

MOUND CITY COUNCIL MINUTES JANUARY 28, 2025

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, January 28, 2025 at 6:00 p.m. in the Council Chambers in the Centennial Building.

Members present: Mayor Jason Holt, Council Members Sherrie Pugh, Kathy McEnaney, Kevin Castellano and Michelle Herrick.

Members absent: None.

Others present: City Manager Jesse Dickson, City Clerk Kevin Kelly, City Attorney Scott Landsman, Senior City Engineer Brian Simmons, Orono Police Officer Ryan Spencer, Luis Ortiz, Sheri Wallace, Ying Alvarez and Tyler Pieper.

Consent agenda: All items listed under the Consent Agenda are considered to be routine in nature by the Council. There will be no separate discussion on these items unless a Councilmember or citizen so requests, in which event it will be removed from the Consent Agenda and considered in normal sequence.

1. Open meeting

Mayor Holt called the meeting to order at 6:02 p.m.

2. Pledge of Allegiance

3. Approve agenda

MOTION by Castellano, seconded by Pugh, to approve the agenda. All voted in favor. Motion carried.

4. Consent agenda

MOTION by Castellano, seconded by McEnaney, to approve the consent agenda. Upon roll call vote, all voted in favor. Motion carried.

- A. Approve payment of claims in the amount of \$5,755,630.32.
- B. Approve minutes: January 14, 2025 Regular City Council
 January 14, 2025 Workshop City Council
- C. Approval of Tyler Pieper to POSC Commission for a three-year term;
 January 1, 2025 – December 31, 2027
- D. Emergency Management Hennepin County All-Hazard Plan Update
- E. Pay Request No. 4 in the amount of \$35,670.00 to New Look Contracting
 For the Lost Lake Commons – Phase 1 Improvements; City Project
 No. PW-23-09

5. Comments and suggestions from citizens present on any item not on the agenda.

Sheri Wallace, 2135 Overland Lane, addressed the Council. Wallace said the Harrison's Bay Association (HBA) is pursuing an initiative for Harrison's Bay. Wallace said the HBA conservation

activity since 2021 has been funded by local donors; mostly lakeshore residents. Wallace said there was a 55% decrease in donations last year coupled with a huge increase in funds needed to manage Eurasian Milfoil on Harrisons Bay. Wallace said the HBA has been researching options for funding conservation projects into the future.

Wallace mentioned the following information:

In 1973 the State Legislature created Lake Improvement Districts (LID) which were formed to fund lake improvement efforts.

There are LID on Lake Minnetonka at Carmen and St Albans Bays which are managed by three cities; Greenwood, Excelsior and Orono.

A LID would allow the collection of funds for removal of invasive species and other conservation activities.

A LID needs to be approved by a City and then form a Board whose members are elected by constituents of the LID. Conservation programs and budgets are set. Tax levies to fund activities are approved by constituents and submitted to the City.

The Minnesota Department of Natural Resources (DNR) would act as an advisory board to represent the public and City. The MN DNR considers Harrisons Bay a good area for a LID.

The HBA has a project timeline process provided by the DNR.

Wallace met with City staff recently to discuss the project process.

Wallace said the HBA Board will be focused on building the proposal, communicating with residents and securing support signatures from over 50% of households over the next four months. Wallace said another activity of the HBA will be to build a LID budget.

Wallace said the HBA is updating the City Council on their activity and are available for any questions from the City.

Holt said he would like to remind the audience of the City's role. Holt said the Council support is needed to create the LID. Wallace said after approval of the LID, the City would accept the LID budget which is also presented to Hennepin County. Wallace added the City acts as a pass through to the HBA for the funds.

Wallace said if the LID is approved by residents, both the DNR and the City will get the proposal to review. Wallace said the DNR would then provide an advisory report to the City Council and the public.

McEnaney said this sounds like another level of bureaucracy. Wallace said the bureaucracy is the LID which is levied funds which would go to vegetation management, milfoil and curly leaf removal, water quality monitoring, rain gardens and other conservation activities. Wallace said the proposal is specific to Harrisons Bay. Holt said the Council acts as a supporting agency to the LID.

Wallace said funds are levied only when a project is approved through an annual meeting of the LID Board of Directors.

Castellano asked how the LID Board was comprised. Wallace said it is a separate Board apart from the City. Wallace said there is a lot of work for the HBA to create the LID and is giving the City Council a heads up of what the HBA is working on.

McEnaney asked if there would be a cost to the City to support the LID. Dickson said he met with Wallace and researched LID organizations. Dickson added the City is able to recoup the staff costs through the budget of the LID. Dickson said there is a way to recoup the cost of staff time.

Discussion ensued about Wallace providing the Council with more information including the role of the City in the LID creation. Wallace said the DNR staff would be a good resource for the Council.

Mayor Holt asked for the Orono Police Department (OPD) to report. Orono Police Sergeant Ryan Spencer said there was not a lot to report on for half of this month. Spencer said there were 65 calls in January so far. Spencer said the OPD is conducting spot checks and house checks. Spencer said this is proactive policing to assist residents who leave town for a stretch of time. Spencer said the resident completes a form to request the house check.

Spencer said the Polar Plunge event was held on Saturday and the Orono team raised \$3,926.00. Spencer said he just received a BCA alert regarding break-ins of cars through smashed windows at the Orono ice area and at Orono area Dog Parks.

Spencer added the OPD will be holding an E-bike conference soon with the Three Rivers Park District.

Pugh said she uses Metro Mobility and another contracted service. Pugh said a recent contracted driver was stopped by an OPD officer because the driver was going too slow. Spencer said he would look into this. Pugh asked if there was more use of police sirens recently. Spencer said the use of the siren is by the discretion of the Police Officer. Spencer said during the day the traffic is higher and would be used to warn of the approach of the OPD vehicle.

6. Hearings on Liquor Compliance:

Casa Amigos Mexican Restaurant

Daruma Restaurant

Kelly said there were two alcohol compliance check failures which occurred in October for two restaurants which serve alcohol.

Kelly said one of the restaurants (Casa Amigos) has had their third compliance check failure in the past two years of operation. Kelly stated that Daruma restaurant had their first failure since they began their retail location three and a half years ago.

Kelly stated the minimum penalty for Daruma is \$500.00 and a one-day suspension of their liquor license. Kelly added the penalty for Casa Amigos is \$2,000.00 with a seven-day suspension of license. Kelly said Casa Amigos ownership has paid the \$2,000.00 penalty.

Castellano asked about how the suspension is determined. Landsman said the Chief of the Orono Police determines the suspension dates. Kelly said the 2023 suspension dates were worked out with the restaurants as well as the OPD, but he felt that this year the suspension dates will be determined solely by the OPD.

Kelly said owners from both restaurants are present if the Council would like to address the owners.

Landsman said neither establishment contests the liquor compliance check violations so the need for a hearing is not present.

Luis Ortiz (owner of Casa Amigos Restaurant) addressed the Council by saying he was sorry about the failure and said he operates a few restaurants. Ortiz was wondering if the Council members understand on how a restaurant operates. Ortiz also asked if the City was doing anything to educate staff and ownership on liquor law. Ortiz said each City has their own system and some have offered a class to his employees on alcohol serving training.

Holt said last year the Manager of Casa Amigos addressed the Council specifically who said the restaurant will card everybody. Holt said he has never been carded while eating at Casa Amigos. Ortiz said older customers have been upset with being carded. Holt said he likes to eat at Casa Amigos and would like the restaurant to stay in business but the restaurant will need to card customers. Landsman said Casa Amigos has had three violations in two years and another violation will increase the penalties.

Castellano said he is in a similar industry. Castellano said the City doesn't provide help directly but the Minnesota Licensed Beverage Association (MLBA) is a great resource for businesses and membership is \$300.00 a year. Castellano said the MLBA will supply in-person and on-line training for employees. Castellano said the vendors also provide a Point-of-Sale ID scanner for servers to check ID's.

Ortiz said it is hard for a business owner to keep up with the staff turnover and running multiple businesses. Castellano said his business uses the ID readers and does have to turn away customers.

McEnaney said ID'ing customers is a task which has to be done.

Herrick asked if the City can provide resources to the alcohol establishments in Mound. Ortiz mentioned the cities of Maple Grove, Elk River and Becker as cities which offer alcohol compliance training to his employees at least once a year.

Herrick said Casa Amigos needs a policy to card every customer. Castellano said Ortiz should be in contact with the MLBA.

Herrick said the employee has to pay a fee and go to court to which Ortiz said their employee has gone to court and paid a fine.

Landsman discussed that Casa Amigos penalties are based on three-year cycles.

MOTION by Castellano, seconded by Pugh to impose a civil penalty of \$2,000.00 to be paid within the time period established by the Police Chief and does hereby suspend the On-sale liquor license held by licensee for a seven-day period determined by the Police Chief. All voted in favor. Motion carried.

Ying Alvarez, Daruma Restaurant, 2333 Wilshire Blvd. said she feels shame that the compliance failure happened. Alvarez said her sushi chef checked the ID of the customer instead of a server. Alvarez said the chef made a mistake in reading the customers ID properly. Alvarez said she has placed a calendar in the bar area to help her servers. Alvarez said the sushi chef doesn't often serve alcohol but made a mistake this time.

Alvarez said there needs to be constant reminders to staff to check IDs of customers.

MOTION by McEnaney, seconded by Herrick, to impose a civil penalty of \$500.00 to be paid within the time period established by the Police Chief and does hereby suspend the On-sale liquor license held by licensee for a one-day period determined by the Police Chief. All voted in favor. Motion carried.

7. Plans and Specifications Authorization: Lost Lake Commons Improvements – Phase 2, City Project PW 25-10.

Simmons addressed the Council with the Lost Lake Commons Phase 2 plans and specifications. Simmons said engineers are starting the process early in order to get feedback from interested parties before the project begins. Simmons stated the Phase 2 project is in the capital improvement plan and is expected to cost \$850K. Castellano asked if the bid for the project includes the list of elements in the memo and will take care of the entire project. Simmons responded yes to the question and said the intent is to have only one vendor complete the project. Simmons said this isn't a bid offering but just readying the plans and specifications.

McEnaney asked about the fire pit and Dickson said it hasn't been determined yet if the fire pit would be gas fueled or use firewood.

Simmons said Bolton and Menk will look into these types of details with the plans and specifications before the bid goes out.

Holt asked Simmons to go through the specific Phase 2 elements which will be completed. Simmons said by the end of the year the Phase 2 elements which will be in place include:

- Lighting
- Additional landscaping and art walking path
- Seating and Fire Pit and plaza
- Memorial Pavers
- Art Installation – This element led to a discussion on different ideas on the Art Walk including what other cities have done with outdoor art installations.

Simmons said Bolton and Menk staff said they will work with the Parks and Open Space Commission for their input on park elements and hope to complete Phase 2 before the end of the year.

The City Council engaged in conversation regarding the different elements and design layout of the plan shown by Simmons.

Discussion ensued regarding Phase 3, which would be the installation of a shelter and pavilion and potential future work on the area of the Farmers Market. Simmons and Pugh said the pavement under the Farmers Market is part of the City maintenance plan.

MOTION by McEnaney, seconded by Pugh, to authorize the plans and specifications and ordering the advertisement for bids for the Lost Lake Commons Improvement – Phase 2. All voted in favor. Motion carried.

8. Comments/Reports from Council Members:

Council Member Pugh – Pugh said she attended the Suburban Rate Authority Meeting and an item mentioned at the meeting is a pending lawsuit against Xcel Energy. Pugh said City members mentioned projects being conducted to bury of utility lines.

Council Member McEnaney – Nothing to report

Council Member Castellano – Nothing to report.

Council Member Herrick – Herrick said she has attended training by City staff which has been really helpful.

Mayor Holt – Holt said the Police Commission Meeting is coming up soon. Holt said he had a recent meeting with new MN House Representative Ann Stewart-Johnson (S-J). Holt said S-J is very supportive of the water treatment plant project and the need for funds. Holt said he gave S-J the City legislation language for the water treatment plant. Holt said he will be writing another update in the City newsletter. Holt said it would be beneficial to have more calls and emails from City residents.

Holt said a City letter to the Governor has been drafted. Holt said the City needs to make sure the Governor knows the City need for funding of the water treatment plant. Holt said City on the Hill Day is upcoming and there are scheduled appointments with State Elected Officials. Holt is trying to schedule appointments with committee members important to securing funding for the water treatment plant.

Holt read the letter and would like all Council members to sign it. Holt said Andrew Myers sent a similar letter to the Governor and Holt said he will provide S-J a copy of the letter to use for her letter to the Governor.

Holt said he talked to S-J about introducing a bill to refund equipment to treat water such as water softeners and reverse osmosis. Holt said S-J is planning on introducing legislation which rebates costs for that equipment throughout the state. Holt would like to schedule the State of the Water report by the City Engineer for March 11th. Holt mentioned that March 6th is the date for City Day on the Hill event at the Capitol.

9. Information/Miscellaneous

- A. Comments/reports from City Manager: Nothing to report.
- B. Reports: Fire Department – December 2024
- C. Minutes: December 14, 2024 – Parks and Open Spaces Commission
November 21, 2024 – DCC Meeting
- D. Correspondence:

10. Adjourn

MOTION by Castellano, seconded by Pugh, to adjourn at 7:32 PM. All voted in favor. Motion carried.


Attest: Kevin Kelly, Clerk


Mayor Jason R. Holt