeting, the final site and building plans for Kensington Investments at 1901 West 96th Street and 9601 Newton Avenue.

Winstead explained that this item is recommended for postponement to the October 1 meeting.

Approved a Two-Year Temporary Conditional Use Permit for Bushido America Inc. at 5101 West 98th Street
Case 7332B-01
Item 5.1

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to approve a two-year temporary conditional use permit for a karate school in an existing shopping center at 5101 West 98th Street, Case 7332B-01, for Bushido America Inc. subject to the following 4 conditions as set forth by the Planning Division Staff and the Planning Commission:

1. Business signage shall comply with the approved uniformed sign design for the shopping center;
2. Floor area of the use shall not exceed that shown on plans contained in Case 7332B-01 during the permit period with approval by the Planning Manager;
3. No increase in floor area or expansion or change of services be permitted without the approval of the Planning Manager; and
4. Any food and beverage facilities or service shall be reviewed and approved by the Environmental Health Services Division, Department of Community Development.

No staff report was provided and no public testimony was received.

Denied Request for a Temporary Conditional Use Permit for Red Nelson's Valley Motors at 224 West 82nd Street
Case 10519A-01
Item 5.2

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to deny the request for a temporary conditional use permit for indoor used car sales at 224 West 82nd Street, Case 10519A-01, for Red Nelson's Valley Motors and to request a resolution of denial be brought to Council on October 1, 2001.

Hawbaker explained that staff and the Planning Commission recommend denial of the application and understands that the applicant is moving out of the building and that the owner will be renting it to someone else. He did make the following addition to Finding ii that inadvertently excluded a number in the staff report that should read as follows: "On August 1, 2001, more than 13 cars were parked on site and in the right-of-way."

No public testimony was received.

Approved Revised Final Development Plan for Friendship Village at 8100 Highwood Drive Case 7975A-01 Item 5.3

Motion was made by Ornat, seconded by Wilcox, and all voting aye, to approve a revised final development plan for an addition to an existing health care facility for Friendship Village at 8100 Highwood Drive, Case 7975A-01, subject to the following conditions being satisfied prior to the issuance of any grading, foundation or building permits as set forth by the Planning Division Staff and the Planning Commission:

Prior to grading, footing, and foundation permits:

1. Exterior building materials be approved by the Planning Manager;
2. Grading, drainage, utility and erosion control plans be approved by the City Engineer;
3. Access, circulation and parking plans be approved by the City Engineer;
4. Erosion control measures be in place and bond be filed;
5. Retaining wall bond be in place.

Prior to structural permits:

6. Connection charges be satisfied;
7. A SAC questionnaire be completed and submitted to the Department of Public Works;

Prior to issuance of full building permits:

OPERATIONAL REQUIREMENTS:

8. Alterations to utilities be at the developer's expense;
9. All pickup and drop-off occur on site and off of public streets; and
10. All construction loading and unloading, stockpiling and parking shall occur on site and off of public streets.

and subject to the following Code requirements:

1. Landscape plan be approved by the Planning Manager and landscape bond be filed (Sec. 19.52);
2. All rooftop equipment be fully screened (Sec. 19.52.01);
3. Poured-in-place concrete curbs be provided on the perimeter of parking lots and traffic islands (Sec. 19.64);
4. All trash and recyclable materials be stored and screened (Sec. 19.51);
5. Building be provided with an automatic fire sprinkler system as approved by the Fire Marshal (Mn Bldg. Code Sec. 904.1 and M.R. Chapter 1306; Uniform Fire Code Sec. 1003);
6. Fire lanes be posted as approved by the Fire Marshal (Uniform Fire Code Sec. 901.4);
7. Utility plan showing location of existing and proposed water main and fire hydrant locations be approved by the Fire Marshal and Utilities Engineer (City Code Sec. 6.20, Uniform Fire Code Sec. 903);
8. Food service plans be approved by the Environmental Services Division (City Code Sec. 14.360);
9. Parking lot and site security lighting shall satisfy the requirements of Section 19.54 of the City Code; and
10. Signage be in conformance with the requirements of Chapter 19, Article X of the City Code.

Hawbaker provided the staff report explaining that the proposal would add three beds to an existing facility on the west side of the site.

Winstead and Abrams stated that they have visited the site and that it is a very beautiful facility and environment.

Ornat concurred and invited any Council Members who have not seen it to visit the facility and complimented the management on working with the neighbors to calm their fears regarding the construction of the duplex and single-level townhomes.

Adopted a Resolution Approving a Conditional Use Permit for Knutson-Barghusen Enterprises, LLC at 10850 Rhode Island Avenue Case 10561AB-01 Item 5.4A R-2001-132

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to adopt a resolution approving a conditional use permit for an animal hospital at 10850 Rhode Island Avenue, Case 10561AB-01 for Knutson-Barghusen Enterprises, LLC.

Rebecca Schindler, Planner provided the staff report explaining that the proposal is for the construction of a multi-tenant building on a vacant 1.63-acre parcel and that the building would consist of a veterinary clinic and the remaining space leased for office use. She stated the applicant currently operates the Pet Crossing Animal Hospital in the Bloomdale Shopping Center.

Item 5.4A continued

Schindler explained that the parcel and surrounding area was designed as Industrial in the 1980 Comprehensive Plan and in the 1982 Plan, the area was changed to accommodate an approved planned development including the commercial and office uses north of West 109th Street and the residential development to the south. The property in question was guided for retail commercial land use. She stated that staff believes the proposed use is compatible with the surrounding area, is consistent with the nearby business uses, and is compatible with the residential uses to the south. She stated that staff recommends approval of the application.

Harden complimented the owners for running a very good veterinary hospital and that they do need the additional space.

Winstead commented that there was one letter in opposition to the proposal and one e-mail in support.

Approved a Final
Development Plan for
Knutson-Barghusen
Enterprises, LLC at
10850 Rhode Island
Avenue
Case 10561AB-01
Item 5.4B

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to approve a final development plan for a multi-tenant retail/service building at 10850 Rhode Island Avenue for Knutson-Barghusen Enterprises, LLC, Case 10561AB-01, subject to the following 10 conditions of approval and 9 Code requirements:

1. A development agreement including all conditions of approval be executed by the applicant and the City;
2. Exterior building materials be approved by the Planning Manager;
3. Grading, drainage, utility and erosion control plans be approved by the City Engineer;
4. Connection charges, as determined, be satisfied;
5. Access, circulation and parking plans be approved by the City Engineer;
6. A SAC questionnaire be completed and submitted to the Department of Public Works;
7. Erosion control measures be in place prior to issuance of grading permits;
8. Review and approval by the appropriate watershed district be completed;

and subject to the following additional conditions of approval:

9. Alterations to utilities be at the developer's expense;
10. Temporary street signs and addresses be provided under construction;

and subject to the following Code requirements:

1. Landscape plan be approved by the Planning Manager (Sec. 19.52);
2. All rooftop equipment be fully screened (Sec. 19.52.01);
3. Poured-in-place concrete curbs be provided on the perimeter of parking lots and traffic islands (Sec. 19.64);
4. Building plans shall identify trash and recyclable material collection and storage area provided within the building in accordance with requirements of Section 19.51;
5. Building be provided with an automatic fire sprinkler system as approved by the Fire Marshal (Mn Bldg. Code 3802; Uniform Fire Code Ch. 10.306);
6. Fire lanes be posted as approved by the Fire Marshal (sec. 8.73);
7. Utility plan showing location of existing and proposed water main and fire hydrant locations be approved by the Fire Marshal and Utilities Engineer (Sec. 6.20, Uniform Fire Code Ch. 10.301-C);
8. Parking lot and site security lighting shall satisfy the requirements of Section 19.54 of the City Code; and
9. Signage be in conformance with the requirements of Chapter 19, Article X of the City Code.

Adopted a Resolution
Approving a Conditional
Use Permit and Final
Site and Building Plans
for Galen Watje at
2120 West 105th Street
Case 10560A-01
Item 5.5
R-2001-133

Motion was made by Peterson, seconded by Abrams, to adopt a resolution approving a conditional use permit and final site and building plans for a two-family dwelling at 2120 West 105th Street, Case 10560A-01, subject to the following conditions prior to the issuance of any grading, foundation, or building permits as set forth by the Planning Division Staff and the Planning Commission. Motion passed 6-1-0 (Fossum opposing).

1. Upon submission of a "hold harmless" letter by the applicant, the Issuing Authority may allow issuance of foundation permits so that the foundation may be in place to assist in platting of the parcel for individual unit and lot ownership. An approved final plat shall be filed with Hennepin County before construction proceeds past the foundation stage.
2. The platting of the property shall create at least one lot and provide standard drainage, utility and sidewalk easements;
3. Park dedication shall be in cash;
4. Grading, drainage, utility and erosion control plans be approved by the City Engineer;
5. Watershed District permit be approved
6. Erosion control measures be in place and bond be filed;
7. Connection charges be satisfied;
8. A SAC questionnaire be completed and submitted to the Department of Public Works;
9. Exterior building materials be approved by the Planning Manager;
10. A front setback of 50 feet to the garages shall be provided;

OPERATIONAL REQUIREMENTS

11. Alterations to utilities be at the developer's expense; and
12. All construction loading, unloading, staging, and parking occur on site and off of public streets.

CODE REQUIREMENTS

1. Landscape plan be approved by the Planning Manager and landscape bond be filed (Sec. 19.52); and
2. Property be platted in accordance with the requirements of Chapter 16 of the City Code (Sec. 16.03).

Hawbaker providing the staff report, explained that this is an application for a conditional use permit on an 18,000 square foot lot. He stated that an existing single-family dwelling would be demolished and two units of approximately 2,000 square feet each would be built on the site. He stated that the lot and building do meet the Code requirements for setbacks and minimum lot area. He explained that the owner does intend to split the lot so that the units can be individually sold in the future. He stated that there was a fair amount of discussion at the Planning Commission Meeting, primarily regarding the behavior of the current tenant rather than the building itself. However, he stated there was some concern with a proposal for a two-family dwelling in a predominantly single-family setting adding that there are other two-family dwellings located around Bloomington in similar settings.

Fossum inquired if the unit would be owner occupied.

Speaker #1: Galen Watje, Applicant

He replied that initially they would not be owner occupied. Regarding current tenants, Mr. Watje explained that because of the size and layout of the existing house, it is hard to find good renters who will take good care of the property. He stated that he does own other homes like the one he is proposing for this site and that he had no problem finding good tenants for those because they rent for approximately \$1,500 per month. He added that he has installed sprinkler systems on many of his properties so the yards stay nice and that he would probably do the same for this one. To reply to Wilcox's inquiry regarding the screening process for tenants, Mr. Watje replied that in the \$700-\$900 per month plus utilities rental market, most tenants do not want to rent his existing house because it's outdated and renters are looking for nicer places to rent.

No public testimony was received.

Adopted a Resolution
Approving a Conditional
Use Permit for
Wixon Jewelers at
10001 Lyndale Avenue
South
Case 8004AB-01
Item 5.6
R-2001-137

Motion was made by Wilcox, seconded by Abrams, and all voting aye, to adopt a resolution approving a conditional use permit for a parking lot in an R-1, Single-Family Residential Zoning District and approved the final site plan and building plans for a parking lot expansion at 10001 Lyndale, Case 8004AB-01, for Wixon Jewelers subject to the following 6 conditions and 4 Code requirements being satisfied prior to the issuance of any building permits:

1. Proof of filing this conditional use permit with Hennepin County be provided to the Planning Manager;
2. Grading, drainage, utility and erosion control plan be approved by the City Engineer;
3. Review and approval from the Lower Minnesota Watershed District be completed;
4. Parking and circulation design be approved by the Traffic Engineer;
5. Minimum five foot high solid screening be provided along the south and east properties, as approved by the Planning Manager; and
6. A \$5,000 bond be provided to assure the removal of the home and restoration of the property located at 10017 Lyndale Avenue South on or before December 31, 2001;

and subject to the following Code requirements:

1. Landscape plan be approved by the Planning Manager
2. Three-foot high solid screening be provided along Lyndale Avenue as approved by the Planning Manager (Sec. 19.52);
3. Poured-in-place concrete curbs be provided on the perimeter of parking lots and traffic islands (Sec 19.64); and
4. Parking lot and site security lighting shall satisfy the requirements of Section 19.54 of the City Code.

Larry Lee, Community Development Director explained that this item was continued from a previous meeting primarily to look at the property at 10017 Lyndale Avenue South. He explained that the property at 10010 Lyndale Avenue South is the parcel that Wixon Jewelers plans on turning into additional parking. He stated that Wixon's intent is that when they get approval for expanding the parking, they will have the same demolition contractor demolish the 10010 structure as the one at 10017. He stated that an additional Condition #6 has been added that states, "A \$5,000 bond be provided to assure the removal of the home and restoration of the property at 10017 Lyndale Avenue South on or before (whatever date the Council chooses)." He stated that all of the conditions must take place prior to obtaining permits.

Speaker #1: Greg Kinney, Representing the Applicant

He stated that since the last meeting, he spoke with the applicant regarding the demolition of the second home and it was decided that it would be done as requested by Council and that the applicant's intention is to start the construction of the parking lot this fall before winter. Therefore, both residences would be demolished prior to that.

Council chose to add, "on or before December 31, 2001" to the end of Condition #6.

No public testimony was received.

Adopted a Resolution
Approving the 2001
Assessment Roll No. 1
Item 4.8
R-2001-131

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to adopt a resolution approving the 2001 Assessment Roll No. 1. This roll deals with the streetscape maintenance which City forces perform on the properties in the Oxboro Redevelopment Area at 98th Street and Lyndale Avenue. The assessments are on a yearly basis and are based on the actual cost of work performed in 2000. Council approved a four-year service program for streetscape maintenance in the Oxboro Redevelopment Area on June 5, 2000.

Winstead explained that this is the assessment roll for the maintenance of the streetscape in the Oxboro area at 98th Street stating that the City does collect additional dollars for the maintenance of that area and that it needs to be maintained. He stated that there is dead plant material and debris in the area that needs to be cleaned up.

Item 4.8 continued

Wilcox stated that there seems to be some confusion on the part of the property owners as to who's responsible for the maintenance of the streetscape, as some business owners believe it's the City's responsibility. Therefore, clarification of the maintenance responsibilities is needed.

Bernhardson stated that the following issues need to be clarified: 1) How much of the area is wanted as part of the maintenance district? 2) How much from private funds is requested to fund the maintenance? and 3) How much in public funds should go towards the maintenance?

Charles Honchell, Public Works Director explained that some of the property owners have stated that they want to do less and pay less for the maintenance and that has resulted in less maintenance. He stated that some of the dead trees were scheduled to be replaced in the fall. He added that staff would contact the property owners involved to let them know that they need to do more to maintain the area if that is what Council desired. He added that the assessment for this year's work was down from \$13,000 to \$10,000 but that it could be increased.

Winstead added that even though part of the problem is that part of the area is under Hennepin County jurisdiction, he would rather see the City do more than less for the same money.

Wilcox inquired if the maintenance district could be broadened to include more businesses or just look at it more globally and that the Oxboro Redevelopment District is much larger than that and perhaps the entire district should be evaluated.

No public testimony was received.

Approved Purchase Agreement for Acquisition of Premises at 844 West 79th Street for Ring Route Improvements on 79th Street
Item 6.1

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve a purchase agreement with Steven Schoeben for the acquisition of the premises at 844 West 79th Street as the property is needed for purposes of the Ring Route improvements on 79th Street in this location.

The proposed purchase price is \$276,500, which is slightly in excess of the City's certified appraisal amount of \$272,830 for real estate and fixtures. Other terms of the purchase agreement include the following:

1. Real estate taxes (\$5,108) prorated to date of closing (no levied or pending specials);
2. Tentative closing date of 9/27/01, but seller may continue in occupancy rent free until 3/31/02 to assist in his transition to a new location; seller will continue to be responsible for utilities and other operational expenses during his occupancy;
3. Seller may remove and retain certain fixtures (Exhibit D to agreement);
4. City responsible for closing expenses (deed tax, abstracting, filing fees, closer's fees);
5. City to reimburse seller per statute for up to \$500 in appraisal fees incurred; and
6. Relocation benefits due by law will be handled separately from the closing of the purchase, but the agreement provides for an advance relocation payment of \$10,000 at closing to assist in the move. (Staff will bring back at a later date any amounts in excess of this \$10,000 for further Council approval.)

Approved Renewal Agreement with McCrady Janitorial, Inc.
Item 6.3

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the renewal agreement with McCrady Janitorial, Inc. for services to be performed at the Sage Women's Clinic at the Mall of America.

No budget adjustments are necessary, as City expenses incurred for this agreement will be reimbursed by the State of Minnesota through their agreement with the City for clinic operations.

Approved Renewal of Professional Services Agreement with Nurse Practitioner Janet Watchman
Item 6.4

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the renewal of the professional services agreement with Janet Watchman, a nurse practitioner, who will provide physical exams for women seen at the Sage Women's Clinic and Public Health clinics under the standing orders of the City's medical consultant, Dr. John Bjorklund.

Compensation is set at \$40.00 per hour, not to exceed \$20,000 annually. No budget adjustment is necessary.

Adopted a Resolution Granting Reapproval of the Final Plat of AT & T Addition at 510 & 515 Halsey Lane and 8901 Lyndale Avenue South Case 2689A-00

Item 6.5

R-2001-134

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the final and to adopt a resolution granting final approval of the plat of AT & T Addition located at 510 & 515 Halsey Lane and 8901 Lyndale Avenue South, Case 2689A-00, subject to a review of the title by the City Attorney and receipt of the necessary documents and deposits. The plat was not filed with the County within the 12 months time allowed after City Council initial approvals, therefore, the final plat was reapproved with the following conditions that were granted by Council on May 15, 2000:

1. 10' sidewalk/bikeway easement on Lyndale Avenue and Halsey Lane frontages on both lots.
2. 20' utility easement on Lyndale Avenue and Halsey Lane frontages on both lots.
3. Standard 5' drainage and utility easement along all other internal lot lines except along the east line of Lot 1 to be 10' (except at the existing building).
4. Right-of-way dedication to 50' from center line along Lyndale Avenue with radius of 30' at Halsey corner.
5. Right-of-way dedication be 50' radius for reverse curve on Halsey Lane cul-de-sac.
6. Park dedication to be in cash as determined based on projected development of Lot 1.
7. Common driveway easement be provided along the westerly portion of Lot 1 and easterly portion of Lot 2 consistent with the existing driveway as approved by the Traffic Engineer.

Item 1 has been accomplished, items 2 through 5 are accomplished with the plat, Item 6 – Park Dedication is to be paid in cash and Item 7 remains to be completed.

Approved Purchase of High Speed Digital Copier for the Print Shop
Item 6.6

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the purchase of a high-speed digital copier for the Print Shop. The purchase price of the copier is \$35,606 and the annual maintenance fee will be \$5,112. The copier will replace one of the current printing presses used in the Print Shop. Monies were included for this purchase in the 2001 Budget.

Approved Change Order #1 to 2001-103 PMP Street Improvement Project in the Amount of \$62,520.55
Item 6.8A

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve Change Order #1 to 2001-103 Pavement Management Program Street Improvement Project in the amount of \$62,520.55 for the construction of a mid-block cul-de-sac on Telegraph Road between Marth Road and Highwood Road. Construction needs to take place in advance of the construction of the intersection of West Bush Lake Road and Marth Road proposed by the Minnesota Department of Transportation.

The approximate cost of the project addition is \$62,520.55 and would be paid at unit prices. This improvement would not be assessed and would be paid out of the existing 810 Fund. The total contract cost for the 2001-103 project would rise from \$869,979.82 to \$932,500.37.

Accepted Petitions for Interim Street Repair and Street Reconstruction of Green Valley Drive and Approved Change Order #2 to the 2001-103 PMP Street Improvement Project in the Amount of \$11,434.00 and Awarded it to Bituminous Roadways
Item 6.8B

Motion was made by Harden, seconded by Wilcox, and all voting aye, to accept a Petition for Inclusion in Assessment District and Waiver of Hearing for Street Modification from Duke-Weeks Realty Corporation for an interim street modification at Lot 1, Block 1, Norman Pointe One on Green Valley Drive (south frontage road I-494 and west frontage road Normandale Boulevard) and to approve Change Order #2 to the 2001-103 Pavement Management Program Street Improvement Project in the amount of \$11,434.00 and award it to Bituminous Roadways thus increasing the total contract amount to \$943,934.37.

Duke-Weeks has agreed to be assessed for the entire cost of overlaying Green Valley Drive and to reimburse all bituminous surfacing maintenance costs for two years after construction in Item 1. Part of Green Valley Drive was overlayed previously under an identical agreement. Duke-Weeks has now requested that the City do the portion that was not done under the previous agreement.

The cost of milling and overlaying Green Valley Drive is estimated to be approximately \$11,434.00 as itemized in the included Change Order #2.

Duke-Weeks has petitioned for reconstruction of Green Valley Drive under the Pavement Management Program. Projection by the Program calls for the reconstruction in 2003 but continued construction loadings could change the priority of the construction needs.

Adopted a Resolution Approving an Administrative Variance for Dr. Mary Lee Enfield at 10000 Maple Circle Case 2924A-01 Item 6.9 R-2001-138

Motion was made by Harden, seconded by Wilcox, and all voting aye, to adopt a resolution approving an administrative variance to reduce side yard setback from 10 feet to 5 feet for an addition to the dwelling at 10000 Maple Circle, Case 2924A-01, for Dr. Mary Lee Enfield, subject to the following 5 conditions as set forth by the Hearing Examiner:

1. The exterior, finish, and roof line shall match that of the principal structure;
2. Building plans shall be approved by the Building Inspections Department;
3. All necessary building permits be obtained prior to construction;
4. The existing drainage pattern shall not be altered to cast additional drainage onto abutting properties; and
5. Variance shall apply only to the addition approved in Case 2924A-01.

Approved Change Order #3 to the Water Treatment Plant and Well Field Expansion Project Item 6.10

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve Change Order #3 to the Water Treatment Plant and Well Field Expansion Project in the amount of \$121,452.00. The change is required to make the necessary construction modifications to the Sam H. Hobbs Water Treatment Plant. The Change Order consists of 20 items as detailed in the Change Order document. The changes consist of both additions and deletions.

The total amount of the Change Order will add \$121,452.00 to the contract, for a total contract amount of \$14,304,334.21. Funding is available in the Utility Budget.

Approved Purchase of a 2001 Caterpillar Model IT28G Wheel Loader with Bucket and Reversible Plow Item 6.11

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the purchase of a 2001 Caterpillar Model IT28G wheel loader with bucket and reversible plow to replace City Unit #12, a 1986 Caterpillar loader. This unit is used by the Utility Division for main break repairs and by Street Maintenance for winter snow plowing.

The new unit is available under State of Minnesota Contract #426722 from Ziegler, Inc. at a cost of \$112,587.00. Ziegler has offered \$30,700.00 for Unit #12 to be used as a trade-in. This would reduce the total cost of the new unit to \$81,887.00, plus 6.5% Minnesota State sales tax.

Funds for the purchase are available in the 2001 Equipment Maintenance Budget, Activity 617-0618-499-70.42.

Item 6.12

Item withdrawn.

Item 6.13

Item withdrawn.

Adopted a Resolution Approving an Administrative Variance for John Capouch at 5124 Nine Mile Creek Parkway Case 10565A-01 Item 6.14 R-2001-139

Motion was made by Harden, seconded by Wilcox, and all voting aye, to adopt a resolution approving an administrative variance to reduce prevailing side yard setback adjacent to a public street from 35 feet to 30 feet for a garage at 5124 Nine Mile Creek Parkway, Case 10565A-01, for John Capouch, subject to the following 6 conditions as set forth by the Hearing Examiner:

1. The exterior, finish and roofline of the garage shall match that of the principal structure;
2. The existing drainage pattern shall not be altered to cast additional drainage onto abutting properties;
3. All necessary building permits be obtained prior to construction;
4. The total garage floor area shall not exceed 1,000 square feet;
5. Variance shall apply only to the 24 foot by 26 foot garage approved in Case 10565A-01; and
6. At such time as the existing attached garage is converted to living space, a new driveway shall be installed to the detached garage located from 6 feet to 30 feet from the north property line along Stanley Avenue. The existing driveway and curb cut shall be removed at that time.

Approved Renewal of an Agreement with Independent School District #271 for Safe & Drug Free Schools Leadership Services Item 6.15

Motion was made by Harden, seconded by Wilcox, and all voting aye, to approve the renewal of the agreement with Independent School District #271 for Safe & Drug Free Schools Leadership Services. Through this agreement, the City will be compensated up to \$11,000 for services provided.

Approval does not require a budget adjustment.

Approved Lease with Sprint Spectrum, L.P. dba Sprint PCS for Space at the Northwest Water Tower at 7201 West 83rd Street
Item 6.2

Motion was made by Abrams, seconded by Peterson, and all voting aye, to approve a lease with Sprint Spectrum, L.P., dba Sprint PCS, who proposes to lease space at the City-owned Northwest Water Tower, 7201 West 83rd Street, for the colocation of wireless antennas. The proposed annual lease rate is \$16,385 and will increase by 7% per year for the life of the lease (up to 20 years). Antennas will be mounted on the side of the water tower and all associated equipment will be located inside the water tower itself, minimizing the impact on surrounding properties. This lease is nearly identical to a lease with VoiceStream at this site executed in 2000.

Abrams stated that the dollar value that the City is getting for the lease of the antennas is the same for all water towers going back to 1996 and indicated that the lease amount should be increased to catch up with inflation.

Larry Lee explained that the leases are done with annual inflators on them and that the 2001 rate for the leases have all been raised to the same rate as the one being proposed for Sprint.

No public testimony was received.

Accepted Donation of \$10,040 from Bloomington Association of Retired Firefighters for Purchase of Thermal Imager
Item 6.7

Motion was made by Harden, seconded by Wilcox, and all voting aye, to accept the donation of \$10,040 from the Bloomington Association of Retired Firefighters towards the purchase of a Cairns thermal imager for use by the Fire Department and to approve a budget amendment increasing the appropriate revenue and expenditure categories by the \$10,040

The total cost of the thermal imager is estimated to be \$17,040 and the remainder would be paid for from the Fire Department's capital equipment budget.

Canvassed the Results of the City Primary Election Held September 11, 2001
Item 3.1

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to approve the Declaration of the Results of the City Primary Election held September 11, 2001, upon canvassing the results.

Results: 1,239 total ballots cast (618 for Steve Elkins), (318 for Eldon Spencer), (163 for Andrew Tasi), and (133 for Jim Farrell) with 4 undervotes and 3 overvotes.

Status of Action Items
Item 7.2

No Status of Action Items presented.

Appointed Harden as Voting Delegate and Fossum and Peterson as Alternates to the National League of Cities Conference
Item 7.3

Motion was made by Peterson, seconded by Abrams, and all voting aye, to appoint Councilmember Harden as the Voting Delegate and Councilmembers Fossum and Peterson as the alternate Voting Delegates to the National League of Cities Conference to be held December 4-8, 2001, in Atlanta, Georgia.

Approved the Renewal of the League of Minnesota Cities Insurance Trust Commercial Package Policy and the Clinic Package Policy
Item 7.4A

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to approve the renewal of the insurance policies for the term June 1, 2001 to June 1, 2002. These policies include the League of Minnesota Cities Insurance Trust (LMCIT) Commercial Package Policy (comprised of general liability, property, automobile, crime and boiler and machinery coverage) and the Clinic Package policy (comprised of property and nurses professional liability coverages).

With the exception of the auto coverage, which has been broadened by LMCIT mandate to include collision coverage, all coverages and policy limits are the same as the expiring policies.

Premium costs total \$494,676 a 12% increase from last year. The increase is primarily due to the addition of collision coverage costing \$22,000 and the tightening in the insurance market due to the increase in severity and number of losses for all insureds.

Amy Larson, Risk Manager presented the 2001-2002 insurance renewals. She highlighted the following regarding the 2002 premium renewals:

- Item 7.4A continued
1. League of Minnesota Cities Insurance Trust (LMCIT) quoted 12% increase over 2001 premiums.
 2. Received three quotes from insurance companies.
 3. St. Paul Companies and the League of Minnesota Cities quoted premiums for coverage and that St. Paul Companies could not provide a premium lower than the League of Minnesota Cities but asked to be considered for next year's quotes.
 4. LMCIT auto coverage includes a mandated addition of collision which increased the premium by \$22,000.
 5. Increases across the board resulted in an overall hardening of the insurance market and an increase in the number of and severity of losses.
 6. Insurance package includes the following coverage: General Liability (municipal liability), Property Coverage (boiler, machinery, and mobile equipment), and Automobile (includes addition of collision coverage).
 7. Clinic policy is provided by the St. Paul Companies.
 8. If premiums had increased 3% each year due to inflation, the City would have paid \$294,521 more in premiums since 1986 than it did.

She stated that it is staff's recommendation that the Council renew the commercial package with the League of Minnesota Cities. Staff's other recommendation is that the Council choose not to waive the Tort liability limits.

Authorized the Non-Waiver of Statutory Liability Limits from the League of Minnesota Cities Insurance Trust
Item 7.4B

Motion was made by Peterson, seconded by Wilcox, and all voting aye, to authorize the non-waiver of statutory liability limits meaning that the City of Bloomington accepts liability coverage limits of \$1,000,000 from the League of Minnesota Cities Insurance Trust.

Approval of Minutes

Motion was made by Wilcox, seconded by Harden, and all voting aye, to postpone to the October 1, 2001, Regular Council meeting, approval of the minutes of the August 6, August 27, and September 4, 2001, Council meetings.

Adjourn Meeting

Mayor Winstead adjourned the meeting at 10:05 p.m.

Barbara Clawson
Council Secretary