

Study Meeting
Monday, January 11, 2016
Bloomington Civic Plaza
1800 West Old Shakopee Road
Bloomington, Minnesota 55431-3027

- 1 Call to Order - 6:00 PM** Mayor Winstead called the study meeting to order at 6:00 p.m.
- Present: Councilmembers C. Abrams, J. Baloga, T. Busse, A. Carlson, D. Lowman (arrived at 6:12 p.m.), and J. Oleson.
- Staff: Larry Lee served as Acting City Manager.
- 2 INTRODUCTORY** None.
- 3 CONSENT BUSINESS** None.
- 4 PUBLIC COMMENT PERIOD** None.
- 5 HEARINGS/PUBLIC INPUT** None.
- 6 ORGANIZATIONAL BUSINESS**
- 6.1 MnDOT Update on I-35W Minnesota River Bridge Reconstruction Design** Requested Action: Provide comments on information presented.
- This was the second item considered due to the late arrival of the Minnesota Department of Transportation (MnDOT) representatives.
- Shelly Pederson introduced team: Scott Pederson, Project Manager MnDOT; Kevin Julie, SRF Consulting; and Amy Marohn, City of Bloomington Civil Engineer.
- Scott Pederson explained the item and shared presentation online with timeline, location, environmental impacts, options, and aesthetics.
- Mayor Winstead advised that there needs to be discussion internally about the maintenance on the trails that lead to the bridge over 494 and 35W.
- Pederson will see if there is a maintenance agreement for the maintenance of the trail over 494 on east side.
- Mayor Winstead asked what we can do when we back up to 106th Street and we have the bridge over 106th St. It's extremely problematic. Asked if there is a plan to update this. Pederson confirmed that this work is not part of the scope.
- Acting City Manager Larry Lee asked when Council will see this again.
- Pederson replied that they will be looking for municipal consent this spring.

Estimated cost of project to be \$140 million. Municipal consent will show the engineering drawing.

6.2 Minnesota Valley State Trail Update

Requested Action: This was the first item discussed on the agenda due to the late-arriving representatives from MnDOT.

Sr. Planner Julie Farnhan introduced Kent Skaar from DNR. Master Plan is for each state trail is required before construction can began. 3 plan completed; most recent in 2006. Conceptual design plan was developed in 2013. Showed a map with the relationship of existing to proposed trail, which occurs midway on the trail.

Councilmember Oleson asked if natural surface trail is intended to be closer to river.

Skaar stated the Natural surface trail is still where it's been. To perpetuate its use, displacement of that current use would be minimized as much as possible. This is an opportunity to improve that experience as well.

Appropriations started 14% less than projected due to cuts by Legislature on last day of session. Additional discussions still need to be scheduled. There will be a number of opportunity for public comments through environmental review and comment on the plan.

<Councilmember Lowman arrived at 6:12 pm>

2016-2018: Completion of plan at 200 feet. It's a lengthy trail that requires an EA. Historical and archeological studies will be completed.

2017: Go to 90% plans (construction level) 100-50 ft. Wetting permitting and USFWS. Hope to start construct in 2017 and will take 2-3 construction episodes.

2018/2019: Trail to be complete depending on funding. State Trail will be the sole responsibility of the State.

Provided photographs to show examples of dual-use trail, paved trail, and natural trail. Views of existing trails but no multi-use/natural trail exists today. North of Brainerd there is a natural setting. As this trail was proposed by trail enthusiasts, it gave them the opportunity to create a dual use trail. Cayuna trail exists outside of Crosby and runs from Riverton through Crosby.

Councilmember Oleson asked if Fort Snelling trail floods. Skaar confirmed yes. Councilmember Oleson said it would be helpful to provide information on that in a proactive way.

Skaar stated there are two segments, 30 feet in total, that were disrupted during last flooding event. There will be require for armoring the trail edges in certain locations but it is sustainable. There will be periods of flooding and damaging but they believe they can mitigate the damage through maintenance.

Councilmember Baloga was informed by MN Offroad Bikers Association that they were told at a meeting with DNR that there was going to be a 100 ft. clear cut to get machinery and equipment to build the road. Skaar said it is designed for minimal disruption. They can build most of this within a 25-foot cut. Tree removal will be minimized.

Councilmember Baloga said another assertion is the asphalt will cause water contamination. Skaar said he can't define any specific study or report that suggests pavement, once placed, has any environmental impacts. One environmental concern is if that material is removed and a flood pushes the material out of the road and into the weeds.

Councilmember Busse stated that construction is contingent on funding and asked how much is needed and if there is a plan.

Skaar responded that this is a destination trail for the department. Appropriation of \$2.1 million is the estimate if it includes the connection to American Boulevard is \$3 million. \$2 million will get them a long way but will not get it completed. \$2 million will include plan and development and construction what they can.

Mayor Winstead stated that in order to do this completely, there is a \$3 million gap that needs to be continually addressed.

Parks and Recreation Manager Randy Quale stated that if there will be a connection to Ft. Snelling, will still need to work out with US Air Force.

Skaar said this is the highest level of priority of trail where all of their efforts will be focused. It will be high use and more active administration. Public comment will be held at City and USFWS and at DNR. Hopefully those public hearings will take place within a year.

**6.3 2016-905 NE Penn
Storm Sewer
Improvement Project**

Requested Action: No action at this time. Informational item only.

Larry Lee stated that Jamie Verbrugge sent City Council an email about Penn American and the Development have a closing at end of month and want City's plan for dealing with stormwater. Staff needs to know Council direction.

City Engineer Shelly Pederson said staff is looking for a solution near the intersection of Knox and American Boulevard.

Mayor Winstead asked if this is able to drain to Wood Lake in Richfield. Pederson said they do not have the ability to get there.

Lee added that another option staff looked at what was combining the stormwater with 494 stormwater and it is not feasible.

Sr. Water Resource Manager Bryan Gruidl explained the location of the Penn Lake drainage basin. Frequent flooding is the problem and the plan is to focus on depth, frequency, and duration of flooding. The NE Penn Pipe Project became cost prohibitive.

Lee said staff looked at three different alternatives and the amount of onsite storage for 10, 50 and 100 year events.

New goal is to reduce flooding areas and depths for the 10 year, 24 hour event. This reduces risk of flooding from 99% chance of occurrence to a 10% chance of occurrence. Significant reduction in "nuisance" flooding conditions. Flooding will still occur with this option. Rain events above 10% chance will cause flooding. Even with the storage implemented, there will still be some flooding in the gutter areas.

Lee explained that if we do the 10-year design, it will reduce the depth and severity of water for 50-year or 100-year flood.

Councilmember Oleson mentioned there is a lot of impervious surface in this area and asked if there is some plan to also work with doing that. The development process was so eager to get rid of swamp land.

Gruidl said there will be an infiltration component everyone will have to abide by in development. We're not looking to dictate how properties mitigate that volume of water.

Lee added that pervious surfaces are effective for handling the first inch of a rainfall and it's a requirement of 9 Mile Creek Watershed District. What staff is presenting is an answer to what happens after the one inch of rainfall.

Councilmember Abrams asked how significant has the insurance claim activity been and how these property owners dealt with this.

Gruidl responded that there have reports of damaged automobiles. There is a danger approaching Knox Avenue from the bridge. It can be difficult to see the water. We don't have any claims in recent history coming in from the property owners. Pederson added that whether the auto dealers claim them to their own insurers is something staff could ask them about.

Gruidl explained the storage methodology and estimated project costs of just over \$6.5 million. The trigger would be redevelopment. Mayor Winstead added that it's on the horizon of the anticipated closings of some companies.

Mayor Winstead asked what level of service the pipe project gets us to. Gruidl said it would be close to the 100-year level of service.

Councilmember Baloga asked what the City cost is and what the property owner cost is going to be. Gruidl said what is not included for City costs is conveyance and lift station costs. Public Works Director Karl Keel said the "x" is any amount of subsidy the Council chose to give. Pederson said staff tried to stay within the previous costs.

Grout said staff has been working with a private development group for months for potential stormwater management solutions. He said the developers are familiar with this system. Regarding subsidy, development have stormwater management in their budget for approximately \$400,000. Having an option of some type of subsidy will give the developers some assurance. Their closing will be at the end of this month.

Lee summarized that the developers didn't know what the solution is to the stormwater and what their responsibility is. They need to know that before they close on the property.

Gruidl explained that in order to do the first phase, the Storm Utility would need to bond for it, which includes the \$6.5 million.

Grout mentioned there are a couple of apartment complexes and on the corner a large mixed-use building or hotel. (Knox Avenue/American Boulevard) Red Lobster will has a lease through 2022. Plans aren't finalized yet. Grout defined the areas of development.

Keel said proposing solution that delivers a lower level of service. This would be built over a period of time. Some parcels would not come online until they develop. Asked if Council wants to subsidize. Council might want to do a timed subsidy.

Lee stated that if the money is in hand to do the big pipe, it would take years to implement because of the need for easements.

Mayor Winstead wants to compare this to what was being considered in the past. This plan handles the 10-year. Is it an appropriate level of service. \$16 million to put in the big pipe and two construction seasons. Four years if started yesterday.

Councilmember Lowman is not comfortable making this decision so quickly.

Councilmember Baloga said the flood easement issue is because the water rises too fast in upper and lower Penn Lake during rain events.

Keel said storage that is being proposed is for a 10-year event which is not nearly as much water as a 100-year event.

Councilmember Oleson said the 10-year event makes sense but he sees problems piping stormwater from where it used to be handled by nature into someone backyard. He's not interested in the big pipe.

Councilmember Carlson mentioned, with the proposal, we have the property owners storing the water on their sites. They'll have to design their sites appropriately. It will be built on private stormwater storage with some subsidy and it would be subject to the City's policy.

Councilmember Carlson said it's a one-time capital expenditure for the City, serving the private property.

Councilmember Abrams asked if there is an opportunity to present the notion that presents them the opportunity to use their storage for reclaimed water for their own landscaping needs. If they could use any of that water and not have any landscaping water costs could be a seasonal savings.

Pederson said if Council approves, the Comprehensive Surface Water Management Plan would need to be amended.

Mayor Winstead added that if we say yes and we put in our big trench on 80 ½ Street and Peerless puts in theirs, but others wait and then we have a 10 year rain, will it flood Knox Avenue without the rest of the areas to be in place. We will still be living with the same problem if it isn't mitigated until another 10 years. Need a 10-acre feet.

Mayor Winstead said we'll be living with the 3-5 year storm event until the rest of the properties have development and implementation of the holding tanks. Winstead added that if we put in Peerless and 80 ½ Street, it will help but won't get us to the 10-year point just yet. Gruidl confirmed that if we get to the 10 acre feet, the flooding is contained to the ROW. We're looking at needing 16 acre feet of storage.

Lee explained that the whole plan relies on incremental implementation by property owners. With this, you only get the improvements that have been implemented. He added that Council should not assume TIF will be applicable to any of these parcels.

Mayor Winstead concluded that this is a creative solution. There will be investment by the City and investment by the developers to get this done and the result is not necessarily going to be noticed for an extended period of time. It could be worse if we don't do this. The 10-year plan when implemented will bring it way down but not noticeable until then.

Councilmember Baloga said we are already subsidizing the rest of the projects in addition to what's listed here. If 5 acre feet costs \$6.5 million and Kraus Anderson costs \$700,000. What is the cause for the disparity?

Gruidl said the cost of the upgraded infrastructure and construction for lift station. Pederson said this is a subsidy for their private costs.

Councilmember Oleson would support the underground. Build in some kind of factor so that the early adopters get more subsidy or the subsidy expires at some point.

Pederson said staff would bring back for Council approval and will need to order the Feasibility Study for this project. Staff will work with Doug Grout and Larry Lee on the subsidy suggestion.

Pederson finished by saying it is a good solution for the City for a cost benefit. There are grants out there to help them in addition to the City's subsidy. The City can help push them along. Staff will be bonding for this. The model works without going to the General Fund.

Mayor Winstead suggested to frame it up down those lines. \$8-\$10 million of bonding. What will get deferred because of this project.

Pederson said staff will have to work with legal on the Code amendments. Staff will start with the planning schedules and

Councilmember Carlson added that there needs to be commitment to the solution. This is a long-term commitment.

Councilmember Balog expressed concern if the development says the initial mitigation doesn't allow them to get their financing will cause us to go back to square one.

6.4 2016 Planning Commission Work Plan

Requested Action: Staff requests City Council review and comment on the draft 2016 Planning Commission Work Program and attached documentation.

Planning Manager Glen Markegard explained the 2016 Planning Commission Work Plan.

Councilmember Abrams asked if there is a way to have this go to Advisory Board of Health (ABH) for their consideration and discussion, as it is considered a public health matter. Lee said staff will include that consideration when this item is handled.

Markegard explained the South Loop Implementation, the Normandale Lake District Plan, Special Event Standards, Restroom Standards, Annual Misc. Issues Amendments, Comp Plan Update over the next three years. Strategic Plan Update, MN River Valley Strategic Plan, MN River Valley Strategic Plan Initiatives, Stationary Area Plan at 98th & 35W. Mentioned the potential future projects being Residential Trash Storage Standards.

Mayor Winstead said the Strategic Plan could kick out some things we haven't even thought of at this time.

Lee said Planning's work won't be the primary work on the Strategic Plan. It ties into the Comp Plan Update. Most likely for 2017.

Councilmember Baloga mentioned the Normandale District Plan Update: A traffic study has been done. Asked if a revised traffic study is done with the proposed EBLR entrance to 494. Asked if that would impact that study. Markegard said most recent update takes that entrance into consideration.

Councilmember Baloga said he didn't realize the traffic study incorporated the new on-ramp. Asked for the status of the South Loop fire station study.

Keel said it's been completed but we do not have an active study to look at all of our needs.

Councilmember Baloga said the fire station on 86th St. that serves MOA is not adequate. Lee said it is not ideally situated within the area it serves. It's under capacity of the demands to serve the area. It's a study of do we replace them, what are the factors behind replacing them and the site for replacement. There is money budgeted for the other stations but Fire Station #3 is the only considered for a different site.

Markegard said the fire station study is beyond the Planning Commission workplan. A portion of Planning Staff will be involved as a part of it.

Councilmember Oleson asked if HRA is doing the neighborhood initiatives. Markegard responded that HRA is leading that. They will add a line item for the Neighborhood Centers. The Industrial Districts would get extended out farther into 2017 and/or less time would be spent on the Comprehensive Plan Update, which would get pushed into 2017. Industrial obsolescence would be done in 2016 and extend into 2017.

Councilmember Carlson said regarding the discussion on firearms dealers, if that could be brought forward sooner than shown on the schedule and get it on the agenda. Markegard responded yes at Planning Commission and at Council once implication scenarios are developed.

Councilmember Baloga asked if staff gave thought to brew pubs and said there are none now and seem to be the rage. Markegard said this has been talked about. Edina and Richfield opened their doors to tap rooms. Staff can look at that but would like thoughts on what the priority would be.

Mayor Winstead said you can add that into the Industrial Obsolescence Study and see to it that it gets discussed. They need to go into that kind of property. Every tap room has taken great square footage in an industrial area. Better if they can border more commercial type of areas. Markegard said staff will look at it in conjunction with the industrial area study.

Lee said they had that site when they made the deal with MAC. Council will see this with the changes at the next meeting as a Consent item as a future agenda item.

**6.5 Proposed 5-Year
Community Investment
Program (CIP)**

Requested Action: Review and provide feedback of the proposed Community Investment Program for the City, HRA and Port Authority for the years 2016-2020.

Finance CFO Lori Economy-Scholler introduced the 5-year draft CIP. Each project is \$50,000 or greater. Each project requires approval. Those over \$100,000 will come to the City Council. City Manager can approve projects up to \$100,000. Described the CIP Annual Activities, the 2016 major projects including alternative transportation, Old Cedar Avenue Bridge and trailhead. We cannot exceed 1% of the City's market value if the new Charter bonding authorization is used. Once the Planning Commission determines it's complaint with the Comprehensive Plan, the City Council public hearing would be on March 7, 2016.

Councilmember Abrams said we need to take a stronger look and commitment at the playground apparatus situation, as it can change a neighborhood. Quale responded that projects are based on obsolescence.

All those 1990 playgrounds need to be replaced. Staff has spread replacing out over 3-5 years starting this year.

Quale and staff discussed the RFP proposal process. Each park can only take in so much equipment. Added there is also a staff capacity issue to manage that many projects. Equipment in 1991 isn't as safe as it is now. None of our equipment is dangerous. We're trying to get on an even schedule to replace the equipment.

Councilmember Carlson expressed that he likes the proposed process.

Mayor Winstead recommended looking at the list and the timing and bring back the information to Council. Councilmember Baloga added that it would be helping to get the rating information on the equipment.

Mayor Winstead said regarding neighborhood enhancement, you could err on accelerating one if it could be a positive impact on a neighborhood we are focusing on.

Economy Scholler said this is tax levy-supported.

Keel said staff will put together a memo that describes the signal timing projects, per Councilmember Oleson's request.

Economy Scholler said staff hopes to get this posted on the City's website by the end of the week and then it goes to the Planning Commission.

Councilmember Baloga said he would like to have the same conversation regarding trail bonding. There are nine miles of trails and it is problematic that they're to be done over the next 10 years and with the amount of time that was spent negotiating with a property owner when we have nine miles of similar trails that won't start until 2017. It's not acceptable.

Economy Scholler responded that it depends on how fast the right of way can be acquired to expand the trails. Mayor Winstead added there are trails that are in total disrepair that won't require ROW acquisition. There is Council consensus to have staff run the numbers and bring back to Council.

Councilmember Lowman expressed interest in looking at the fire stations in 2017 and beyond. Economy Scholler said the fire stations might be in there every other year versus every year. Will depend on staff capacity.

Councilmember Oleson asked about putting language in there that has been decided upon. Mayor Winstead said the strategic plan language will need to be updated and will go to the Planning Commission with a synopsis of the Council comments.

Councilmember Baloga suggested that at the next meeting where there will be a lot of bicyclists at the City Council meeting, when opening the public hearing, allow the Bloomington residents to come first and then allow the outsiders speak.

7 ADJOURN

Mayor Winstead adjourned the meeting at 10:17 p.m.

Barbara Clawson
Council Secretary