

**- MINUTES -
CHASKA CITY COUNCIL
JULY 16, 2018**

1. Call to Order

The meeting was called to order by Mayor Windschitl at 7 pm.

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Councilmembers Schulz, Geisler, and Mayor Windschitl.
Absent: Councilmembers Boe and Rohe.

Also Present: Kevin Ringwald, Community Development Director; Liz Hanson, City Planner; Luke Melchert, City Attorney; Nate Kabat, Assistant Administrator; Matt Clark, City Engineer; and Matt Podhradsky, City Administrator.

4. Adopt the Agenda

Motion by Councilmember Schulz, second by Councilmember Geisler to adopt the agenda as presented.
Motion carried.

5. Visitor

5.A. Proclamation – Myrtle Klemp 103rd Birthday

Mayor Windschitl read a proclamation in recognition of Myrtle Klemp's 103rd birthday on July 12, 2018.

Ms. Klemp said a few words and expressed enjoyment in the neighbors they have had over the years.

6. Approve Previous Meeting Minutes

Motion by Councilmember Geisler, second by Councilmember Schulz to approve the minutes of the June 18, 2018 City Council meeting.
Motion carried.

7. Consent Agenda

Councilmember Schulz referred to Item 7.L. and recognized Nicholas Mason's dedication to the Park & Recreation Board and to the City of Chaska. He expressed his thanks for Mr. Mason's service.

Councilmember Geisler and Mayor Windschitl also recognized the work and service Mr. Mason has done over the years and expressed gratitude for his service.

City Administrator Podhradsky noted that Mr. Mason will be at one of the next meetings as the dog park will be discussed and he will be recognized for his service.

Motion by Councilmember Schulz, second by Councilmember Geisler to approve the Consent Agenda Items A through W:

- A. Adopt Resolution 2018-87, Approving Solicitor Permits for Custom Remodelers Inc.
Motion to adopt Resolution 2018-87 approving Solicitor Permit Nos. SOL.18-38 through SOL.18-46, for the above representatives of Custom Remodelers, Inc., located at Apollo Dr., Lino Lakes, Minnesota, 55014, for the period of July 16, 2018, through December 31, 2018.
- B. Police Auction
Motion to approve the auction/sale of items by the Chaska Police Department.
- C. Adopt Resolution 2018-88, Appointment of Election Judges for 2018 Primary Election
Motion to adopt Resolution No. 2018-88 appointing those persons listed on Exhibit A as Judges of Election for the Primary Election, Tuesday, August 14, 2018.
- D. Approving Temporary On-Sale Intoxicating License for Guardian Angels Church
Motion to approve Temporary On-Sale Intoxicating License TWSB.18-03 for Guardian Angels Church, allowing them to serve intoxicating beverages at the AngelFest Celebration, effective September 29, 2018.
- E. Adopt Resolution 2018-94, Approving the Final Site & Building Plan and Final Plat for Formacoat/Mark Gross/PC #2018-24
Motion to adopt Resolution No. 2018-94 approving the Final Site/Building Plans and Final Plat for Formacoat for Phase II of the Chaska Building Center (PC #2018-24).
- F. Adopt Resolution 2018-93, Approving the Final Site & Building Plan and Final Plat for 650 700 and 710 Chestnut Street North/Alliance Contracting, Inc. and RDS Architects/PC #2018-25
Motion to adopt Resolution No. 2018-93 approving the Final Site and Building Plan and Final Plat for 650, 700 & 710 Chestnut Street North (PC#2018-25).
- G. Adopt Resolution 2018-92, Approving the Conditional Use Permit for Two Solar Panels at Clover Ridge Elementary School/ISD #112/PC #2018-26
Motion to adopt Resolution No. 2018-92 approving the Conditional Use Permit (CUP) to construct two solar panels on the Clover Ridge Elementary School site (PC #2018-26).
- H. Adopt Resolution 2018-89, Transient Permit - Cooper's Food
Motion to adopt Resolution No. 2018-89 approving Transient Permit No. TRA.18-06 for Gary Cooper of Cooper's Foods, located at 710 Walnut Street, Chaska for July 28, 2018.
- I. Consider City Administrator Performance Based Salary Adjustment
Motion to approve administrator goals for 2018, and adjust City Administrator's annual salary with a 4.5% performance increase retroactive to January 1, 2018.
- J. Approval of Liquor Licenses for Red Bench Bakery
Motion to approve an On-Sale Wine and On-Sale 3.2 Malt Liquor Licenses for Andrew Mooney and Lyle Aske of Red Bench Bakery of Chaska, located at 500 N Chestnut St, Chaska.
- K. Adopt Resolution 2018-90, Transient Permit - Margaret Kinder
Motion to adopt Resolution No. 2018-90 approving Transient Permit No. TRA.18-07 for Margaret Kinder of 42893 198th St DeSmet, South Dakota, 57231 to sell snow cones in the parking lot at Cooper's Foods, located at 710 Walnut Street, Chaska for the month of August.

- L. Accept Nicholas Mason's Resignation as Commissioner on the Park & Recreation Board
Motion to accept Nicholas Mason's resignation from the Parks & Recreation Board thereby appointing alternate #1 Commissioner Jason Branch to fill his seat on the Board and to serve as the City Square West task force representative for the Board.
- M. Chaska Creek Center - Financial Sureties
Motion to approve the public improvements in Chaska Creek Center as complete and accept those as municipal facilities and release the financial surety in its entirety.
- N. Adopt Resolution 2018-95, Approving the Lot Split for Formacoat
Motion to adopt Resolution No. 2018-95 approving the Lot Split.
- O. Adopt Resolution 2018-96, Interfund Tax-Increment Project Financing
Motion to adopt Resolution No. 2018-96 providing for interfund loans for tax increment project financing.
- P. Transient Accommodations Licenses
Motion to approve transient accommodations licenses for the following establishments DBA Super 8, Norwood Inn and Oak Ridge Hotel and Conference Center effective July 16, 2018 through April 30, 2019.
- Q. Approving the Trail Easement Agreement for Hazeltine Plaza 2nd Addition
Motion to approve the Trail Easement Agreement.
- R. Adopt Resolution 2018-98, Approving the Plat Correction for Chaska Bluffs
Motion to adopt Resolution No. 2018-98 approving the correction to the plat of Chaska Bluffs.
- S. Adopt Resolution 2018-100, Formacoat Project - Resolution Approving and Authorizing the Execution of a First Amendment to Development Agreement
Motion to approve Resolution No. 2018-100 authorizing the execution of a first amendment to the development agreement.
- T. Adopt Resolution 2018-101, Rejecting Bids for the Formacoat Site Demolition Project and Authorizing Advertisement for New Public Bids
Motion to adopt Resolution No. 2018-101 Rejecting All Bids Received on July 13, 2018, for the Formacoat Site Demolition Project and Authorizing Solicitation of New Bids.
- U. Adopt Resolution 2018-102, Brewery Project - Construction Plans for Utility Extensions
Motion to adopt Resolution No. 2018-102 approving the Construction Documents for the utility extensions to the former Carver County Garage and Authorizing the Solicitation of Public Bids.
- V. Adopt Resolution 2018-103, Accepting Feasibility Study for Chaska Creek Way and Chaska Creek Boulevard Phase II
Motion to adopt Resolution No. 2018-103 accepting the Feasibility Study for Chaska Creek Way and Chaska Creek Boulevard Phase II, Authorizing Plans and Specifications and Scheduling a Public Improvement Hearing for August 20, 2018.
- W. Adopt Resolution 2018-104, Approving Solicitor Permits for the Fund for the Public Interest
Motion to adopt Resolution No. 2018-104 approving Solicitor Permit Nos. SOL.18 48 through SOL.18-67, for the above-referenced representatives of The Fund for the Public Interest, located at 615 First Avenue NE, Ste 335, Minneapolis, Minnesota, 55413, for the period of July 16, 2018, through August 16, 2018.

Councilmember Schulz noted that there is a lot to the agenda and he is pleased all these items are moving forward.
Motion carried.

8. Action Items

8.A Adopt Resolution 2018-99, Brewery Project - Resolution Approving and Authorizing the Execution of an Amended and Reseated Purchase Agreement and an Amended and Restated Purchase and Development Agreement

Assistant Administrator Kabat introduced the item to the Council.

Alex Young introduced Aaron Schram and Brad Kerber and explained each of their roles in this project.

Mr. Schram expressed his enthusiasm in getting this business up and going in Chaska and noted that he will tie in some of Chaska's history into the establishment. He thanked the Council for giving him this opportunity.

Councilmember Geisler commented that she is grateful Mr. Schram could step up at the time that the other business couldn't go forward.

Councilmember Schulz stated that he is pleased Mr. Schram is bringing his business to Chaska and a known following along with it.

Councilmember Geisler stated that the beer and wine combination will be a quite unique.

Mr. Schram informed the Council that State laws will not allow him to do wine as he does not have ten acres at this site, so this business in Chaska will just be a brewery.

Mayor Windschitl echoed the sentiments of the Council and stated that he is really excited for this brewery to open. He asked Mr. Schram to estimate his opening date.

Mr. Schram stated the loose date is early 2019, the first quarter. He stated there will likely be a firmer date within the next two months.

Mayor Windschitl stated that the project is pretty much set up and now things just need to go to bid.

Mr. Schram noted that the major goal is to get the exterior work done before the snow flies. Mr. Kerber explained that they are trying to get the plans done through the architect and submit them to the City and be able to get the exterior done before the weather hits, and reiterated they hope to be open in the first quarter of 2019.

Mr. Schram asked the Council to let him know of anyone who could help him obtain more information or history for Chaska and stated he would love to bring an old Chaska brew back if he can find recipes.

City Administrator Podhradsky made note of the water used to brew beer, and Mayor Windschitl inquired if they are going to keep the well up there.

Mr. Schram stated that they are trying to and if it works to get it tested and certified, they will use it.

Mr. Young also announced that Engler Health Center will be having an open house on 7-17-18 from 5-8 pm.

Councilmember Geisler asked if they are seeing patients yet.

Mr. Young stated that they are and this allows folks to see the new extension.

Motion by Councilmember Schulz, second by Councilmember Geisler to adopt Resolution No. 2018-99 approving and authorizing the execution of an amended and restated purchase agreement and an amended and restated purchase and development agreement.
Motion carried.

8.B Adopt Resolution 2018-97 and Ordinance 951, Approving the Preliminary Plat and Rezoning for Harvest West/Traditions Development/PC #2018-20

City Administrator Podhradsky introduced the item to the Council.

City Planner Hanson presented the item to the Council.

Mayor Windschitl asked City Planner Hanson to explain the difference between the cottage lots and village lots.

City Planner Hanson explained that the cottage lots are the detached townhome-type product and are single-level, and the village lot is a typical single-family product on a smaller scale.

Mayor Windschitl inquired if it was smaller to the east.

City Planner Hanson confirmed this was so and went on with her presentation of the item.

Mayor Windschitl asked City Planner Hanson to clarify the wetland issue.

City Planner Hanson stated that the adjacent property owner had issue with how the wetland on the east end of the site was delineated and what the actual history has shown in terms of its size. She mentioned there is history with a drain tile and how it has affected this wetland. City Planner Hanson then continued her presentation of the item.

Mayor Windschitl inquired if the detached cottage lots will have a homeowner's association.

City Planner Hanson stated that the whole neighborhood will, and there will likely be a sub-association for the lots.

Mayor Windschitl inquired if these smaller village homes are a new concept.

City Planner Hanson confirmed it is and will be a new product that is introduced to Chaska.

Mayor Windschitl inquired how many bedrooms these homes have.

City Planner Hanson stated that they range from two-to-three bedrooms and that the applicant could speak more to their different make-ups. She stated that they are traditional single-family units, just on a much smaller scale than what you see across the street.

Mayor Windschitl asked if there were slab-on-grade or if there are basements.

City Planner Hanson stated there are basements with those, and went on to present the item.

City Administrator Podhradsky inquired if it was fair to say they are an example of what is in the south end of the Clover Ridge neighborhood.

City Planner Hanson stated that was a fair comparison and continued her presentation of the item.

City Administrator Podhradsky commented that the process of waiting to receive input from the residents who move in to these homes regarding the design of the neighborhood park is similar to what has been done before in Chaska.

City Planner Hanson continued the presentation of the item.

Mayor Windschitl looked to confirm that the requirement for higher level windows did not come from the City.

City Planner Hanson stated that was the conclusion of the noise study.

Councilmember Schulz confirmed that it would be done to perform some sort of noise mitigation with the construction itself to comply with the results of the noise study.

City Planner Hanson clarified that in order to stay within state noise standards they have to implement this certain type of window. She then continued her presentation of the item.

Pat Rossi with Tradition Development described the timeline since they were last before the Council and stated that they are now going with their internal builder Robert Thomas Homes. Mr. Rossi discussed the layout and size of the cottage lot homes and stated that they have two different styles: front-loading with a two-car entry, and side-loading option with a three-car garage. He stated there are 29 front-load units and 20 side-load units. Mr. Rossi also

described the layout of the village lot homes. He explained they have been working to confront the challenges there with respect to right-of-way, site setbacks, and the noise issue. The president of their building company gave the okay to put the higher insulation-level windows in throughout the first two rows of homes along the highway to meet the nighttime noise threshold. Mr. Rossi also informed the Council that they had a third-party consultant conduct an enhanced wetland study and provided the initial report to the City, and stated they are happy to do whatever they can do to address the issue with Mr. Taylor's concerns regarding the wetland.

City Administrator Podhradsky inquired of Staff if getting the wetland to meet the technical evaluation panel standards is a condition in the approvals.

Staff confirmed that it was.

Mr. Taylor stated that he raised his objections regarding the wetland delineation to the Planning Commission, who stated that it would be better suited to discuss these here with the City Council. He stated that since this is the preliminary plat, he believes it is an opportune time to make sure this situation is addressed. Mr. Taylor gave a brief history of the site and informed the Council of the drain tile that had been broken in the past by the applicant's company. He explained that this was not repaired properly and resulted in water issues on his property, and as a result he objected to the wetland delineation done for the proposed development. Mr. Taylor stated that earlier today, City Engineer Clark informed him that a state agency has agreed that this water level is higher than what it should. He commented that he is recommending a no-vote on this preliminary proposal until they fix the problem.

Mayor Windschitl stated that it is in the condition of approvals that this issue must be resolved for the item to move forward. He clarified that if it isn't resolved, the proposal does not move forward, so for the Council to vote no does not fix the problem. He explained it is far better for the Council to vote yes and now it's part of the conditions for approval of this development.

Councilmember Geisler inquired if this recently became a condition.

City Administrator Podhradsky stated that it was discussed at the Planning Commission.

City Planner Hanson stated that the condition was added during the Planning Commission meeting.

Mr. Taylor stated that his understanding was that there would be more investigation into the delineation of the wetlands and was not under the impression that it was a condition of approval, but that he is good with that.

Mayor Windschitl asked Staff to clarify that this is a condition.

Staff confirmed it was so.

Councilmember Schulz inquired if there is further investigation going on for this.

City Engineer Clark stated that Staff will be working with all of the agencies who identify the wetlands and do the determinations and inform Mr. Taylor what the outcomes are before Council sees that again.

Councilmember Geisler restated the issues Mr. Taylor brought up regarding the destruction of the drain tile, and stated that the bigger concern for her is how quick it can be resolved because he has a mound septic system.

Mr. Taylor interjected that the waters have subsided but the area in the delineation contains standing water. He stated that this has been a very aggravating experience for both his wife and him. He explained that he wanted it fixed and fixed appropriately.

Councilmember Geisler stated that is understandable, especially with his septic system.

Mayor Windschitl stated that with the storm sewer going in there allows for a better chance of fixing it now because now they can take it right into the storm sewer.

Mr. Taylor mentioned that adding a large hard surface runoff area that will be dumping water into this lowland could potentially exacerbate what is going on.

City Administrator Podhradsky stated that if the system is designed right it shouldn't do that.

City Engineer Clark stated that in the City's stormwater review processes, the wetlands that are there essentially take the amount of water that is coming to them today so that the wetlands remain intact, but the City is not adding to the wetlands beyond what is there today.

Mayor Windschitl stated that resolving this issue is one of the conditions to have this item approved and explained to Mr. Taylor that he is far better off having the Council vote yes than vote no.

City Administrator Podhradsky stated that this is part of the planning process, to identify issues like these and put conditions on those items that need to be addressed.

Councilmember Schulz stated that he is hopeful this can be resolved because it seems like there have been some short cuts that have been taken here in trying to remedy the situation. He stated that moving forward, he is hopeful this can be taken more seriously and addressed in a more serious nature. He stated that water issues are tough and if it is not addressed up front and addressed properly it is just transferring that aggravation onto the residents who have no course of action in the future.

Motion by Councilmember Geisler, second by Councilmember Schulz to adopt Resolution No. 2018-97 approving the Harvest West Preliminary Plat for a 129-lot subdivision on 57 acres of land in the SW Chaska Growth Area (PC #2018-20).

Mayor Windschitl stated that it is very clear that this is a real concern here and that it needs to be resolved before it gets brought back to the Council.

Councilmember Geisler stated that it is in Mr. Taylor's favor that he brought it now so it is on the record should it not actually become a permanent fix.

Motion carried.

Motion by Councilmember Schulz, second by Councilmember Geisler to adopt Ordinance No. 951 approving the rezoning from Open (O) to Planned Residential District (PRD-72).
Motion carried.

9. Bills

9.A. AP Council Roster 7-16-18

Motion by Councilmember Geisler, second by Councilmember Schulz to approve the bills as presented. Roll call was taken. Voting aye: Councilmembers Schulz, Geisler, and Mayor Windschitl. Voting nay: None
Motion carried.

10. Other Business

10.A. City Administrator's Report

10.A.i Biweekly Report 6/18/2018

10.B. Other Reports

10.B.i. May 2018 Financial Reports

10.C. Other Meeting Minutes

10.C.i. Park & Rec Meeting Minutes 6-11-2018

10.C.ii. Receive the minutes of the June 13, Chaska Planning Commission Meeting.

10.C.iii. Receive minutes of the June 28, 2018 Human Rights Meeting.

Councilmember Geisler:

- Noted that Fire and Ice is coming up July 20-22, 2018 and recommended looking up the event list on the Park and Recreation website to see the details of the events. Councilmember Schulz summarized the event as: bands, food, beverages, fireworks, bonspiel. A Staff member noted that the website is fireandicebonspiel.com.
- Noted that River City Days is also coming up on July 27-29, 2018. She encouraged everyone to attend these events. Assistant Administrator Kabat stated that a schedule will be going out so Councilmembers can sign up for their time for the City booth. Councilmember Schulz encouraged residents to come out and chat with them at the City booth. Assistant Administrator Kabat stated that the focus will be discussion on City Square West redevelopment and stated there will also be a booth for discussions of City Square West at the Fire and Ice event.

Councilmember Schulz:

- Noted that in a development area in the Clover Ridge Neighborhood, the weeds are getting pretty tall and there has been some washout of dirt over the sidewalk there.

Assistant City Administrator Kabat:

- Noted that there are some work sessions coming up on August 6 and 20, 2018.
- Noted there is a Council meeting scheduled for July 30, 2018.
- Stated there will be some security changes in the near future at the front desk for City Hall. He explained the accordion doors will be removed and a permanent door will be put in with a keyed entry.
- Notified the Council that there will likely be an update on the dog park at the July 30, 2018 meeting. Mayor Windschitl inquired if the clearing of that area would be hired out. Assistant Administrator Kabat explained that it could largely be handled by Brian's staff.
- Noted there is an EDA meeting tonight after this meeting. Also noted that Formacoat will close on Wednesday, July 18. He explained that in the consent agenda tonight there was an item to deny all bids received for the site clearance due to a technicality and they will reopen that bid immediately. On July 26, 2018 they are set to close on the former Hot Spot site. Finally, August 16, 2018 is the projected closing date for the brewery. Mayor Windschitl inquired if there is a known start date on the Aldi complex. Assistant Administrator Kabat stated that they have everything they need lined up to pull their building permit but they haven't quite done that yet and Staff is expecting them to pull that permit sometime in August/September. He stated that they way their building is designed, it should be a fairly quick build

Mayor Windschitl:

- Extended congratulations and thanks to the public works department for their hard work after all the rain last week.

11. Adjourn

Motion by Councilmember Schulz, second by Councilmember Geisler to adjourn the meeting at 8:24 pm.

Motion carried.