

# REGULAR MEETING COTTAGE GROVE CITY COUNCIL

July 18, 2007

## OPEN FORUM – 7:15 p.m.

Open forum provides a person an opportunity to inform the Council of a problem or to request information related to City business not scheduled for Council action and on the Agenda.

Present: Mayor Sandy Shiely  
Council Member Myron Bailey  
Council Member Mark Grossklaus  
Council Member Fred Luden  
Council Member Pat Rice

Also Present: Ryan Schroeder, City Administrator  
Les Burshten, Public Works Director  
Ron Hedberg, Finance Director  
Jennifer Levitt, City Engineer  
Corrine Thompson, City Attorney  
Craig Woolery, Public Safety Director

Not Present: None

Mayor Shiely opened the Open Forum at 7:15 p.m.

There being no speakers, Mayor Shiely closed the Open Forum at 7:15 p.m.

## CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota, held a regular meeting on Wednesday, July 18, 2007, at the Cottage Grove City Hall, 7516 80<sup>th</sup> Street South. Mayor Shiely called the meeting to order at 7:30 p.m.

## ROLL CALL

Present: Mayor Sandy Shiely  
Council Member Myron Bailey  
Council Member Mark Grossklaus  
Council Member Fred Luden  
Council Member Pat Rice

Also Present: Ryan Schroeder, City Administrator  
Les Burshten, Public Works Director  
Ron Hedberg, Finance Director  
Jennifer Levitt, City Engineer  
Corrine Thompson, City Attorney  
Craig Woolery, Public Safety Director

Not Present: None

ADOPTION OF AGENDA

Mayor Shiely announced the addition of Item E regarding Arbor Day Award under Presentations.

MOTION BY RICE, SECONDED BY BAILEY, TO APPROVE THE AGENDA AS AMENDED.

MOTION CARRIED 5-0.

PRESENTATION

A. Girl Scout Gold Awards – Tricia Ellis, Mary Foy, and Kristirose Renwick

Mayor Shiely and Council Members presented the Girl Scout Gold Award plaques for Tricia Ellis, Mary Foy, and Kristirose Renwick to Mary Foy, who described the project, which was to groom the Red Rock Cemetery and headstones and compile an information book that was donated to the Heritage Preservation Committee.

B. County Award - Brian Voelker

Myra Peterson, County Board Commissioner, said every year the County Board has the opportunity to present an award for an outstanding job, this year given to Brian Voelker for his work with the Arbor Day Celebration. Mr. Voelker expressed his appreciation.

APPROVAL OF MINUTES

A. June 20, 2007, regular meeting minutes

Mayor Shiely stated that the minutes stood approved as submitted.

CONSENT CALENDAR

MOTION BY RICE, SECONDED BY LUDEN, TO:

- A. ACCEPT AND PLACE ON FILE THE FOLLOWING MINUTES:
  - I. PUBLIC WORKS COMMISSION MEETING MINUTES FROM MAY 14, 2007.
- B. APPOINT PUBLIC SAFETY DIRECTOR CRAIG WOLLERY TO REGULAR STATUS.

- C. AUTHORIZE ISSUANCE OF AN OUTDOOR EVENT PERMIT TO THE OSMAN SHRINE CAR SHOW TO BE HELD AT THE VFW RED BARN ON AUGUST 5, 2007, CONTINGENT ON CONDITIONS OUTLINED IN DEPUTY DIRECTOR OF PUBLIC SAFETY PETE KORNER'S MEMO DATED JUNE 26, 2007.
- D. APPOINT CAPTAIN/DEPUTY PUBLIC SAFETY DIRECTOR PETE KOERNER TO REGULAR STATUS.
- E. APPOINT CAPTAIN/DEPUTY PUBLIC SAFETY DIRECTOR BRIAN WILSON TO REGULAR STATUS.

MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED OPEN FORUM ISSUES

None.

PUBLIC HEARINGS

- A. Hold the Public Hearing and consider authorizing issuance of an "Off Sale" Intoxicating Liquor License to Bluhm Beverage LLC/DBA Top Ten Wine & Spirits to operate at 8617 East Point Douglas Road

Mayor Shiely opened the public hearing at 7:40 p.m.

There being no speakers, Mayor Shiely closed the public hearing at 7:40 p.m.

MOTION BY BAILEY, SECONDED BY GROSSKLAUS, TO AUTHORIZE ISSUANCE OF AN "OFF SALE" INTOXICATING LIQUOR LICENSE TO BLUHM BEVERAGE LLC/DBA TOP TEN WINE & SPIRITS TO OPERATE AT 8617 EAST POINT DOUGLAS ROAD CONTINGENT ON COMPLIANCE WITH CONDITIONS LISTED IN CARON STRANSKY'S MEMO DATED JULY 11, 2007.

MOTION CARRIED 5-0.

- B. Hold the Public Hearing and consider authorizing issuance of an "Off Sale" Intoxicating Liquor License to POP-A-TOP, LLC/DBA MGM Wine & Spirits, to operate at 7240 East Point Douglas Road

Mayor Shiely opened the public hearing at 7:42 p.m.

There being no speakers, Mayor Shiely closed the public hearing at 7:42 p.m.

MOTION BY RICE SECONDED BY LUDEN, TO AUTHORIZE ISSUANCE OF AN "OFF SALE" INTOXICATING LIQUOR LICENSE TO POP-A-TOP, LLC/DBA MGM WINE & SPIRITS, TO OPERATE AT 7240 EAST POINT DOUGLAS ROAD CONTINGENT ON COMPLIANCE WITH CONDITIONS LISTED IN CARON STRANSKY'S MEMO DATED JULY 11, 2007.

MOTION CARRIED 5-0.

BID AWARDS

- A. Consider awarding the contract for the East Ravine Trunk Utilities – Phase 2 Project in the amount of \$971,923.40 to S.J. Louis Construction

The City Administrator suggested that Council adopt a resolution that, if approved, it be contingent upon receipt of an easement agreement from the property owner. S.J. Louis Construction, Inc. was the lowest bidder of 14 for the project at \$971,923,40, compared to the Engineer's original bid estimate of \$1,050,000, and addition of Addendum #1 revised bid estimate of \$1,500,000 for rock excavation.

MOTION BY BAILEY, SECONDED BY MAYOR SHIELY, TO ADOPT **RESOLUTION NO. 07-131** AWARDING THE CONTRACT FOR THE EAST RAVINE TRUNK UTILITIES – PHASE 2 PROJECT IN THE AMOUNT OF \$971,923.40 TO S.J. CONSTRUCTION CONTINGENT UPON AN EASEMENT AGREEMENT FROM THE PROPERTY OWNER.

MOTION CARRIED 5-0.

UNFINISHED AND NEW BUSINESS

- A. Consider approving a concept design for the Hamlet Park master plan or offering revisions to the plan

The City Administrator reported that Council had authorized a professional services contract with Brauer & Associates, the same firm working with Presbyterian Homes, to complete design development and construction services for landscaping improvement of the northern portion of Hamlet Park. It is proposed that Hamlet Park be improved with an infusion of park dedication proceeds as well as those received from the Norris Square Project, which to date totals \$584,000, and an additional \$114,040 to be received upon development of the commercial portion of the project. The City Administrator reported that it is designed to be part of the City's Gateway. It is anticipated that final design plan and specs will be developed by year's end and project construction begun in the spring of 2008.

Candace Amberg, 15363 Sandhill Circle, Eden Prairie, employee of Brauer & Associates, was in attendance to provide highlights of the plan for Council, including more trees, benches, aquatic vegetation, trail looping/boardwalk and fish stocking, debris removal, barriers on the trail system to eliminate access for vehicular use, increased water elevation and water quality sampling and monitoring.

Mayor Shiely expressed her approval of the described plan, as did Council Member Bailey.

Council Member Grossklaus warned about the potential for increased maintenance costs associated with more elaborate features, such as replantings, replacements, and irrigation.

Ms. Amberg responded that the plan would include native plant materials as much as possible to keep maintenance down and focus on just a few specific areas that might require more maintenance. The City Administrator added that City staff had been included in all planning aspects of the project and said the City has the opportunity to irrigate a portion of the park, so plant materials survive.

MOTION BY RICE, SECONDED BY BAILEY, TO ADOPT THE CONCEPT DESIGN FOR THE HAMLET PARK MASTER PLAN AS PRESENTED.

MOTION CARRIED 5-0.

RESPONSE TO PREVIOUSLY RAISED COUNCIL COMMENTS AND REQUESTS

None.

COUNCIL COMMENTS AND REQUESTS

None.

PAY BILLS

MOTION BY BAILEY, SECONDED BY LUDEN, TO APPROVE PAYMENT OF CHECK NUMBERS 150812 TO 151214 IN THE AMOUNT OF \$2,168,961.94.

MOTION CARRIED 5-0.

WORKSHOP SESSION – OPEN

A. Gambling Fund Donations

The City Administrator's report stated that Council has used the Charitable Gambling Fund in the past to provide revenues to outside agencies for programs that benefit the Community, such as the Ice Arena, Strawberry Fest, YSB, Jaycees' July 4<sup>th</sup> Celebration, Crime Board, and Senior Center. The premise behind funding these organizations from gambling was to avoid a general fund allocation as well as to limit allocations to the extent of gambling proceeds. Due to a revenue drop in the fund, from \$27,825 in 2002 to \$10,000 in 2007, it has been necessary to reduce agency support.

At the meeting, he said a previous Council decision had been that the first rationale for funding by pull-tab gambling was not wanting to create dependence on agencies with activities within the General Fund and, second, gambling funding ability would grow or shrink as it was available. He noted diminishing funds were due to the dislocation of bars that had pull-tab abilities. The City Administrator said City staff isn't certain what direction Council wishes to go and asked for their feedback regarding a \$10,000 placeholder from the General Fund for donations.

Mayor Shiely said some dislocation has been due to City's own redevelopment and gambling continues to phase out. She expressed desire to discuss other funding sources, noting her discomfort in continuing to be tied to gambling.

Council Member Bailey said there has not been a goal to utilize gambling funds for the Strawberry Fest but the event can always use cash. He noted that he had been informed it was unlikely there would be a viable Jaycees organization in Cottage Grove next year, and so another group would need to step into the role for the City's fireworks. Council Member Bailey also noted that Strawberry Fest would be taking on the Jaycee's Carnival. Commenting further, he said the benchmark for decision making of donations be how an activity would benefit the City's citizens.

Mayor Shiely said the gambling fund isn't written in stone and all Council Members feel strongly about certain activities. She stressed that she didn't want Cottage Grove to lose its July 4<sup>th</sup> fireworks or the Carnival, as those activities provide a sense of place and pride, quality of life, and attract business and residents.

Council Member expressed disappointment that the Jaycees are being disbanded and support for finding someone to take over the July 4<sup>th</sup> fireworks, suggesting perhaps a Lions group. The Public Safety Director noted that private business funding is a possibility as well.

Council Member Rice said available monies dissipate quickly without designated purposes and he could envision 7-8 groups approaching the City for use of contingency funding, some of which should be self sufficient. He asked what the fireworks cost has been, and the City Administrator quoted \$8,000.

Council Member Luden said that the City has indirectly been providing significant funding for various activities, citing Public Safety's service bureau, Strawberry Fest, etc., and said he wouldn't mind targeting a pot of money that was open for discussion, to identify and allocate within a budget process. Council Member Rice said he would feel comfortable providing some funding for the youth service bureau from a \$10,000 allocation to the General Fund, and Mayor Shiely said that was a good idea.

Council Member Grossklaus commented that Forest Lake nearly cancelled their July 4<sup>th</sup> fireworks and businesses came through with contributions. He said he would rather see youth service bureau funding come out of forfeiture funds and that the City get out of the whole funding business. Council Member Grossklaus noted difficulty in determining which groups receive funding and said he couldn't see it coming out of the operating budget. Mayor Shiely responded that the determining factor should be the whole Community's benefit, such as the Strawberry Fest, fireworks, and holiday train, and that business support will be needed. Council Member Bailey cited a goal for the Strawberry Fest is to be self sufficient.

Council Member Grossklaus said he wouldn't want to have taxes raised but it may be necessary if support is required. Council Member Luden said, from a business standpoint, that few people currently have extra money and discretion goes away when assessments are tied to businesses. He said the question is, where is the value for residents that live the City.

Council Member Rice inquired about seed money for activities, and Council Member Bailey quoted \$3,000-5,000 for local businesses.

Mayor Shiely suggested finding a group of volunteers to run the July 4<sup>th</sup> fireworks and paying a company to come and do it. Council Member Bailey said the Strawberry Fest fireworks had cost \$5,000 and the Jaycees had spent \$8,000 on theirs. Mayor Shiely then suggested that perhaps the Fest not have fireworks and, instead, put those funds towards the July 4<sup>th</sup> fireworks. Council Member Bailey said the Fest's first meeting would be in August for next year's event.

The City Administrator summarized his understanding of expressed Council Member comments, which included a \$10,000 unrestricted expenditure to Public Safety and \$12,000 available for the Strawberry Fest and July 4<sup>th</sup> events. Mayor Shiely expressed desire that any gambling money be designated for City celebrations, and the Finance Director added that any gambling funds would be tied to the gambling statute.

WORKSHOP SESSION – CLOSED

None.

ADJOURNMENT

MOTION BY RICE, SECONDED BY BAILEY, TO ADJOURN THE MEETING AT 9:00 P.M.

MOTION CARRIED 5-0.

Respectfully submitted,

Mary Heintz  
*TimeSaver Off Site Secretarial, Inc.*