

City of Excelsior
Hennepin County, Minnesota

MINUTES
EXCELSIOR CITY COUNCIL WORK SESSION

Monday, December 1, 2014

1. CALL TO ORDER/ROLL CALL

Mayor Gaylord called the meeting to order at 6:03 p.m.

Present: Councilmembers Caron, Fulkerson, Miller (arrived at 6:08 p.m.),
and Mayor Gaylord

Absent: Councilmember Beattie

Also Present: City Manager Luger, City Attorney Staunton, Public Works
Superintendent Wisdorf and City Clerk Johnson

2. AGENDA APPROVAL

Fulkerson moved, Caron seconded, to approve the agenda. Motion carried 3/0.

3. BUILDING SPACE ANALYSIS FOR 339 THIRD STREET

Luger said the Council held interviews on September 8, 2014 with several architectural firms for the building space analysis for 339 Third Street. Since that meeting, Luger said that the Council narrowed the choices down to two firms, BKV Group ("BKV") and Kodet Architectural Group ("Kodet"). She said staff is now looking for Council direction on where they want to go with the building space analysis.

Caron said she thought the direction was to get the two applicants, BKV and Kodet, to become more competitive with each other and go to the next level of presentation for a cost of about \$8,000 or \$10,000 each. Mayor Gaylord said he believes it was \$10,000 for each firm. Fulkerson asked why the Council wanted to go with two firms. Luger said that each firm had different perspectives and that the Council thought it would be beneficial to have both firms bring back designs. Luger said she recalled that the Council wanted time to think about the concept of hiring both firms and had directed staff not to contact the firms at that time.

Luger said she has talked with BKV and Kodet about the idea, in concept, but did not request that they put together an actual proposal. Both firms disliked the idea and said that, if both firms put together a summary, the City would not receive as good of a product.

Caron said the Council liked both firms.

Fulkerson said it would be difficult to have both firms working on it. Caron said the Council needs to choose only one firm, since the firms are not interested in working competitively.

3. BUILDING SPACE ANALYSIS FOR 339 THIRD STREET - *Continued*

Mayor Gaylord said he doesn't think the City should pursue having these firms work competitively. He asked, if the Council chooses one firm, if they could provide the same amount of work for \$15,000. Mayor Gaylord asked if their original estimated cost could be negotiated. Luger said the City may not get the same proposal for the lower amount. Mayor Gaylord asked if the City could hold them to the proposal for less money. Luger said they may cut something out of the proposal to achieve a lower cost.

Caron said that both firms only provided information and a presentation. She said that the cost of \$18,500 was to do the next step. Caron thinks some of this money may be for a building space analysis and for public input, also. Caron said she is comfortable with the numbers and that the Council was impressed by both firms. Caron said both firms had costs that were about the same.

Miller said he remembers that the Council had decided to have each firm modify their proposal.

Caron said that Kodet was the firm that came with many staff members. She said BKV had less staff members attend the interview and that the conversation with them was interesting.

Fulkerson said both firms are fairly expensive.

Mayor Gaylord said, based on the summary, that BKV has extensive city hall experience with small cities.

Fulkerson said the City just needs to get this project started.

Caron stated that Kodet had worked on the Three Rivers Park District training room. She said they had also included some drawings at the interview of what the Excelsior City Hall could potentially look like.

Luger said that the City wouldn't go wrong with either firm. She said the interviews in September were conducted so that the Council could see who they could partner with, but both firms were well liked by the Council.

Leon Boyd, 44 First Street, addressed the Council and asked if the tenant currently renting part of the 339 Third Street building would be evicted once the building is remodeled. Mr. Boyd also asked how much money would be lost if there is no tenant and what the space they currently rent would be remodeled as. Mayor Gaylord said this step now is to understand what the City is going to do in regards to the remodeling project, so the City is not at the point of discussing tenants, yet. Mr. Boyd said the only part that should be concentrated on right now is the Council Chambers and office spaces. Caron said she thought there was a suggestion from one of the firms that this particular tenant could still occupy the space. She said the City should make it a priority to lease some office space. Caron said there are some solutions to consider so that the City doesn't lose rental income. Fulkerson said the

3. BUILDING SPACE ANALYSIS FOR 339 THIRD STREET - *Continued*

Council is just looking to hire a firm that would provide a recommendation. Luger said the building space analysis is also to see whether it's worthwhile.

Miller said he likes BKV the best because of their historical experience. Mayor Gaylord said he also likes BKV because of their experience with small cities. Caron and Fulkerson agreed.

The Council agreed to hire BKV Group for the building space analysis of 339 Third Street.

4. LISTING OF CANDIDATES ON THE ELECTION BALLOT

Luger said, during the 2014 General Election, that Fulkerson had questioned the listing of candidates on the ballot. Luger said that, for as long as she has worked for the City, that the City has requested Hennepin County do a random drawing, rather than list the candidates alphabetically. Luger said that staff is looking for direction from the Council for the next election.

Fulkerson said she thinks the candidates should be listed alphabetically. Miller said they have always been listed in random order because, if a candidate has a last name that begins with "A," it's not fair to have that candidate always listed at the top. Mayor Gaylord thinks the random order is fine and sees no reason to change it. Luger said, in the current election, there were several candidates that were at the top of the alphabet.

The Council agreed to keep the candidate order at a random selection.

Bob Bolles, 229 George Street, addressed the Council and said that he is concerned about the Excelsior image. He said there have been people from Shorewood who have stopped him on the street and asked if the City of Excelsior doesn't have enough money to repair streetlights that are out or to keep them on. Mr. Bolles said he told these people that Excelsior has excess money in the streetlight fund and is actually loaning money from this fund to the street fund. Mr. Bolles said there are lights on Water Street, possibly 30 percent or more of them, that have been out. Mr. Bolles said that the City charges him for streetlights and it's unacceptable that they are not maintained.

Mayor Gaylord said he was not aware that the City has a 30 percent lighting outage and agreed that they should be fixed. Wisdorf said there were two sections of streetlights that were out. Wisdorf said lights from the trail to Third Street went out because of a short in the system and that, a month later, some lights from George Street to Oak Street went out. Wisdorf said that conduit was put in for new wiring for those lights between the trail and Third Street. He said he has been in contact with the contractor for the Oppidan development as to where lights will be going in on George Street. Wisdorf said he didn't think it was a good idea to put in new wiring where everything will be disturbed again with curb, gutter and sidewalk installation. Wisdorf said he waited until the Apple Day event to get a contractor to put in the conduit. Wisdorf said this is in the process of being repaired but it has not been done yet. Wisdorf also said the three lights from Water Street to the trail were removed. He said the lights from the trail to George Street are still on. Wisdorf

said that, about a month ago, the lights from George Street to Oak Street had the first two go out, then the others went out, so he said he knew it was an electrical problem. He said this is where the new conduit will be going in and said it should be repaired next spring when the Met Council sewer project will be going through.

Mayor Gaylord asked if there are any other areas suffering from outages, other than those Wisdorf mentioned. Wisdorf said that the school has some lights out but that the school is in charge of repairing those lights. Wisdorf said a fuse is out on the string of garland by Jake O'Connor's and also by the 10 Water Street property.

Mayor Gaylord asked how staff assesses the lighting in the City. Wisdorf said he either drives around to assess the lighting or people contact him when there are issues. Wisdorf said he calls in problems to Xcel Energy to get them repaired.

Wisdorf said there is one light at the end of Water Street by The Port, across from the ticket booth, that has not been on. Wisdorf said he contacted Xcel Energy to check it out but that Xcel has not gotten back to him, yet. Wisdorf said the wiring has been put in the street where lights were removed. He said those are the main priority to get done before Christmas.

Wisdorf said wreaths were hung on all the other lights.

Caron said there is one light on Morse Avenue that isn't working. Wisdorf said this is at 350 Highway 7 and that the contractor for Met Council knocked the globe off.

Caron said that the two lights that went up on Third Street look great. Caron asked where the City is at with the white lights at the new library. Wisdorf said that Planning Consultant Richards was going to contact the library to see if they can change these from LED to a softer light. Wisdorf said the library's plans had changed from the City's specifications that state 150 watt high pressure sodium to 100 watt LED. He said this was missed on the revised plans they submitted. Caron said she didn't notice the bright light from them so much in the summer but, in the winter, she said the reflection is so much stronger and obvious. Wisdorf stated that the school district lights are LED, also. Caron said it looks very bright in that area.

Mr. Bolles said that he has called the City numerous times when the lights are out. He said it's unacceptable to have to wait since August to get the lights taken care of from the trail to Third Street. Mr. Bolles said that the City is falling short of showing its pride, by having these lights out. Mr. Bolles commented that winter is the darkest time of year and said he doesn't understand why the lights should be out all winter. He asked why this wasn't done in August or September. Wisdorf said it did not work out for his schedule and he thought the reasons for waiting were reasonable. Mayor Gaylord said it doesn't make sense to spend the extra money by doing the work now.

Mr. Bolles said another item is how the conduit was placed. Mr. Bolles said that conduit is criss-crossing the street and said this doesn't make sense because conduit should go in parallel lines. Mr. Bolles said he doesn't understand why the conduit wasn't installed parallel to the curb. Wisdorf said there is one light that needed power, so he ran a straight line to the next power source. Wisdorf said that, typically, conduit would be placed from light to light in a row; however, it was cheaper to do it this way, with only one light to

repair. Mayor Gaylord said this is more of an exception than the rule and that Wisdorf made the right decision at the time.

Caron moved, Miller seconded, to add Southshore Community Center, to the meeting agenda as Item 5.

5. SOUTHSHORE COMMUNITY CENTER

Mayor Gaylord said he received a letter from the City of Tonka Bay regarding the Southshore Center (Center). Mayor Gaylord asked what staff's interpretation is of Tonka Bay's position on the Southshore Center. Staunton said that the letter did not give much indication on Tonka Bay's position. Staunton said that Tonka Bay appears to say that they are reserving every right they have under the Agreement. Luger said that Tonka Bay has been taking no action and that the City of Shorewood is asking Tonka Bay to take action. Luger said this letter appears to be documenting that they are not taking any action.

Luger said the letter the City received from the City of Deephaven does not give a clear indication of their position, either. Luger said it's clear that the City of Greenwood has opted out of the Agreement. Mayor Gaylord asked why the cities, collectively, cannot make a decision.

Mayor Gaylord said that the entire Joint Powers Agreement (JPA) is vague and it is not clear as far as the City of Shorewood's position. Mayor Gaylord believes Shorewood's position is to bring each city's value down to zero so that essentially each city is holding a deed with no value. Staunton said this is the beginning of a negotiation. Mayor Gaylord asked why this is unclear to the other cities. Fulkerson said that Shorewood appears to want to take over and run the Center. Luger said that Greenwood has made it clear as to their intentions, but said she cannot figure out Deephaven and Tonka Bay.

Fulkerson asked if Mayor Gaylord was going to meet with the other Mayors. Mayor Gaylord said that the Mayor of Tonka Bay was out of town, but that he will have more information this week. He said the letter from Deephaven is an example of no one wanting to make a decision.

Miller said the two choices he reads in the JPA are: 1) a supermajority can say the building needs to be sold and the money divided, based on original percentages; or 2) Shorewood would exercise their option to buy the others out.

Staunton said that it is pretty clear to him that there are two paths for exit. Staunton said one path is to deal with the outlier without sinking the whole JPA by having their assets slowly deducted to zero. He said the other is the traditional majority, or supermajority in this case, decides to call it quits and the assets are liquidated and distributed amongst the members.

Mayor Gaylord said that it makes sense that Shorewood would want to reduce the principal outlay. Staunton said Shorewood is trying to make that happen but there are still at least three cities remaining that have not withdrawn. Mayor Gaylord said

5. SOUTHSHORE COMMUNITY CENTER - *Continued*

that if they try to reduce the principal to the remaining member cities, there is legal position that they would win that. Staunton said the JPA is pretty clear that, if Shorewood is going to liquidate the assets, it goes back to the parties on a pro-rata basis. He said Shorewood would have to buy out the other cities. Staunton said he believes that Shorewood will say the Center is not worth what the other cities think it is worth. Mayor Gaylord said it's based on selling price, not necessarily what the cities have contributed. Staunton agreed. Staunton said that Excelsior has been putting money into the Center. Mayor Gaylord said not enough has been put in to sustain the Center.

Mayor Gaylord said he will talk to the other Mayors and have more of an update at the next City Council meeting.

Fulkerson thinks Excelsior should stay in and keep the Center going. Miller asked Fulkerson how much she would want to see the levy increase in order to support the Center. Miller said the levy went down because the City decided to no longer support the Center.

6. ADJOURNMENT

Caron moved, Fulkerson seconded, to adjourn at 6:53 p.m. Motion carried 4/0.

Respectfully submitted,

Shirley Johnson
City Clerk