

**CITY OF SHOREVIEW  
MINUTES  
REGULAR CITY COUNCIL MEETING  
December 16, 2013**

**CALL TO ORDER**

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on December 16, 2013.

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance.

**ROLL CALL**

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Wickstrom and Withhart.

**APPROVAL OF AGENDA**

Mayor Martin requested that item No. 23 be tabled to the next Council meeting in January.

MOTION: by Councilmember Quigley, seconded by Councilmember Johnson to approve the December 16, 2013 agenda with item No. 23 tabled to the next Council meeting in January.

VOTE:                   Ayes - 5                   Nays - 0

**PROCLAMATIONS AND RECOGNITIONS**

There were none.

**CITIZEN COMMENTS**

There were none.

**COUNCIL COMMENTS**

**Councilmember Withhart:**

Commended Mayor Martin for her reading at the Shoreview Northern Lights Variety Band concert and commended the band for one of their best concerts.



**GENERAL BUSINESS****ITEMS RELATED TO THE BUDGET AND 2014 TAX LEVY****AMEND 2014 DEBT LEVIES****ADOPT 2014 TAX LEVY (CITY, HRA AND EDA)****ADOPT 2014-2015 BIENNIAL BUDGET****ADOPT CAPITAL IMPROVEMENT PROGRAM FOR 2014 THROUGH 2019****ADOPT ORDINANCE ESTABLISHING 2014 UTILITY RATES****Presentation by Assistant Finance Director Fred Espe**

Each year, staff reviews the City's debt service funds with projected expenditures and revenues for the following year and then makes recommendations to the City Council for changes to the debt levies. The only way the debt levies can be changed is through City Council action. Staff is recommending a debt levy in the amount of \$732,000 for 2014, which is \$593,292 less than when these debts were issued.

The tax levy recommended is \$9,919,154; the HRA levy recommended is \$90,000. These amounts are the same as presented at the December 2, 2013 truth in taxation hearing. The impacts of the levy on a median-valued home with a 1% increase in value is an increase in the City's share of the levy of \$19.70. The impact of the total levy on a median-valued home with 1% increase in value is a decrease of \$21.99.

The City is required to adopt a budget for its General and Special Revenue Funds. The motion to adopt the 2014 budget establishes a plan for the 2015 budget. The 2015 budget is not spendable until it is amended or reaffirmed by motion in December 2014.

The Capital Improvement Plan (CIP) is a planning document adopted by the City each year. It outlines planned projects for the next six years. The projects are not authorized without separate Council approval for any capital cost exceeding \$25,000. Capital replacements are 77% of the total CIP, except for the planned water treatment plant.

A 2% wage adjustment is recommended for employees with a health insurance increase of \$75 per month. In addition, adoption of the job classification system is recommended. All adjustments were included in the budget presented December 2, 2014.

The 2014 utility rates are recommended as follows:

- Maintain sufficient cash balances in the enterprise funds--water, sewer, surface water, street lights
- Support operating costs and debt payments
- Provide for repair and replacements
- A long-term emphasis is used to set rates
- Gallons of water used are estimated using a base year approach

The proposed increase for the average utility customer is 4.2%, or \$6.63 per quarter. A low usage customer would see an increase of \$4 per quarter; and very high usage would be an increase of \$17.35 per quarter. The majority of the increase is for sewer charges. The City

contracts with the Metropolitan Council to process sewage flows, and these costs are out of the City's control.

State law requires the City to adopt a budget and tax levy by December 30, 2013, with certification of the budget and tax levy to Ramsey County and the State by that date.

Mayor Martin noted that a complete, detailed presentation was made at the truth in taxation public hearing on December 2, 2013. She opened discussion to public comment.

**Ms. April King** stated that she lives at the corner of Dale Street and Mound Avenue. She believes that Council decisions on the levy and debt are not made in context with the situation with the national debt and fiscal gaps at state levels. Her children will incur and pay the debt but do not have the vote. She is willing to take a cut in services and pay more for the Community Center membership because she wants to see rational cost allocation. She does not want to burden her children who do not use the services and do not vote. She would like the Council to be more cognizant of the future and the national scene. People over age 65 in 2013 will take out of the system roughly \$325,000 more than they put in. Those born between 1980 and 1995 will put in \$421,000 more than they will get back. These issues are not being thought through in terms of freedom. Her household income has not grown in the last five years, but increases to her utilities will be over 4%, and a levy of over 3%. The national context is not being taken into account.

Mayor Martin responded that she does not believe there is a city in the metropolitan area that plans better for the future than Shoreview in terms of debt and tax levies. The City has been recognized over and over for long-range planning for future expenses and for how the City manages budgets. The City has a Comprehensive Infrastructure Replacement Plan that is recognized all over the country because for the next 40 years the City can identify infrastructure that will have to be replaced, the costs and where the money will come from. The reason the City has a AAA bond rating is because of this planning for the future. She referred Ms. King to the Benchmark booklet available that compares Shoreview to other cities of the same size in the metropolitan area. Shoreview is consistently in the lowest quadrant for property taxes.

Councilmember Wickstrom echoed Mayor Martin's comments. She stated that she attends many meetings where these issues are discussed, and other cities are amazed when she tells them about the long-range financial planning that Shoreview does. Rather than seesaw taxes, expenditures are planned to maintain increases at reasonable levels. Some of the bonding is for street projects. Residents are assessed for a portion of the cost, but the bonding enables that assessment to be paid over a period of time, not all at once. Residents receive the benefit of the City's low interest rate on the bonds. The bonding can be compared to buying a home. Most people do not pay cash for a home. Bonding is used for larger cost projects, and the comment that the City debt is out of control is not warranted. The Council is very aware of what is going on at the national and state levels. However, the Council has to address what is happening within the community, City streets, City parks, trails that people use every day. She believes the City is very responsible in how money is used. That is shown in the Community Surveys with 99% of respondents very pleased with what the Council is doing.

Councilmember Quigley stated that a biennial budget enables Councilmembers to see what expenditures are coming. There have been many discussions about the current economy. The

current survey that was just done showed that residents support maintaining current programs. The City always has to bond, and is getting the best rate possible. From all of the information that he could gather, the tax levy is well documented and supported. The City cannot impact state and national issues. The Council has to do the best it can for the City, and he supports this budget.

Councilmember Withhart added that Shoreview is constantly paying off debt and not building debt. As new infrastructure costs arise, there is new debt. Shoreview's debt is significantly lower than what is allowed by State law.

Councilmember Johnson stated that she has asked tough questions about fiscal responsibility on a day-to-day basis. Time is spent in workshops and at Council meetings on these decisions. It is apparent to her that the entire Council is concerned about being fiscally responsible, and that is shown in the survey. Staff is very fiscally responsible in meeting the needs of the community.

**MOTION:** by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt proposed resolution number 13-104 reducing debt levies for fiscal year 2014 per Minnesota Statutes.

**ROLL CALL:** Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin  
Nays: None

**MOTION:** by Councilmember Wickstrom, seconded by Councilmember Withhart to adopt proposed resolution number 13-105 adopting a City tax levy of \$9,919,154 and an HRA tax levy of \$90,000 for taxes payable in 2014.

**ROLL CALL:** Ayes: Quigley, Wickstrom, Withhart, Johnson, Martin  
Nays: None

**MOTION:** by Councilmember Johnson, seconded by Councilmember Quigley to adopt resolution number 13-106 approving the biennial budget for the years 2014 and 2015, and to approve the benefits and job classification system and pay plan as detailed on the attached pages.

**ROLL CALL:** Ayes: Wickstrom, Withhart, Johnson, Quigley, Martin  
Nays: None

**MOTION:** by Councilmember Wickstrom, seconded by Councilmember Johnson to adopt resolution number 13-107 approving the capital improvement program for the years 2014 through 2019 as detailed on the attached pages.

**ROLL CALL:** Ayes: Withhart, Johnson, Quigley, Wickstrom, Martin  
Nays: None

**MOTION:** by Councilmember Withhart, seconded by Councilmember Quigley to adopt the attached ordinance number 913 establishing a utility fee schedule effective January 1, 2014.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin  
Nays: None

Mayor Martin thanked and commended staff and Councilmembers for all of the hard work that has been done since last March to reach approval of the budget and tax levy documents.

**REZONING/COMPREHENSIVE GUIDE PLAN/PRELIMINARY PLAT/PLANNED UNIT DEVELOPMENT - DEVELOPMENT STAGE - 4785 HODGSON ROAD AND 506 TANGLEWOOD DRIVE**

**Presentation by City Planner Kathleen Castle**

This application seeks the following: 1) a Comprehensive Plan Amendment to change the land use of the subject property from O, Office and RL, Low Density Residential to SR, Senior Residential; 2) rezoning from O, Office and RL, Low Density Residential to PUD, Planned Unit Development; 3) a preliminary plat to plat the two parcels into one; and 4) the PUD Development Stage review for redevelopment with a 77-unit Senior Housing Cooperative. The two properties--4785 Hodgson Road and 506 Tanglewood Drive--consist of 4.14 acres. The preliminary plat will combine the two parcels into one and complies with all subdivision standards. The property on Hodgson is currently developed with Kozlak's restaurant with parking and access drives. The property on Tanglewood is developed with a single-family home. There are residential uses on the north, south and west of the property. The proposal would demolish the existing buildings to construct a senior residential cooperative building.

The Planning Commission reviewed the application at its December 3, 2013 meeting and held a public hearing. Discussion focused on number of parking stalls, the site design, the building location and height and visual impact on adjoining residential properties. In general, the Commission felt the impact is mitigated but asked the developer to work with neighboring residents. The Commission voted 6 to 1 to support a recommendation to the City Council to approve the applications.

The land use amendment proposed is compatible with adjoining residential land uses and an arterial roadway. The plan is consistent with City housing goals to provide life-cycle housing and infill/redevelopment. The amendment to change the land use from Office and Low Density Residential to Senior Residential is compatible. Density is allowed up to 45 units per acre; the proposed density is 18 units per acre.

This portion of Hodgson Road is located in what is identified as Policy Development Area (PDA) No. 9 in the Comprehensive Plan, which guides transition development from low density residential to other development that is compatible with an arterial roadway and the changes that have occurred on Hodgson Road.

Rezoning from Office and Low density Residential to Senior Residential will not significantly impact surrounding land uses as both land uses are residential. Although the proposal is for higher density, architecture, site design and landscaping can mitigate any impacts. A Development Agreement will be required as a condition of approval.

PUD zoning is requested for flexibility regarding the number of parking stalls, 157 proposed on-site. There is an underground parking garage. A surface parking lot will have 46 stalls. That is a ratio of 2.0 parking stalls per unit which is high when compared to other senior housing developments that range from 1 to 1.7 parking stalls per unit. Code requires 2.5 stalls per unit for multi-family housing but does not differentiate for senior housing. Flexibility for parking has been granted to other senior housing developments.

A parking setback of 20 feet is required from a road right-of-way or easement to provide for landscaping. The proposed setback is 8 feet with added landscaping in the road easement. Ramsey County has no objection to the added landscaping, building height and structure setback from the Hodgson Road easement.

The maximum height allowed in the Development Code is 35 feet. This can be changed as long as the Fire Department sees no difficulties in firefighting capabilities. Height can also be changed as long as an additional foot of front setback is provided for each additional foot of height. The proposed height is 39.5 feet that drops to a two-story section of 26 feet in height at the northwest and southwest corners. As proposed, the plan complies with setback requirements with a 40-foot setback. The northwest corner of the building does not comply with the setback requirements because of a jog in the road easement area.

Notices were sent to property owners within 350 feet of the subject property, and development signs were posted on the property. Written comments focused on concerns of compatibility with adjacent low density residential uses, visual impact and traffic. The Lake Johanna Fire Department has provided information to the developer regarding access.

Staff finds that the proposal supports the City's housing policies and Comprehensive Plan. The location is suitable because it is adjacent to an arterial roadway and the guidelines of PDA No. 9. The flexibility requested regarding setbacks, height and parking is reasonable and similar to other senior residential facilities. Staff is recommending Council approval of all applications.

Planning Commissioner Wenner stated that when the proposal was first presented, there was concern about the three stories on the south and southwest sides. The developer has scaled that back to two stories. Also, the developer has added a significant number of trees as a buffer. The Commission believes this multi-housing use is compatible with low density residential. With current zoning, there could be much more intense development proposals that are not as compatible. The developer is working with the neighbors, and the Commission is comfortable making a recommendation for approval.

**Mr. Brian Kerry**, United Properties, stated that substantial modifications have been made. The southwest section has been shortened to a 51-foot setback from properties to the south and west. Significant landscaping has been added--91 trees total with 40 evergreens and 51 shade or flowering trees. There are differing opinions but they were able to modify the plan and change a variety of plant species. One neighbor asked if three of his trees could be moved onto the developer's site. That will be done if it is recommended that the trees will live by the landscaping consultant. Similar landscaping will be done in the northwest corner. Three large trees of concern will be saved.

**Mr. Kerry** added that it is very important that senior residents are satisfied with parking, as sales depend on resident referrals. A ratio of 2.03 stalls per unit is the highest number of all of the senior housing developments they have built. He is confident the number is sufficient. Traffic has been reviewed and addressed by staff. With 14,000 cars a day on Hodgson Road, the traffic consultant has indicated that the traffic from this development will be negligible. As for runoff water, there will be a substantial improvement after the development with underground storage tanks, ponding and rain gardens.

Councilmember Wickstrom commended the increased parking. A big concern is parking at other sites. The front entryway looks tight, and she is concerned about fire emergency vehicle access. Also the sprinkler system needs to be zoned by floors. **Mr. Kerry** stated that access must work for the Fire Department, and the island in front can be reconfigured.

Councilmember Johnson asked specifically the objections of neighbors when the developer met with them. **Mr. Kerry** stated that the single biggest objection is the height and size of the building. He explained how the building has been reduced significantly from the original plan to address these concerns.

Councilmember Withhart commended the increased screening and landscaping. He is pleased with the developer's response to neighbors, and the mitigation steps that have been taken.

Mayor Martin opened discussion to public comment. There were no comments or questions.

Mayor Martin stated that development on this property is 18 units per acre, when it could have been 45 units per acre. Setbacks exceed what is required by Code, which is significant. She is pleased to see the height reduction closest to residential property. The landscaping planned is also impressive. It is always difficult for residents to envision a big building next to their homes. If the property had been developed as single-family residential, potentially there could have been 35-foot houses 30 feet from the property line. One response from a North Oaks resident to the development at Southview is that the large residential building blocks traffic noise from Hodgson. This is a better plan than the original, and she commended Mr. Kerry for the involvement of the neighbors.

**MOTION:** by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the following requests submitted by United Properties Residential, LLC for the redevelopment of 4785 Hodgson Road and 506 Tanglewood Drive with a senior residential cooperative building that has 77 dwelling units and adopt Resolution 13-113 (Comprehensive Plan Amendment) and Ordinance #914 (Rezoning). Said recommendation for approval is subject to the following conditions:

***Comprehensive Guide Plan Amendment***

1. The amendment changes the land use designation from RL, Low Density Residential and O, Office to SR, Senior Residential.
2. Review and approval of the amendment by the Metropolitan Council.
3. The amendment will not be effective until the City grants approval of the Final Plat and PUD - Final Stage requests.

**Rezoning**

1. This approval rezones the property from O, Office and R1, Detached Residential, to PUD, Planned Unit Development.
2. Rezoning is not effective until approvals are received for the Final Plat, PUD - Final Stage and development agreements executed.

**Preliminary Plat**

1. A public use dedication fee shall be submitted as required by ordinance prior to release of the final plat by the City.
2. The Final Plat shall include drainage and utility easements along all property lines. Drainage and utility easements along the roadways shall be 10 feet wide and 5 feet wide along the side and rear lot lines. Other drainage and utility easements shall be provided over the proposed ponding areas, infiltration basins and as required by the Public Works Director.
3. The Final Plat shall be submitted to the City for approval with the Final Stage PUD application.

***Planned Unit Development – Development Stage***

1. This approval permits the redevelopment of these parcels with senior residential cooperative building that provides 77 dwelling units.
2. The items identified in the memo from the City Engineer must be addressed prior to the City's review of the Final Stage PUD plans and Final Plat.
3. The luminary plan shall be revised to identify lighting levels compliant with the City Code and exterior light fixture details shall be submitted with the Final Stage PUD and Final Plat submittal.
4. Approval of the final grading, drainage, utility, and erosion control plans by the Public Works Director, prior to submittal to the City of applications for Final Plat and PUD – Final Stage.
5. The proposed senior housing structure shall be of a 2 and 3 story design as depicted on the plans submitted with this application and dated November 4, 2013. The southwest and northwest corners of the building shall not exceed 2 stories as shown in the plan submittal. These sections of the building step-up to 3 stories towards the interior of the structure. The structure shall not exceed the heights as identified in this report and on the submitted plans.
6. The applicant shall create a Homeowners' Association for the project. The applicant or any subsequent property owner shall be a party to the Association required as part of this plat. The Homeowners' Association documents (articles of incorporation, bylaws, rules and regulations, replacement reserve study and covenants) shall be reviewed and approved by the City Attorney prior to recording and shall include the following:
  - a. The Homeowners' Association shall maintain landscaping/screening and maintenance shall be consistent with the approved landscaping plan.
  - b. Membership in the Homeowners' Association must be mandatory for each property owner and any successive buyer of all units. The dues for such membership must be established to adequately meet the expenses of maintenance and fulfillment of all responsibilities of the Association as set forth in this agreement.
7. The landscape/tree-replanting plan shall be provided in accordance with the City's Tree Protection Ordinance. Trees on the property, which are to remain, shall be protected with construction fencing placed at the tree driplines prior to grading and excavating. Said plan

shall be submitted for review and approval by the City Planner prior to submittal of the final plat application.

8. The Final Plat shall include drainage and utility easements along all property lines. Drainage and utility easements along the roadways shall be 10 feet wide and 5 feet wide along the side and rear lot lines. Other drainage and utility easements shall be provided over the proposed ponding areas, infiltration basins and as required by the Public Works Director.
9. The developer shall secure a permit from the Ramsey Washington Metro Watershed District prior to commencing any grading on the property.
10. The applicant is required to enter into a Site Development Agreement and Erosion Control Agreement with the City. Said agreements shall be executed prior to the issuance of any permits for this project. The Development Agreement shall address:
  - a. Construction management and nuisances that may occur during the construction process.
  - b. Removal of the existing structures and supporting infrastructure.
  - c. Landscape maintenance
11. This approval shall expire after two months if the Planned Unit Development - Final Stage application has not been submitted for City review and approval, as per Section 203.060 (C)(6).

This approval is based on the following findings:

1. The proposed redevelopment plan supports the policies stated in the Comprehensive Plan related to land use, housing and redevelopment.
2. The proposed redevelopment plan carries out the recommendations as set forth in the Housing Action Plan.
3. The proposed redevelopment plan will not adversely impact the planned land use of the surrounding property.
4. The proposed deviations permit this site to be redeveloped with a use that expands life-cycle and affordable housing, including housing choice in the city.

ROLL CALL:           Ayes: Quigley, Wickstrom, Withhart, Martin  
                               Nays: Johnson

### **REZONING/PRELIMINARY PLAT - 5878 LEXINGTON AVENUE**

#### **Presentation by City Planner Kathleen Castle**

The proposal is to rezone the subject property from UND, Urban Underdeveloped to R1, Detached Residential. A preliminary plat is submitted to plat the property into 25 parcels for single-family residential development. The property consists of 9.375 acres with access off Lexington Avenue. The property is between the dead end of Woodcrest on the west and Bucher Avenue on the east. Adjacent land uses include detached single-family residential, multi-family housing and institutional with the water tower. There is one single-family home on the property with accessory structures.

Rezoning to R1, Residential is consistent with the City's Comprehensive Plan. This use is consistent with adjoining land uses and will not have significant adverse impacts. A Development Agreement is required to be executed as a condition of approval.

The preliminary plat complies with all City subdivision and zoning standards. The proposed density is 2.67 units per acre; up to 4 units per acre is allowed. In a 2005 Needs Assessment Study, this property was identified as a possible park location. However, since that time, City policy has moved away from developing small parks but instead focuses on improvements and connections to community parks. A public use dedication fee would be required and used to help cover trail improvements that would expand the trail along Lexington to improve connection to Turtle Lake School, the Rice Creek Open Space and McCullough Park.

Woodcrest and Bucher Avenue would be extended to connect both sides of the property. All lots comply with minimum standards for the R1 Residential District. There are 87 landmark trees that will be retained; 187 trees are required to replace trees that are to be removed.

The storm water management plan has been revised. An infiltration basin has been replaced with an underground infiltration chamber. The rain gardens have been replaced with a low area that will hold storm water during 10-year and 100-year events. This plan complies with the Rice Creek Watershed standards.

Property owners within 350 feet were notified of the development proposal, and development signs were posted on the property. The Fire Marshal has indicated no concerns. Property owners have expressed concerns about drainage, parkland needs and traffic. The Planning Commission reviewed the proposal and held a public hearing at its December 3<sup>rd</sup> meeting and recommended Council approval with a 6 to 0 vote with one abstention. Staff is recommending approval of rezoning and the preliminary plat with the conditions listed in the staff report.

**Mr. Ian Peterson**, Pulte Homes, stated that he would be happy to answer any questions.

Mayor Martin asked the type of homes that are planned and the price point. **Mr. Peterson** answered that most house plans will be two stories; one plan is a one-story home. The size ranges from 2600 to 3200 square feet at an average price of \$520,000.

Councilmember Quigley asked for details on the trail links. Ms. Castle stated that there is a trail gap on Lexington with no trail on the north and east side of Lexington. A paved trail will be put in, and there will also be a trail from Bucher Avenue to Lexington.

Councilmember Wickstrom asked the timing of putting in trails. It is important that people who purchase these homes are well aware of the trails and their location. She does not want a situation where homeowners object to trails that are put in after the homes are built. Additionally, she asked that the house numbers in the new development on Woodcrest have very different numbers from the now existing Woodcrest. Ms. Castle stated that both these issues will be discussed with the developer.

Mayor Martin asked how the outlot will be maintained. Councilmember Withhart suggested additional landscaping on the outlot. Ms. Castle stated that outlot issues will be addressed in the Development Agreement.

**MOTION:** by Councilmember Quigley, seconded by Councilmember Johnson to approve the following requests submitted by Pulte Group – MN Division to subdivide and develop the property at 5878 Lexington Avenue into 25 lots for single-family detached homes and adopt Ordinance #915 rezoning the property from UND, Urban Underdeveloped to R1, Detached Residential. Said recommendation for approval is subject to the following conditions.

### **Rezoning**

1. A Development Agreement must be executed and financial securities submitted prior to the City's issuance of any permits and/or release of the Final Plat.
2. Rezoning is not effective until City approvals are received for the Final Plat.

### **This approval is based on the following findings of fact:**

1. That the proposed low density residential use is consistent with the policies of the Comprehensive Plan and with the general purpose and intent of the development regulations.
2. The proposed redevelopment plan carries out the recommendations as set forth in the Housing Action Plan.
3. The proposed residential use will not significantly and adversely impact the planned use of the surrounding property.
4. That the applicant is willing to enter into a development agreement with the City as a condition of rezoning approval.

### **Preliminary Plat**

1. The approval permits the development of a detached residential subdivision providing 25 parcels for single family residential development.
2. Final grading, drainage and erosion control plans are subject to the review and approval by the Public Works Director prior to approval of any permits or the Final Plat. Concerns identified by the City Engineer shall be addressed with the Final Plat submittal.
3. Final utility plans are subject to review and approval by the Public Works Director.
4. The final street design is subject to review and approval of the Public Works Director.
5. Comments identified in the memo dated November 25, 2013 from the City Engineer shall be addressed with the Final Plat submittal.
6. A Development Agreement, Erosion Control Agreement shall be executed and related securities submitted prior to any work commencing on the site. A Grading Permit is required prior to commencing work on the site.
7. A Public Recreation Use Dedication fee shall be submitted as required by ordinance prior to release of the Final Plat.
8. The developer shall form a homeowners association to maintain the common areas of the subdivision, which will be further described in the Development Agreement. These documents shall be in a form approved by the City Attorney.
9. The landscape/tree-replanting plan shall be provided in accordance with the City's Tree Protection Ordinance. Trees on the property, which are to remain, shall be protected with construction fencing placed at the tree driplines prior to grading and excavating. Said plan shall be submitted for review and approval by the City Planner prior to submittal of the final plat application. The developer will work with the County and City to develop a plan for dead tree and brush removal and tree replacement plantings in the land exchange area.

10. The Final Plat shall include drainage and utility easements along all property lines. Drainage and utility easements along the roadways shall be 10 feet wide and 5 feet wide along the side and rear lot lines. Other drainage and utility easements shall be provided over the proposed ponding areas, infiltration basins and as required by the Public Works Director.
11. The developer shall secure a permit from the Rice Creek Watershed District prior to commencing any grading on the property.

**This approval is based on the following findings:**

1. The proposal supports the policies stated in the Comprehensive Plan relating to land use and housing.
2. The subdivision complies with the City's development code standards for plats and single-family residential development.
3. The proposed low density residential use will not adversely impact the planned land use of the surrounding property.

Discussion:

Councilmember Quigley noted that outlots can present difficulties. City Manager Schwerm stated that staff will come back to the Council with details on how the outlot will be managed.

ROLL CALL:           Ayes: Wickstrom, Withhart, Johnson, Quigley, Martin  
                               Nays: None

**AUTHORIZATION FOR PROFESSIONAL SERVICES AGREEMENT FOR PRELIMINARY DESIGN REPORT FOR A WATER TREATMENT PLANT AND ESTABLISH PROJECT--CP 14-02**

**Presentation by Assistant Public Works Director Tom Wesolowski**

The City has been a municipal water supplier for over 40 years and manages over 100 miles of water mains that vary in size with over 1,200 hydrants. The City has two 1.5 million gallon water towers, 1 million gallon underground storage tank, and 6 ground water supply wells. The City pumps on average 3.3 million gallons of water per day.

Currently, Shoreview's water quality meets all federal and state primary drinking water standards. The water does contain iron and manganese, which naturally occur in ground water supplies throughout Minnesota. At high levels, these minerals can cause aesthetic effects such as taste, odor or color. Iron levels range in wells from 0.02 to 0.22 milligrams per liter. Manganese levels range from 0.14 to 0.24 milligrams per liter. The recommended secondary standards for drinking water as established by the Environmental Protection Agency (EPA) is 0.3 milligrams per liter for iron and 0.05 milligrams per liter for manganese. The iron level in Shoreview water is slightly below this standard while manganese levels are 3 to 5 times higher.

Councilmember Quigley asked if there have been complaints from residents. Mr. Wesolowski stated that there have been increasing complaints over the years on taste and laundry issues.

Mayor Martin asked if manganese is harmful. Mr. Wesolowski stated that the Minnesota Department of Health has linked health issues from manganese with infants. The secondary standard for infants is 0.1 milligrams per liter.

Councilmember Withhart asked if the water treatment plant will resolve orange laundry issues. Mr. Wesolowski explained that over time iron and manganese will settle in the piping, which colors the water to cause red/black stains on fixtures and laundry and can also affect the water taste. This buildup reduces overall efficiency of the system, and there have been operation and maintenance issues with hydrants and water valves. The piping distribution system is flushed twice per year to reduce settlement, but comments from residents continue to be received. The main way to address these issues is to reduce iron and manganese levels to below secondary standards. This can be done by filtering iron and manganese out of the water with a Water Treatment Plant.

Mr. Wesolowski stated that the current CIP schedules \$9 million for a Water Treatment Plant from 2014 to 2016. The first steps in the design process for a Water Treatment Plant in Shoreview include:

- An analysis of existing infrastructure
- Identify a location for the plant and look at site issues
- Evaluate treatment objectives and alternative treatments
- Architectural possibilities
- Pilot Study to perform different types of treatment processes to see which is most effective
- Refine project estimate based on the Pilot Study
- Complete report and present findings to the Council
- Proceed with the final design

The City has solicited qualification submittals from qualified engineering firms which were reviewed and the top three firms were interviewed. Advanced Engineering & Environmental Services (AE2S) was selected. The company has relevant experience and has demonstrated a thorough understanding of the needs for the design report. Staff has negotiated a proposal for the Preliminary Design Report at a cost of \$72, 280. The draft report is to be completed by May 2014.

Councilmember Quigley asked the size of this type of facility and possible location. Mr. Wesolowski explained that the way Shoreview's water system is pumped all the wells but one are pumped to a storage tank across the street. It makes the most sense to put a treatment plant where the water is stored. The design being considered would fit on the site where the outdoor skating rink is located. The footprint would be approximately the size of the outdoor rink.

Public Works Director Maloney added that the property behind the County ice arena being considered for the water treatment plant is owned by Shoreview.

Councilmember Withhart asked the approximate size of the building. Mr. Schwerm answered that the outdoor rink is 100 feet by 120 feet, which would be a building of 15,000 to 25,000 square feet.

Councilmember Wickstrom asked if the well by Turtle Lake Park pumps more water than other wells. Mr. Wesolowski stated that well is turned on during high usage times of the year. Plans are being considered to connect it to the treatment plant

MOTION: by Councilmember Johnson, seconded by Councilmember Withhart to adopt Resolution No. 13-116 establishing the project and authorizing execution of a Professional Services Agreement with Advanced Engineering and Environmental Services, Inc. (AE2S) for a Preliminary Design Report for Water System Improvements - Water Treatment Plant, City Project #14-02.

ROLL CALL: Ayes: Withhart, Johnson, Quigley, Wickstrom, Martin  
Nays: None

**Mr. Torah Unstad**, 5108 Lexington Avenue, inquired about his application for an extension for a minor subdivision. The extension was approved as part of the Consent Agenda for this meeting.

### **ADJOURNMENT**

MOTION: by Councilmember Withhart, seconded by Councilmember Johnson to adjourn the meeting at 8:55 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 6<sup>th</sup> DAY OF JANUARY 2014.

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Terry Schwerm  
City Manager