

**COUNCIL MEETING
SEPTEMBER 8, 2008
7:00 P.M.
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**CITY OF DAYTON, MINNESOTA
12260 S. DIAMOND LAKE ROAD
HENNEPIN/WRIGHT COUNTIES**

PRESENT: Mayor Doug Anderson; Council members Phil Forseth, Scott Hoke, J. Kevin Anderson, and Tim McNeil

ABSENT: none

ALSO PRESENT: Administrator Samantha Orduno, Assistant to Administrator Erin Stwora, Police Chief Richard Pietrzak, Public Works Director Rick Hass; City Clerk Sandra Borders, City Engineer Mark Hanson

CALL TO ORDER - 7:00 p.m.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Council Member Forseth added Speed Study and Traffic Counts on County Road 121, for discussion under Council Updates. Council Member Hoke added Crosswalks at the Intersection of South Diamond Lake Road and Pineview Lane for discussion, as well.

MOTION: Motion made by Forseth seconded by McNeil to approve the Agenda of the September 8, 2008 regular Council Meeting, as amended.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil

Nays: none

MOTION DECLARED PASSED.

CONSENT AGENDA:

- A. Approval of Council Meeting minutes of August 12, 2008
Approval of Council Budget Work Session Minutes of August 12, 2008
- B. Payment of Claims – September 8, 2008
- C. Resolution #41-2008: Tax Forfeited Property for Public Purpose **S.R.#113-2008**
- D. Resolution #42-2008: Donation from the Dayton Lions for the Police Department Taser Guns in the amount of \$2,181.74
- E. Resolution #43-2008: Donation from Osseo-Maple Grove Basketball Association in the amount of \$1,791.58
- F. Resolution #44-2008: Approving Pull-Tabs at Sundance Golf and Bowl
- G. Dayton Fire Department General Meeting Minutes of July 17, 2008
- H. Setting Public Hearing regarding Truth in Taxation for December 01, 2008
- I. Resolution #45-2008: Regarding Brad Bethke Administrative Subdivision extension **S.R.#114-2008**
- J. Consideration and Discussion of Hennepin County Recycling Grant Agreement
Consideration and Approval of Resolution #47-2008 -- Recycling Grant

It was suggested that, Item C - Resolution #41-2008, be revised to change the last “Whereas” to the following: the City requests a conveyance of the Property to the City for the purpose of a potential development of a public parking site or other public use.

Council member Hoke had questions about the Dayton Lions donation of tasers for the Police Department and the required training on the tasers. Chief Pietrzak informed the Council that the officers have been trained on the equipment. Council member Hoke asked to remove from the Consent Agenda, all of the payments of claims for the construction contractors on the NE Area 1-6 Project, and added them to agenda Item T.

MOTION: Motion made by McNeil seconded by Forseth to approve the Consent Agenda, as amended.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, McNeil

Nays: none

MOTION DECLARED PASSED.

PRESENTATION: 1,000 Friends of Minnesota Regarding the 2008 Grant Program

Members of the 1,000 Friends of Minnesota were present and provided the Council with a Power Point presentation. Community Growth Options -- They would like to accomplish that everyone is on the same page regarding the grant program. They are interested in questions, thoughts, or concerns, and desire open conversation.

Council member McNeil asked about the time frame for the grant selection. The Grant Program has received 26 applications and they should know who will be getting the grants by the end of October. The City is looking at budget cycles, explaining if they knew about the grant they could plan better. The contracts would be a 2 year contract for the grant program. The cities would be signing a 2 year contract and would have good faith to follow through with the 6 year program. Council member Forseth mentioned the concern about funding in the future years. There is no match the first year and the second year the City match would be \$6,000. Forseth mentioned if the grant would not be available for the next years, and the Staff time involved over the period of the grant. He expressed concerns about moving forward and not being able to finish the project. This would be a learning experience for all parties.

There was a 5 minute recess, at this time.

OPEN FORUM:

Judy Sullivan – 13830 Vinewood Lane, Dayton, MN 55327: Ms. Sullivan has concerns regarding her property since the sewer and water was installed. She relayed that the she will not be able to mow the

ditch, because of the slope of it. She had a complaint that the new driveway did not match up in height with the old one. She stated that the slabs have moved in the driveway because of the heavy equipment in the street. Another problem is that the curb stop is sticking up in the yard. Council member Forseth asked if the City had video of the areas before the construction. Engineer Mark Hanson stated that the culverts were put in to carry the drainage away from the road. The engineer's office is continuing to work on the problems in the areas.

Mayor Anderson closed Open Forum.

ITEM K Resolution #48-2008: 2009 Preliminary Levy S.R.#116-2008

Administrator Orduno brought to the Council the 2009 Preliminary Levy. The State of Minnesota requires the cities certify to the County the Preliminary Levy, no later than September 15th of each year. This year, the Legislature imposed levy limits on cities and counties, providing critical information late in the process. The City Council determined that the Preliminary Levy would reflect the State mandated levy limit and the specifics of the General Fund expenditures would be determined during the months prior to the final levy.

1. The imposition of levy limits by the State has served to penalize cities, like Dayton, who were prudent stewards of property taxes. In the past, Dayton has chosen to keep its levy limit low by utilizing revenues other than property taxes for services. The State did not recognize this and impose limits on what was an artificially lower levy from which to establish the 2009 levy limit.
2. Levy limits are especially damaging to growing cities that must meet the growing service demands with limited resources. Levy limits have been imposed for years 2009, 2010 and 2011 – three years when Dayton will see demonstrative change and increasing service needs with limited revenues. Over 70% of the City's revenues come from property taxes.
3. Levy limits impose the State's will over local control.
4. The State-mandated levy limit for 2009 is 3.9% - the base levy (excluding any special levies or debt service levy) cannot increase by more than 3.9% from the previous base levy (base levy is the amount that will be secured from property tax payers, minus special levies and debt service).

The levy limit law did permit cities to levy for Police and Fire (Dayton's paid on-call Department does not qualify under the levy limit law) salaries and benefits as a Special Levy, outside the mandated levy limit. However, in order to do so for 2009, the 2008 Levy must be amended to remove police salaries and benefits to determine a new 2008 "base levy" from which the State could set the levy limit for 2009. Removing police salaries and benefits (which remain at no more than provided under the Labor Contract for year 2009) from the levy does allow the City to maintain critical services in other General Fund areas, such as street plowing, street maintenance, and finance.

Base Levy (\$1,643,155) indicates a dramatic decrease for 2009 due to the elimination of the two previous Special Levies (COPS and PERA) and the exclusion of police costs. The COPS and PERA levies have now been included in the new base levy and police costs are a Special Levy. The Police costs for 2009 total \$525,058 (wages, longevity and benefits, again all consistent with Council approved labor agreements). Unfortunately, the legislature disallowed such items as uniform costs and fuel. However, adding the Police Levy back in creates a new base levy of \$2,168,213 and represents a 5% increase.

Debt Service (\$664,194 – 2008 Debt Service was \$601,310) has increased for the 2009 Levy, due to the payment on the 2007A GO Improvement Bonds for the City's portion of the street costs for NE Dayton. The remainder of the debt service will be paid by property special assessments.

The proposed Preliminary Levy is \$2,832,407, a \$166,978 (6.2%) increase over the 2008 levy adopted in December, 2007 and due primarily to increased debt service. As a result of the proposed Preliminary Levy, it is estimated that the tax rate will increase by less than 1%. As was the case last year, the likelihood of property tax decreases throughout the community is very likely. The 2009 total Tax Capacity is \$5,830,685 and the preliminary 2009 Tax Rate is 44.29%.

At the Council's direction, City Staff began working on a two-year budget in June. All Departments were directed to hold baseline expenditures, with only minor exceptions. The 2009 Budget, presented by Staff in two weeks, will reflect their efforts to maintain critical service delivery. The Council would like to see the tax capacity rate for the City, which had increased over the year. Council member McNeil asked about the 50% of the bonds for the streets and the continuing of the 50% assessment. The residential properties are the properties that get a 50% decrease in the cost of the streets and the City would pay the other 50% of the street costs. It was noted that there were more prepaid assessments on the NE Area 1-6 Sewer / Water Improvement Project than the City expected.

MOTION: Motion was made by McNeil, seconded by Hoke, to approve Resolution 48-2008 setting the 2009 Preliminary Levy at \$2,832,407.00.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM L: West French Lake Road Project: Project Plans and Specifications S.R.#117-2008

Engineer Mark Hanson reported that at the Council meeting on January 22, 2008, a Public Hearing was held and the City authorized the preparation of plans and specifications for the West French Lake Utility Improvement Project. The Project is to be bid as Part A and Part B. Part A consists of all the work in Territorial Road, Adesa Auto Auction, CSAH81 ROW, and Troy Lane. Part B includes the utilities north and west of the cul-de-sac on Troy Lane (including the force main and lift

station). The City Council, as part of the Chapter 429 Assessment process, must approve the plans / specifications prior to bidding the project. The Feasibility Report estimated costs for this construction and indirect expenses at \$6,075,100. Staff has met with the financial consultant to review a bond sale for the Hemlock Lane and West French Lake Utility Improvement Projects.

Mark Hanson presented the Council with a graphic of the Project. He reviewed Parts A and B. Dayton Park Properties have had discussion with the MPCA (Minnesota Pollution Control Agency) regarding their septic system and would like to connect with the sewer. ICA Corporation is looking to connect and would like to have water for fire contracts. Queen of Peace is trying to sell their property and the Scherber/Pearson property would like to be included in the project. There have been easement discussions. This project has been approached as no cost to the City Project. Dayton Park Properties would not like to break up their property with any easements. Council Member Hoke asked about consequences to the Dayton Park Property residents. Mark Hanson responded that if sewer was not available, the MPCA would need to close the Park. The property owners on Troy Lane are in favor of the project.

The Assessment Hearing would be held before the contracts are awarded. The intent is to receive the bid within one month. Engineering will have the easement costs also available for the October 28th meeting. People would want to know the cost of the project, and part of that would be known after the contract bids were received. The contract award would not have to happen until January 2009.

MOTION: Motion was made by Forseth, seconded by K. Anderson, to approve the plans and specifications for the bidding of the West French Lake Utility Improvements Project.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED. Nays: none

ITEM M: Special Assessment Appeal Settlement Agreement: VS 13 vs City of Dayton :

MOTION: Motion was made by Forseth, seconded by K. Anderson, to table.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED. Nays: none

ITEM N Resolution 46-2008: Elected Official / Employee Travel Policy S.R.#119 -2008

Assistant to the Administrator Stwora brought to the Council a draft of a Travel Policy. The 2007 Financial Audit recommended that the city update the Travel Policy. The draft Travel Policy would also include a per diem amount, reimbursed at the IRS rates for geographical areas around the country, for travel / conference expenses, for food, when meals are not part of the event.

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MOTION: Motion was made by Forseth, seconded by McNeil, to approve Resolution 46-2008: City of Dayton Elected Official / Employee Travel Policy.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM O: Ordinance 2008-16: Ordinance 2008-19 Summary: Wetland Ordinance
S.R.# 120-2008

Assistant to the Administrator Stwora brought before the Council the proposed Ordinance 2008-19, an Ordinance amending the Dayton City Code Subdivision Ordinance, regarding wetlands. She explained that as part of the 2030 Comprehensive Plan Update, Staff is required to review, update and draft ordinances to assure compliance with new standards and the updated Comprehensive Plan. The City applied for and received a grant from the Minnesota Department of Natural Resources to assist in crating and updating ordinances to protect environmental assets within the community. The intent of the Wetland Ordinance is to regulate wetlands and the land uses around them, due to the critical role wetlands serve in the City, including stormwater management, water quality, flood and erosion control, food and habitat for wild life, passive open space, as well as other beneficial roles wetlands serve in the community including physical, educational, ecological, aesthetic, recreational and economic assets to the City. At their August meeting, the Planning Commission discussed the proposed Wetland Ordinance and recommended approval on a 4-0 vote.

Council member McNeil asked where the expertise opinion for the ordinance was from. The City referenced about 10 other ordinances that have been recently approved. The desire of the Planning Commission was not to be the most strict regarding the ordinance. Council member Hoke asked why the City would need the ordinance if the State law would be effective. Assistant to the Administrator Stwora explained that this would not affect someone putting up a shed in the backyard. There are different standards for the lakes than the wetlands. The buffers in the Ordinance are more restrictive than the City's best management practices policies.

MOTION: Motion was made by McNeil, seconded by Forseth, to approve Ordinance 2008-16: Dayton Subdivision Ordinance Regarding Wetland and Summary Ordinance 2008-18, and to publish the Ordinance in Summary form.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

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**ITEM P: Ordinance 2008-17 and Ordinance 2008-19 Summary: Steep Slope Ordinance
S.R. #121 -2008**

Assistant to the Administrator Stwora brought before the Council proposed Ordinance 2008-17, an Ordinance amending the Dayton City Code Subdivision Ordinance, regarding Steep Slopes. As part of the 2030 Comprehensive Plan Update, Staff has been directed to review, update and draft ordinances. Staff applied for and received a grant from the Minnesota Department of Natural Resources to assist in creating and updating ordinances to protect environmental assets within the community. The intent of the steep slopes ordinance is to prevent structures from being placed on steep slopes and to protect steep slopes on properties that may be developed in the future. At their August meeting, the Planning Commission discussed the proposed Wetland Ordinance and recommended approval on a 4-0 vote.

MOTION: Motion was made by Forseth, seconded by K. Anderson, to approve the Ordinance 2008-16 and Summary Ordinance 2008-18, regarding amending Dayton Subdivision Ordinance Regarding Wetlands.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM Q: HEMLOCK LANE PROJECT CHANGES S.R. #122-2008

- **Change Order for LaTour, Part 1 – Evergreen Lane Sanitary Sewer, part of 134th Avenue Street and Utility Extension**
- **Assessment Waiver for Tom Dehn, Steve Johnson, and Steve and Dora Johnson**

Engineer Mark Hanson reviewed the Change Order No. 1, Hemlock Lane, for LaTour Construction, Inc., in the amount of \$99,104.35. The Change Order would be approved, subject to the respective property owners signing the assessment waiver. Staff has been coordinating sanitary sewer and water service to the three parcels along Evergreen Lane. The property owners are Tom Dehn, Dora and Steve Johnson, and Steve Johnson. All three properties are included in the Hemlock Lane project and abut Evergreen Lane. The property owners have come to an agreement to finance the east-west sanitary sewer construction for \$19,780. Based on the costs to construct the north-south sewer, the property owners have not agreed to finance the north-south sanitary sewer.

Staff has also been reviewing the extension of 134th Avenue (utilities/street) to Hemlock Lane. The advantages to extend 134th Avenue to Hemlock Lane are as follows:

- Completes a water main loop to Hemlock Lane
- Completes the street improvements to the intersection of Hemlock Lane vs. mid block as it presently exists in the contract.

- The vacant property to the north of 134th Avenue wants to subdivide, therefore completing the utilities allows the property to be served with services in a conventional manner.
- The street frontage abutting the vacant property on 134th Avenue would be completed with a similar street section.

The property owner for the vacant lot north of 134th Avenue has agreed to accept the assessment and sign an assessment waiver, which will offset the cost to extend 134th Avenue. The two properties south of the vacant lot, which are not included in the extension of 134th Avenue to Hemlock Lane, would be given the opportunity to pay for a sewer/water service (or an additional service) if the utilities/street in 134th Avenue are extended, however they are not proposed to be included. The two properties would be responsible for their cost if and at the time they connect to the sewer/water service.

Change Order 1 is divided into Part 1 and 2 as noted below:

- Part 1 provides for the lateral sanitary sewer extended east-west from Evergreen Lane to serve the three properties. At this time, it is not certain based on the cost, that the property owners can agree to the north-south sewer extension abutting Evergreen Lane. Engineer Hanson informed the Council that the property owners are not interested at this time.
- Part 2 extends utilities/streets in 134th Avenue to Hemlock Lane.

Part 1. Sanitary Sewer Lateral Evergreen Lane	\$15,820.30
Part 2. Sanitary Sewer Extension 134th Ave	<u>\$83,284.05</u>

Engineer Hanson mentioned that Part 1 will not be considered, because property owners have changed the Project.

The total assessment for the 134th Avenue Utility / Street Extension for the property would be \$34,490. The difference from the current assessment and the new cost for the expanded properties would be \$77,783.00. The properties on the south side of 134th Avenue have expressed interest in subdividing their lots. Engineer Hanson mentioned that any service stub put in now would need to be paid for now. Tom Dehn was present and asked if the Council had any concerns about the lot size and the front footage on the street regarding his property. This property would need to go through a formal subdivision and public hearing before it could be subdivided.

MOTION: Motion was made by Hoke, seconded by Forseth, for Change Order Number 1, Part 2, in the amount of \$83,284.05.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil

Nays: none

MOTION DECLARED PASSED.

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ITEM R: Town and Country's proposal regarding Hayden Hills Golf Course Property Restoration: S.R.# 123-2008

Engineer Hanson reported that the City of Dayton has negotiated a right-of-entry to construct trunk sanitary sewer/trunk water main across Hayden Hills Golf Course for the NE Dayton Area 1-6 Project. The trunk utilities have been constructed and the seeding restoration was done early summer by J. R. Larson, a subcontractor to LaTour Construction, Inc. All work has been satisfactorily completed, with the exception of the seeding restoration. The Golf Course owners/City Staff are not confident the seeding restoration corrective work will be properly completed by LaTour's subcontractor. City Staff has met with Golf Course representatives, LaTour, J.R. Larson, and Town and Country Landscaping of Rogers, Inc., to review the next steps to properly complete the seeding restoration on the golf course property. The attached proposal from Town and Country is for \$12,988 to properly complete the seeding restoration work to the satisfaction of Hayden Hills Golf Course.

The seeding work J.R. Larson completed this summer is valued at, per the contract, \$2,950, which will not be paid. The final easement negotiations with Hayden Hills Golf Course are not finalized to secure and record the final easement. To date, Hayden Hills Golf Course has been paid \$47,685, in accordance with the City's appraisal and miscellaneous expenses paid out by the Golf Course. Staff's recommendation is to accept the proposal from Town and Country (\$12,988) to complete the seeding restoration work on the golf course and not pay LaTour Construction Inc. (\$2,950) for the seeding restoration completed to date. The City of Dayton and Town and Country Landscaping of Rogers Inc. would enter into an agreement based on the proposal. The additional cost would be paid through the bond issuance regarding the NE Area 1-6 Project.

MOTION: Motion was made by McNeil, seconded by Forseth, to enter into an agreement with Town and Country in the amount of \$12,988 for the restoration of Hayden Hills Golf Course and to withhold the payment of \$2,950 for the work completed by J.R. Larson.

Council member Forseth suggested the City hold the companies responsible for the jobs that they do and not have the City always pick up the extra tab.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM S: Consideration of Interim Financial Services of Abdo, Eick, and Meyer Financial Consultants: S.R. # 124-2008

Administrator Orduno reported that in August, 2008, the City's Finance Director submitted his letter of resignation to take a position with another community. The City immediately advertised the position, and placed a deadline of September 4, 2008 on application submittals. City Staff has

decided to extend the application deadline to September 17, 2008. It is anticipated that interviews may take place sometime the week of September 29, 2008. City Staff is hopeful that a recommendation could be made for a candidate at the October 14, 2008 meeting, and assuming the candidate would give the current employer a two week notice, we would have someone on staff the first week in November.

Administrator Orduno reported that there are several financial items that need to be taken care of in the interim. City Staff has contacted Abdo, Eick & Meyers, since they had prior experience with the City. Staff met with Steve McDonald and discussed the following items that will need attention prior to the start date of a new Finance Director:

- Review 2008 reconciliation of bank statements for completion and agreement with 2007 audit amounts
- Proof budget form and enter into Banyon
- Organize and attend weekly finance meeting until Finance Director position is filled and spend 4-8 hours a week in office as needed
- Implement procedure in Banyon to ensure escrow accounting is accurate and efficient.

Based on the aforementioned task, the City will be charged on a per hour basis. The estimated cost of the tasks range from \$5,380 to \$8,280, based on the hours needed and tasks requested. The cost of Abdo, Eick & Meyers to complete the tasks equals the approximate cost of the full-time Finance Director position salary and benefits for approximately eight weeks.

MOTION: Motion was made by Forseth, seconded by McNeil, to enter into an agreement with Abdo, Eick, and Meyer for Interim Financial Services, and to have the Mayor sign a letter of agreement.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM T: Update on the NE and SW Utility and Street Projects S.R. # 125-2008

Engineer Hanson reported on a project update for the NE Dayton Areas 1-6 and the Wicht Industrial Park / SW Dayton Phase 1A Projects. The update included information on startup/connection to sewer and water for the NE Dayton Areas 1-6. It also included details on project status, contract and project schedule for all of the projects with in the NE Dayton Area 1-6 and Wicht Industrial Park / SW Dayton Phase 1A Project. The update also included comparisons of revenue and estimated final costs. Engineer Hanson reported that 90% of the contracts have been completed.

NE Areas 1-6 and SW Industrial Park:

The NE Area Project has a final estimated cost of \$23,224,223 with the bond sales for \$22,573,700 and a revenue deficit of \$275,805. The SW Industrial Park Project had a surplus of \$481,304. The surplus is because State Aid money is encumbered and can be spent on the project.

The deficit in the NE Project is due to the following:

- Soil correction on So. Diamond Lake Road and No. Diamond Lake Road
- Driveway restoration specifically in Contract 1, Area 1 & 2.

The overall surplus for the Wicht Industrial park Project / SW Dayton Phase 1A Project is due to the fact the City was able to acquire Municipal State Aid Funds (\$442,779.83). The additional indirect cost is construction engineering, soil testing, above the estimated cost. The indirect costs are 25% for city administration, legal, easements, and engineering. The indirect costs are added to the construction cost for a project cost. Indirect costs could be more because of the easement acquisition costs. There was \$210,749 for the easements. The NE overage costs are outlined in the South Diamond Lake Road and Vinewood construction. The cost for the restoration / seeding is \$332,500.

Council member Hoke asked about the payments to the contractors and whether the City is holding enough retainage to have the seeded areas restored. The retainage that the City is holding for all of the areas is \$785,370. Engineer Hanson reported that that amount was sufficient for restoration. He reported that Contract 2 has been completed, except for the clean up of the Project. He also reported that the contractors are aware that the seeding is unacceptable and have been put on notice. There was an expectation that the work would be done properly or there would be no payment to the contractors.

Council member Hoke is also concerned about the steepness of the ditch along Vinewood Lane. Some of the ditches need to be steep because of the private utilities and the road right of way that was available. There was discussion that the steepness of the ditches could be corrected if the culvert on Vinewood were extended. There would an additional cost of about \$10,000. There would be at least 10 culverts that could be extended. There will be reseeding done later this week. The culverts are protecting the roads and the properties so that the water does not sit in the roadway. Hoke said that there are some exposed utilities in the ditches. One location is on Vinewood. The Council had concerns about the fire hydrants set too high. Engineer Hanson reported that there is a punch list of things that need to be completed and hydrants are on the list to be set.

It was reported that water supply/ storage is expected to be operational the week of September 22nd and that the Metropolitan Council Environmental Services substantial completion date for their work in Champlin is October 31st. Staff will be confirming the water and sewer operation start-up and will notify the Dayton residents that the system will be operating by October 31, 2008.

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MOTION: Motion was made by McNeil, seconded by Hoke, to approve the payments to the Contractors in the NE and SW Area Projects.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

ITEM U: Consideration of participation in 1,000 Friends of Minnesota's Grant Program in Conjunction with the Zoning Ordinances Updates **S.R. # 126-2008**

At the May 13th, 2008 City Council meeting, the Council directed Staff to apply for the Community Growth Options grant offered by 1000 Friends of Minnesota. Staff submitted the completed application on May 15th, 2008.

At this time, five of the ten cities have been selected for the grant program. Dayton has not been selected as one of the five. It is unknown when the remaining five will be selected. As a part of the 2030 Comprehensive Plan Update, the City of Dayton is required to complete a Zoning Ordinance update in conformance with their new plan. City Staff continues to find deficiencies in the Zoning Ordinance that need immediate attention. Staff has currently encountered major issues with the Mississippi Critical Area Ordinance as it pertains to uses, density and lot sizes. Participation in the 1,000 Friends of Minnesota grant program requires a six year time commitment. The City would be required to fund a portion of the grant on an increasing scale from \$6,000 to \$30,000 maximum each year, beginning in year two of the program. Council member Forseth mentioned his concern of expending a lot of Staff time if the grant was not renewed.

MOTION: Motion was made by Forseth, seconded by McNeil, to move forward with the Zoning Code Update.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, and McNeil
MOTION DECLARED PASSED.

Nays: none

REPORT OF OFFICERS

COUNCIL UPDATES

Council Member Forseth asked about the speed limits on CR 121. Staff will do a follow up. Council Member Hoke asked about the trail along South Diamond Lake Road and whether the City would be having a crosswalk on Pineview Lane. The crosswalk is scheduled for painting. Council member Hoke also had concerns about the end of the ramp on the trail and kids just coming off of the trail and onto the road. Council member McNeil informed he has discussed with the Park Commission and they have had discussion with the University of Minnesota about the landscaping of

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South Diamond Lake Road and the streetscape.

ADJOURNMENT

MOTION: Motion made by Forseth seconded by McNeil, to adjourn.

Ayes: D. Anderson, Forseth, Hoke, K. Anderson, McNeil

Nays: none

MOTION DECLARED PASSED.

APPROVED: September 23, 2008 ATTEST: _____