

CITY OF APPLE VALLEY
Dakota County, Minnesota
March 11, 2010

Minutes of the regular meeting of the City Council of Apple Valley, Dakota County, Minnesota, held March 11th, 2010, at 8:00 o'clock p.m., at Apple Valley Municipal Center.

PRESENT: Mayor Hamann-Roland; Councilmembers Bergman, Goodwin, Grendahl, and LaComb.

ABSENT: None.

City staff members present were: City Administrator Lawell, Deputy City Clerk Murphy, City Attorney Dougherty, City Engineer Manson, Public Works Director Blomstrom, Associate City Planner Dykes, Assistant City Administrator Grawe, Finance Director Hedberg, Parks and Recreation Director Johnson, Police Chief Johnson, Community Development Director Nordquist, Police Captain Rehtzigel, and Fire Chief Thompson.

Mayor Hamann-Roland called the meeting to order at 8:00 p.m. Everyone took part in the Pledge of Allegiance to the flag.

APPROVAL OF AGENDA

MOTION: of LaComb, seconded by Bergman, approving the agenda for tonight's meeting as written. Ayes - 5 - Nays - 0.

AUDIENCE

Mayor Hamann-Roland asked if anyone was present to address the Council, at this time, on any item not on this meeting's agenda.

State Representative District 37A Tara Mack invited the public to contact her with any questions or concerns during the State Legislative session. Mayor Hamann-Roland thanked Representative Mack for all her support on Cedar Avenue with MnDOT representatives. Representative Mack will be meeting with MnDOT on April 8th to see what will be the best options for residents and businesses of Apple Valley.

CONSENT AGENDA

Mayor Hamann-Roland asked if the Council or anyone in the audience wished to pull any item from the consent agenda. There were no requests.

MOTION: of Bergman, seconded by Goodwin, approving all items on the consent with no exceptions. Ayes - 5 - Nays - 0.

CONSENT AGENDA ITEMS

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MOTION: of Bergman, seconded by Goodwin, approving the minutes of the regular meeting of February 25, 2010, as written. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-50** approving issuance of a lawful gambling exempt permit, by the State Gambling Control Board, to Apple Valley Sons of the American Legion, Squadron 1776, for use on July 4, 2010, and waiving any waiting period for State approval. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-51** approving issuance of a lawful gambling exempt permit, by the State Gambling Control Board, to Apple Valley Sons of the American Legion, Squadron 1776, for use on November 11, 2010, and waiving any waiting period for State approval. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-52** approving issuance of a lawful gambling exempt permit, by the State Gambling Control Board, to Apple Valley Sons of the American Legion, Squadron 1776, for use on December 11, 2010, and waiving any waiting period for State approval. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving issuance of a new 2010 Off-Sale 3.2 Percent Malt Liquor License to Durango Market, Inc., d/b/a Durango Market at 6670 150th Street W., Ste. 102, as described in the City Clerk's memo dated March 8, 2010. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, receiving the Telecommunications Advisory Committee's 2009 annual report. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving grant contract with Department of Employment and Economic Development (DEED) for consulting services for small businesses along Cedar Avenue, in the amount of \$5,000.00, as attached to the Associate City Planner's memo dated March 11, 2010, and authorizing the Mayor and City Clerk to sign the same. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving renewal of the Client Services Agreement with Bill Velin of Wells Fargo Insurance Services, acting as the Agent of Record for 2010-2011, in the amount of \$8,000.00, as recommended in the Finance Director's memo dated March 8, 2010; and authorizing the Mayor and City Clerk to sign the same. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-53** authorizing withdrawal and termination from the Joint and Cooperative

Agreement with Regional Mutual Aid Association for use of personnel and equipment during emergencies. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-54** authorizing Agreement with Minnesota Department of Transportation (MnDOT) for Landscape Partnership Project; and authorizing the Mayor and City Clerk to sign the necessary documents. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving release of financial guarantee for Home Depot (Pinnacle Ridge #7), as listed in the Community Development Department Assistant's memo dated March 11, 2010. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-55** authorizing the City to draw upon Letters of Credit concerning Cobblestone Lake Commercial. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-56** approving Apple Valley Transit Station Planned Development Agreement and Infiltration Basins Construction and Maintenance Agreement; and authorizing the Mayor and City Clerk to sign the necessary documents. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-57** approving specifications for 2010 Outdoor Pool Water Management; and authorizing advertising for receipt of bids, at 2:00 p.m., on April 1, 2010. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-58** approving specifications for AV Project 2008-111, Apple Valley East Family Addition; and authorizing advertising for receipt of bids, at 10:00 a.m., on April 15, 2010. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-59** approving specifications for Redwood Pool Renovation; and authorizing advertising for receipt of bids, at 10:00 a.m., on April 15, 2010. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, adopting **Resolution No. 2010-60** awarding the contract for Energy Efficiency and Conservation Block Grant (EECBG) Ice Arena Boiler Replacement Project, to Lakes Mechanical Services, Inc., the lowest responsible bidder, in the amount of \$198,000.00. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving the Agreement for Johnny Cake Ridge Park East Athletic Field Fencing Project with Midwest Fence and Manufacturing Company, in the amount of \$43,680.00, and authorizing the Mayor and City Clerk to sign the same. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, accepting Hayes Community and Senior Center Elevator Project as complete and authorizing final payment on the agreement with Schindler Elevator Corporation, in the amount of \$2,824.00. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, waiving the procedure for a second reading and passing **Ordinance No. 881** amending Chapter 32 of the City Code regarding the Planning Commission. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, waiving the procedure for a second reading and passing **Ordinance No. 882** amending Chapter 92 of the City Code regarding the Cemetery Advisory Committee. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving hiring the part-time and seasonal employees, and termination of employees as listed in the Personnel Report dated March 11, 2010. Ayes - 5 - Nays - 0.

END OF CONSENT AGENDA

ECUMEN – THE SEASONS OF APPLE VALLEY PROJECT

Mr. Hedberg stated the Ecumen Company has requested the City participate in financing, by the issuance of revenue bonds, for the 134 unit senior housing complex known as the Seasons of Apple Valley in the Central Village area. Ecumen is planning to issue of up to \$5,600,000 of revenue bonds, through the use of conduit debt, to finance the project. Because they are issuing tax exempt conduit debt through the City of Apple Valley's authority, the City of Apple Valley must authorize the issuance and conduct a public hearing prior to considering the request. He stated the revenue bonds are not an obligation of the City of Apple Valley and the issue does not count against the City's debt limit nor is the City responsible for their repayment in anyway.

Ms. Julie Murray, Director of Real Estate Development for Ecumen, was present to address the Council. She stated they are excited about the project. They currently have a presence in Apple Valley at the Centennial House on Pennock Avenue which was expanded with their memory care section in the last two years. They enjoy working in this community and providing services for seniors and would like to expand on that care. The Seasons of Apple Valley is a much larger project than Centennial House and will have 134 units of senior housing. The facility will include 12 memory care units and 12 enhanced care suites for a higher level of assisted living creating the bridge between assisted living and nursing home care.

Mayor Hamann-Roland commented that the illustrated drawing before them looks beautiful and the public will see it as a very attractive facility. She asked if this is to be a nursing home.

Ms. Murray stated it is not. There are not nursing care rooms. It is not a nursing home. It is independent housing with services but they do have the higher care with the memory care and the assisted living.

Mayor Hamann-Roland called the public hearing to order at 8:11 p.m. to consider adopting a resolution authorizing the issuance of Housing and Health Care Revenue Bonds on behalf of Ecumen. The Mayor asked for questions or comments from the Council and the audience. There were none and the hearing was declared closed at 8:12 p.m.

MOTION: of Bergman, seconded by LaComb, adopting **Resolution No. 2010-61** approving issuance of Housing and Health Care Revenue Bonds, Series 2010, in an amount not to exceed \$5,600,000.00, in connection with Ecumen – The Seasons of Apple Valley Project; and authorizing the Mayor and City Clerk to sign the necessary documents. Ayes - 5 - Nays - 0.

MASTER DEVELOPMENT DISTRICT

Ms. Dykes stated the City of Apple Valley began using Tax Increment Financing as an economic development tool in 1982. In order to create TIF districts, state statutes require local governments to create a Master Development Program and Master Development District so that a municipality may acquire, construct, reconstruct, improve, alter, extend, operate, maintain, or promote developments aimed at improving the physical facilities, quality of life, and quality of transportation.

The Master Development District (MDD), which is part of the Master Development Program, is the area in which the City intends to promote development or redevelopment, and protect the desirable development that has already occurred. The MDD defines the geographic boundaries in which TIF Districts can be created and TIF resources used. The boundaries of Apple Valley's current MDD include the Downtown, and some of the undeveloped sand and gravel mining area.

The expansion of the MDD would let the City accomplish some goals the City had set out in the 2030 Comp Plan such as the Cedar Avenue Bus Rapid Transit expanding, some pedestrian connections that would add to the safety, and adding other infrastructure in the City.

The Economic Development Authority reviewed this over several meetings and voted to amend the Master Development Program to expand the district boundaries. They requested the City Council hold a public hearing. The Planning Commission reviewed this to see if it was consistent with the Comprehensive Plan. They found that it was and voted unanimously to support the amended boundaries. The Chamber of Commerce has voiced its opinion and expressed support with the boundaries as shown.

Mayor Hamann-Roland called the public hearing to order at 8:15 p.m. to consider a resolution approving the "Amendment of the Master Development Program Relating to Enlargement of the

Master Development District". The Mayor asked for questions or comments from the Council and the audience. There were none and the hearing was declared closed at 8:16 p.m.

MOTION: of LaComb, seconded by Goodwin, adopting **Resolution No. 2010-62** approving the "Amendment of the Master Development Program Relating to Enlargement of the Master Development District". Ayes - 5 - Nays - 0.

GOOGLE APPLICATION UPDATE

Mr. Nordquist presented an update on the Request for Information from Google. He stated the Apple Valley Economic Development Authority (EDA) received a report on a broadband expansion opportunity. Google announced their plan to test an ultra-high speed broadband network in one or more trial locations across the country.

He said staff is preparing a response to Google's Request for Information and also assisting with information for a Dakota County wide application being coordinated by Dakota Future. A general discussion at the Telecommunications Advisory Committee encouraged exploring the opportunity being offered. He stated this presentation is for discussion but no action is requested of the City Council at this time. This is both a progress report and a solicitation of support for this broadband opportunity from the broader community on a very short timeframe. The due date for submission to Google is March 26, 2010.

Mayor Hamann-Roland stated there would be no action on this item except to encourage the public to complete the survey on the City's website. She would like the Chamber of Commerce, community businesses, parents and teachers to support this project and complete the survey to show a strong community support. She feels Apple Valley could be a laboratory of the future along with the other cities in Dakota County on this project.

OTHER STAFF ITEMS

Mr. Lawell stated that with the quick snowmelt, if any residents see clogged catch basins they should notify Public Works so the City is able to clear the areas for better drainage.

Mayor Hamann-Roland also thanked Mr. Blomstrom and staff for their quick responses to calls on potholes that have happened as a result of the freezing and thawing. She asked that he extend to the staff how much their work is appreciated.

CALENDAR OF UPCOMING EVENTS

MOTION: of Goodwin, seconded by Grendahl, approving the calendar of upcoming events as included in the City Clerk's memo dated March 8, 2010, and noting that each event listed is hereby deemed a Special Meeting of the City Council. Ayes - 5 - Nays - 0.

CLAIMS AND BILLS

MOTION: of Bergman, seconded by Grendahl, to pay the claims and bills, check registers dated March 3, 2010, in the amount of \$431,373.49; and March 10, 2010, in the amount of \$945,557.47. Ayes - 5 - Nays - 0.

CLOSE MEETING - ATTORNEY-CLIENT PRIVILEGE

Mr. Dougherty asked the City Council to convene in a closed session, under the provisions of M.S. 13D.05, to consider and develop an offer to purchase Lots 1 and 2, Block 6, and Lot 1, Block 5, The Legacy of Apple Valley North.

MOTION: of Grendahl, seconded by LaComb, to close the regular meeting and convene in closed session to discuss considering and developing an offer to purchase Lots 1 and 2, Block 6, and Lot 1, Block 5, The Legacy of Apple Valley North. Ayes - 5 - Nays - 0.

The meeting was closed at 8:26 p.m. and the Mayor and all Councilmembers convened in the Regent Conference Room, at 8:29 p.m., along with City Attorney Dougherty, City Administrator Lawell, Deputy City Clerk Murphy, and Public Works Director Blomstrom. Mr. Dougherty advised the Council that its discussion must be limited to matters for which the meeting was closed and if issues are discussed outside of this meeting the attorney-client privilege will be lost. Discussion followed regarding the consideration and development of an offer to purchase property in The Legacy of Apple Valley North.

The Council reconvened in open session at 8:49 p.m.

MOTION: of Bergman, seconded by LaComb, to adjourn. Ayes - 5 - Nays - 0.

The meeting was adjourned at 8:50 o'clock p.m.

Respectfully Submitted,

/s/ Joanne Murphy
Joanne Murphy, Deputy City Clerk

Approved by the Apple Valley City Council on 3-25-10.