

**MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF EAST GULL LAKE, COUNTY OF CASS, STATE OF MINNESOTA
REGULAR SESSION
September 4, 2018
6:30 PM**

Mayor Kavanaugh called the September 4, 2018 regular Council meeting to order at 6:30 PM.
The pledge of allegiance was recited.

ROLL CALL

Present: Mayor Kavanaugh, Councilors Lang, Ruttger, Demgen and Hoffmann, City Administrator Mason, Planning Commission Chair Bruce Buxton, Public Works Director Jasmer, Administrative Assistant Schack

Absent: None

Audience: Eric Peterson of Cragun's, Jerry Stromberg, Tim Bergin, Herm Schley, City Attorney Tom Pearson, Dutch Cragun, Matthew Delaney

ADOPTION OF AGENDA

- 4a. Additions: 14d. Joan Peterson – Vacation of walkway by Birch Grove Rd
13b. Terry Sluss letter regarding Gull Lake Dam Road "T"
- 4b. Deletions: None

Councilor Demgen moved and Councilor Hoffmann seconded the motion to approve the agenda as amended. All present voted in favor thereof. Motion carried.

ADOPTION OF CONSENT AGENDA

Councilor Demgen moved and Councilor Hoffmann seconded the motion to approve the following Consent Agenda items. All present voted in favor thereof. Motion carried.

- 5a. August 7, 2018 City Council Meeting Minutes
- 5b. Financial Report
 - ◆ July, 2018 bank statement information
 - Checking Account
 - Total Additions: \$308,316.31
 - Total Subtractions: \$522,366.36
 - Ending Balance: \$176,570.96
 - Interest Earned to date: \$12.00
 - Money Market Account
 - Interest Earned: \$519.01
 - Ending Balance: \$404,868.12
 - Interest Earned to date: \$4,824.97
 - ◆ Approve August, 2018 Check Register
 - Claims 19992 to 20039 for total amount of \$111,441.99
 - ◆ Approve August, 2018 payroll EFT payments
 - EFT Payroll: \$15,893.96; EFT Transmittals: \$15,382.63
 - ◆ Monthly Budget Report, Delinquent WW Customers Report

OPEN FORUM**

None

PLANNING & ZONING

- 7a. Cragun's LEGACY VILLAGE Zoning change, CUP & PUD
Chair Buxton reviewed the proposed LEGACY VILLAGE Zoning change, CUP & PUD. He noted the Planning Commission recommends approval of all three of the requests, subject to the findings and conditions approved by the Planning Commission.

Chair Buxton reviewed the rezoning request noting on the drawing the property to be rezoned. He noted the portion to be zoned to R2 to be part of the PUD, the portion to be zoned to REC and be part of the golf course, and the two parcels to the north purchased by Cragun's to be zoned as R2. He noted that SEH and the attorney will provide the appropriate legal descriptions.

Councilor Lang moved and Councilor Demgen seconded to approve the rezoning request 2018-34A for property concerning the PUD as recommended by the Planning Commission. All present voted in favor thereof. Motion carried.

Chair Buxton reviewed the CUP request. He noted that the conditions generally conform to the requirements of the City Ordinance. He noted there are minor variations relative to the buffer zones stating a proposed 30 feet buffer along the north side and a proposed 26-foot buffer along the west side of the existing maintenance building facilitating the proposed requirement for six-foot opaque fencing in addition to the landscaping and screening, shielding the HOA from the maintenance facility. He pointed out the portion of golf course property on the southern end and along the southeastern edge of the PUD will be a permanent easement to create a buffer for the HOA. He stated that there was one condition that was requested and discussed regarding a requirement to restrict access from the golf course to Suomi Drive which was not included in the approved CUP. He noted the majority of the Commissioners believed there are controls already in City Ordinance to prevent that from occurring. He also stated that should the owners of the golf course ever request access to Suomi Drive, the request would need to be presented to the Planning Commission and City Council for approval, therefore, that condition was not included in the approval. The Council voted to approve the CUP for the PUD subject to the findings and conditions recommended by the Planning Commission.

CUP Findings:

1. East Gull Lake has very few transitional type housing units off the lake for those that do not wish to have or maintain a single-family home. Residents who purchase these units tend to be older as they enjoy the social involvement with others and the fact the homeowner's association does the tasks typically required in Single family ownership.
Our Current Comprehensive plan states on page 16: The City should encourage and support housing developments that provide for different housing options and styles. The housing currently available in the City is largely composed of detached single-family homes with average prices higher than that found in the region. Residents seek to diversify the housing stock to include different housing types, such as townhomes, that will allow residents to remain in the City as they age and that will encourage younger residents to move to the City.
2. Draft Covenants and Easements have been provided by the developer for owner protection and City access to adjoining property for utilities.
3. The use or development, with conditions, conforms to the comprehensive land use plan that emphasizes preserving rural character. The City Code section VII section 8.7-1.3.6C Page 323 also allows for preservation of rural character within the community by allowing PUD density increases when certain conditions are met such as City Sewer being available and the distance from any shoreline. For many years while I was on the planning commission, the city was criticized for only offering 2.5-acre developments. All the developed properties during that time were not HOA developments with services provided that transitional couples are looking for today. Families were looking for privacy and larger homes at that time. The last real condensed PUD was the East Pointe development started in 1985. This is an HOA that is very popular and resale of homes is at an all-time high.
4. An engineered storm water pollution prevention plan has been submitted.
5. A preliminary Landscape plan has been submitted for the proposed development area with trees and shrubbery provided. The development would also be screened from the roads by existing vegetation in areas left in their natural state.
6. New roads will be added in the development with connections to the city road, Gull River Road and the county road Cass County State Aid Highway 70 or East Gull Lake Drive. Connections to these roads will receive City and County approval for safety. Presently a right-hand turn lane will be added by the developer on the north right entrance to Legacy Drive. These new roads would be built to City and County standards and then dedicated to the city and county when completed to City and County Specs for future ownership and maintenance.

7. The entire PUD would have 23.34% of impervious coverage including all estimated structures, parking areas, roadways, trails, pickleball courts and other hard surfaces. This meets the standard of less than 25% impervious with a storm water plan, as provided.
8. Setbacks of home sites from the road right of way is a minimum of 20 feet. Setbacks vary from 20 feet to 96.4 feet with the coving concept. The average setback for the 38 homes is 28.96 feet (City road standards are 30 feet from the ROW.)
9. The East Gull Lake Wastewater and Road committee met on July 11th 2018 and has reviewed the road and sewer plans and with a motion by Jerry Stromberg and a second by Dennis Lang, the vote was passed unanimously by the committee.
10. The Conditional use will not be a financial burden to the City as the extra tax revenue and additional sewer revenue will more than offset any City expense.
11. **Density issue comparisons in East Gull Lake**
 I have compared three different PUD's currently in East Gull Lake for density comparisons;
East Point Developed in 1985, Originally designed for 72 units on 23.48 acres. All in the R3 zoning area and primarily first and second tier. 1,022,788 sq. ft total property area divided by **72 units is 14,205 sq. ft per unit**, second 36 units was abandoned from approved plan so the development ended up to be **36 units at 28,410 sq. ft per unit**
Green Hill Townhouse Developed in 1978 Designed for 20 units on 5.426 acres. All in R3 zone all in the first and second tier. 20,337 sq. Ft. in total property area divided by **20 units is 11,816 sq. Ft per unit**
The Harbor developed in 2016 Designed for 27 units on originally over 58 acres. Property was donated to the city after the development was approved and the housing portion sits on 26 acres all on tier 1,2 and 3 on land zoned R3 and R2 or 1,132,560 Sq. Ft of total property area divided by **27 units is 41,946 sq. Ft per unit**
Legacy Village proposed in 2018 Proposed for 38 units on 24.11 acres all to be rezoned to R2. Property is more than 1,250 feet from any shoreline and falls beyond any tier. 1,050,211 sq. ft of total property area divided by **38 units is 27,637 sq. ft per unit**

The Legacy Village PUD falls approximately in the middle of other PUDs already approved since the original East Point and the Green Hill Townhouse PUD's are much denser. The big factor is this development is 1,250 feet away from any lake. It has City Sewer facilities available to the area and is also very close to a major golf facility that will attract buyers to the development.

On computing standard density in the Legacy Village proposed PUD:

1. There are approximately 24.81 usable acres for the development.
2. There are 38 proposed building sites that range from 8,218 sq. ft to 22,785 sq. ft.
3. The PUD impervious coverage calculations for the entire 24.81 acres is as follows;
 - 75,705SF Road Impervious area
 - 1,000 Well House Impervious
 - 117,318 SF House pad impervious area (see chart SF for each 60 x 60 Pad)
 - 51,862 SF Projected driveway impervious area
 - 3,600 SF Pickleball court area
 - 5,665 Trails – Cart Paths
 - 1,084,025 SF Total PUD area

23.47% Percentage impervious for entire property involved

NOTES: Building pads are calculated at (see chart) SF
 Driveways averaged at (see chart) '
 38 total lots in PUD

Please see Exhibit A on plans provided for Impervious

4. The PUD meets all density requirements in our ordinance.

On the design criteria for a PUD:

1. The PUD proposes 38 units, which exceed the minimum requirement of three units.
2. The required **50-foot vegetative buffer** around the development is indicated on the Preliminary Plat
3. Based on details provided with the preliminary plat, the 25 percent open space requirement has been met with a total of 39.3 % total.

4. More than **50.3 % percent of the development is common space**, which exceeds the requirement of 50%. Common space includes the stormwater management ponds, the 50-foot vegetative buffer, and recreation facilities.
5. The common spaces are managed by the Home Owners Association created for the residential development.
6. The PUD **includes a 10-year, 24-hour stormwater management plan**.
7. The applicant has submitted a professionally prepared stormwater management plan.
8. The development will be connected to the City sewer system for all 38 lots to be sold and additionally the maintenance building, Dorms and adjacent rentals homes will be hooked up in the near future.
9. All on site lighting to be installed will be pointed downward or away from neighboring properties.
10. All building colors will be in conformance with the City Ordinance. This is set in the Owners Covenant restrictions as well.
11. A grading, drainage and erosion control plan has been submitted.

CUP Conditions:

1. The City Attorney shall review the draft covenants for the Home Owners Association to make sure they follow City code. The review shall only be to determine how the documents administer and enforce the provisions and conditions of this approval. These documents must be deemed acceptable to the City Attorney or revisions shall be made to make them acceptable.
2. The City shall be notified when erosion control measures are in place before construction so that a site inspection can take place.
3. The City Engineer shall review the sewer connections for compliance to City and State codes.
4. Upon final completion and inspection of the new roads proposed to City Specifications and the completion of the Waste Water Collection system being completed according to the City Engineers Specifications, these public facilities will be turned over to the City of East Gull Lake when 50% of the homes are sold within phase one and the same condition for phase two for future maintenance. The second lift of bituminous will not be installed until 75% of the lots are sold and built on and the city will retain escrow until completed.
5. Existing tree vegetation shall be marked, fenced and preserved, wherever possible.
6. All structures shall conform to the City's minimum building standards for a PUD and to the state building code.
7. Any future changes to the Property Owners Association Covenants shall be submitted to the City for approval as a modification to the Conditional Use Permit. All changes will be submitted to the City Planning and Zoning Administrator. The declaration shall include a provision to this effect.
8. Developer will extend the wastewater stub to Gull River Road within public easement for potential future wastewater construction.
9. Developer will show an easement for the HOA on the driveway going to the maintenance building to prevent future owners from eliminating this option.
10. Developer shall pay all costs of installation of the public infrastructure.
11. Developer shall post an escrow account with an estimated dollar amount to cover cost (estimate \$10,000) incurred by the City Attorney, City Engineer and any city staff required to verify improvements are installed as required by approvals.
12. All infrastructure and general association improvements must be installed prior to obtaining a certificate of occupancy for any of the residential units. This would include the pickle ball courts, and public roads, subject to the second lift of pavement.
13. Construction of all structures shall conform to the building code of the State of Minnesota.
14. All mail delivery shall be done as approved by the US Postal Service.
15. The execution of the appropriate Developers Agreement to ensure compliance with the conditions of approval and compliance with the relevant ordinances and statutes.
16. A Residential PUD shall meet the following open space requirements:
 - a. At least 25% of the total project area shall be preserved as open space, plans show 39.03% currently
 - b. A minimum of 50% open space shall be left in its natural state and shall be contiguous, plans show 50.3%
 - c. Dwelling units or sites, road right-of-way, land covered by road surfaces, parking areas, stormwater basins, collection and treatment areas, structures and landscaped areas which are routinely maintained are developed areas and shall not be included in the computation of minimum open space.

- d. Open space shall include areas with physical characteristics unsuitable for development in their natural state, and areas containing significant historic sites or un-platted cemeteries.
 - e. A 50-foot buffer is to be maintained or established along the boundary of the PUD and a public road. A 30-foot buffer shall be maintained to the north and west of the maintenance facility. The buffer shall be included as open space, minus areas used as accesses.
 - f. The appearance of open space areas shall be preserved by use or restrictive deed covenants, permanent easements, public dedication and acceptance, or other equally effective and permanent means acceptable to the City.
17. A PUD shall develop and maintain a stormwater management plan indefinitely
 - a. Capacities of existing drainage ways shall be maintained.
 - b. Inlets and outlets to adjacent parcels shall be maintained.
 - c. All PUD's shall contain the 10-year, 24-hour storm even within the development
 - d. Runoff from the parcel shall not be concentrated unless part of a city stormwater management plan
 18. The PUD shall be connected to the City sewer systems where available and designed and installed to meet or exceed applicable standards or rules of the Minnesota Department of Health and the Minnesota Pollution Control Agency.
 - a. A central water system will be installed to MN Dept of Health Standards and maintained by the HOA
 - b. Based on the City engineer's recommendation, all drainage facilities are to be owned and maintained by the HOA. Any damage to City infrastructure due to drainage or water system activities are to be the responsibility of the HOA.
 19. Existing resort dormitories and maintenance facilities shall be required to be hooked up to City sewer with appropriate ERC's and current connection fees charged by size when the wastewater system is operational for the development. Existing adjoining rental homes at 11363 Suomi Dr. and 11391 Suomi Dr. will be connected to City sewer if a permit to expand their footprint is requested or if the existing wastewater system fails. Cragun's will use existing connection fee credits for sewer connection fees and if units required to connect are not connected to the wastewater system within a year, quarterly billings will begin at that time.
 20. All PUD's shall develop and maintain erosion control by MPCA rules throughout construction activities. All ground shall be restored or stabilized as soon as possible after being disturbed.
 21. All planned exterior lighting shall be directed downward and shall not illuminate adjacent parcels that are directly or indirectly affected.
 22. All PUD's shall meet the following building standards:
 - a. Parking and driving areas must be paved
 - b. All buildings shall be earth tone in color, no vinyl siding shall be allowed, and shall be designed, constructed and positioned to be compatible, in color, character and mass, with the surrounding land use.
 23. Developer is allowed to proceed with construction provided final plat is recorded prior to Certificate of Occupancy.
 24. A 6-foot-high opaque fence will be constructed by Cragun's along the West and North sides of the maintenance shop along with additional common space property for the HOA as part of the plat.
 25. Driveway entries along a cul-de-sac area will be limited to a 12-foot width at the entry point and then expand according to impervious coverage to garage.
 26. A system of not to exceed 24% impervious coverage will allow some flexibility by maintaining records of as-built and comparing to the impervious chart. Credit will be allowed on larger lots if impervious is less on others.
 27. Trees to be planted along County Road 70 shall be mixture of sizes and maintained and replaced if there is tree failure.

Councilor Hoffmann moved and Councilor Lang seconded to approve CUP 2018-34B – Cragun's LEGACY VILLAGE subject to the 11 findings and 27 conditions as presented by the Planning Commission. All present voted in favor thereof. Motion carried.

Chair Buxton addressed the Council regarding the Preliminary Plat PUD. He noted that it is recommended for approval by the Planning Commission. He noted that there was much discussion regarding the density and landscaping. He stated that the amount of impervious surface was required to a limit of 24% overall. It was noted that the engineers determined an impervious surface chart with site plan showing each lot's limit, realizing that the percentage can be swapped to keep the overall percentage at 24%. It was noted that

following approval, construction can begin provided the Final Plat is recorded prior to the occupancy of any buildings in the PUD. It was also noted that while the City of East Gull Lake has not adopted the building code, all construction needs to meet the building code requirements. Discussion ensued regarding the wastewater line being extended to Gull River Road for future connections.

PUD Findings:

1. East Gull Lake has very few transitional type housing units off the lake for those that do not wish to have or maintain a single-family home. Residents who purchase these units tend to be older as they enjoy the social involvement with others and the fact the homeowner's association does the tasks typically required in Single family ownership.
Our Current Comprehensive plan states on page 16: The City should encourage and support housing developments that provide for different housing options and styles. The housing currently available in the City is largely composed of detached single-family homes with average prices higher than that found in the region. Residents seek to diversify the housing stock to include different housing types, such as townhomes, that will allow residents to remain in the City as they age and that will encourage younger residents to move to the City.
2. Draft Covenants and Easements have been provided by the developer for owner protection and City access to adjoining property for utilities.
3. The property is properly zoned for residential PUD based upon the approval of rezoning the REC zone.
4. A Storm water Pollution Prevention Plan has been submitted.
5. All properties will be connected to the City sewer system.
6. Easements for public utilities and drainage are provided for.
7. No lots will require a variance for development based on the conditions of the PUD approval.
8. A preliminary Landscape plan will be submitted for the proposed development area with details on trees and shrubbery provided. The development would also be screened from the roads by existing vegetation in areas left in their natural state.
9. New roads will be added in the development with connections to the city road (Gull River Road) and the county road (Cass County Sate Aid Highway 70 or East Gull Lake Drive). Connections to these roads will receive City and County approval for safety. Presently a right-hand turn lane will be added by the developer on the north right entrance to Legacy Drive. Upon final completion and inspection of the new roads proposed to City Specifications and the completion of the Waste Water Collection system being completed according to the City Engineers Specifications, these public facilities will be turned over to the City of East Gull Lake when 50% of the homes are sold within phase one and the same condition for phase two for future maintenance.
10. The entire PUD would have 23.34% of impervious coverage including all estimated structures, parking areas, roadways, trails, pickleball courts and other hard surfaces. This meets the standard of less than 25% impervious with a storm water plan, as provided.
11. Setbacks from the road right of way is a minimum of 20 feet. Setbacks vary from 20 feet to 96.4 feet with the coving concept. The average for 38 homes is 28.96 feet (City road standards are 30 feet from the ROW.)
12. The East Gull Lake Wastewater and Road committee has reviewed the road and sewer plans on Wednesday July 11th and with a motion by Jerry Stromberg and a second by Dennis Lang, the vote was passed unanimously by the committee.
13. **Density issue comparisons in East Gull Lake**
I have compared three different PUD's currently in East Gull Lake;
East Point Developed in 1985 Originally designed for 72 units on 23.48 acres. All in the R3 zoning area and primarily first and second tier. 1,022,788 sq. ft divided by 72 units is 14,205 sq. ft per unit, second 36 units was abandoned so the development ended up to be 36 units at 28,410 sq. ft per unit
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The Harbor developed in 2016 Designed for 27 units on originally over 58 acres. Property was donated to the city after the development was approved and the housing portion sits on 26 acres all on tier 1,2 and 3 on land zoned R3 and R2 or 1,132,560 Sq. Ft divided by 27 units is 41,946 sq. Ft per unit
Legacy Village proposed in 2018 Proposed for 38 units on 24.11 acres all to be rezoned to R2. Property is more than 1,250 feet from any shoreline and falls beyond any tier. 1,050,211 sq. ft divided by 38 units is 27,637 sq. ft per unit

The Legacy Village PUD falls right about in the middle of other PUDs already approved since the original East Point and the Green Hill Townhouse are much denser. The big factor is this development is 1,250 feet away from any lake. Has City Sewer facilities available to the area and is also very close to a major golf facility that will attract buyers to the development.

On computing standard density in the Legacy Village proposed PUD:

- A. There are approximately 24.11 usable acres for the development.
- B. There are 38 proposed building sites that range from 8,027 Sq. Ft to 22,785 sq. Ft.
- C. the PUD impervious coverage calculations for the entire 24.11 acres is as follows;

75,705 SF Road Impervious area

1,000 Well House and Driveway

117,238 SF House pad impervious area (3,200 SF for each 60 x 60 Pad)

51,173 SF Projected driveway impervious area

3,600 SF Pickleball court area

1,084,025 SF Total PUD area

5,665 trails – Cart Path areas

23.47% Percentage impervious for entire property involved

NOTES: Building pads are calculated at (Refer to impervious chart) SF

Driveways averaged at (Refer to Impervious chart)'

38 total lots in PUD

Please see Exhibit A on plans provided

On the design criteria for a PUD:

1. The PUD proposes 38 units, which exceed the minimum requirement of three units.
2. The required **50-foot vegetative buffer** around the development is indicated on the Preliminary Plat
3. Based on details provided with the preliminary plat, the 25 percent open space requirement has been met with a total of 39.3 % total.
4. More than **50.3 % percent of the development is common space**, which exceeds the requirement of 50%. Common space includes the storm water management ponds, the 50-foot vegetative buffer, and recreation facilities.
5. The common spaces are managed by the Home Owners Association created for the residential development.
6. The PUD **includes a 10-year, 24-hour storm water management plan.**
7. The applicant has submitted a professionally prepared storm water management plan.
8. The development will be connected to the City sewer system for all 38 lots to be sold and additionally the maintenance building, Dorms and adjacent rentals homes will be hooked up in the future.
9. All on site lighting to be installed will be pointed downward or away from neighboring properties.
10. All building colors will be in conformance with the City Ordinance. This is set in the Owners Covenant restrictions as well.
11. A grading, drainage and erosion control plan has been submitted.

PUD Conditions:

1. The City Attorney shall review the covenants for the Home Owners Association to make sure they follow City code. The review shall only be to determine how the documents administer and enforce the provisions and conditions of this approval. These documents must be deemed acceptable to the City Attorney or revisions shall be made to make them acceptable.
2. The City shall be notified when erosion control measures are in place before construction so that a site inspection can take place.
3. The City Engineer shall review the sewer connections for compliance to City and State codes.
4. Upon completion of the new roads proposed to City Specifications and the completion of the Waste Water Collection system being completed according to the City Engineers Specifications, these public facilities will be turned over to the City of East Gull Lake for future maintenance. The second lift of bituminous will not be installed until 75% of the lots are sold and built on and the city will retain escrow until completed.
5. Existing vegetation shall be marked and preserved, wherever possible.
6. All structures shall conform to the City's minimum building standards for a PUD and to the state building code.

7. Any future changes to the Property Owners Association Covenants shall be submitted to the City for approval as a modification to the Conditional Use Permit. All changes will be submitted to the City Planning and Zoning Administrator. The declaration shall include a provision to this effect.
8. Developer will grant easements on Gull River Road for potential future sewer extensions.
9. Developer will show an easement for the HOA on the driveway going to the maintenance building to prevent future owners from eliminating this option.
10. Developer shall pay all costs of installation of the public infrastructure.
11. Developer shall post an escrow account with an estimated dollar amount (perhaps \$10,000) to cover cost incurred by the City Attorney, City Engineer and any city staff required to verify improvements are installed as required by approvals.
12. All infrastructure and general association improvements must be installed prior to obtaining a certificate of occupancy for any of the residential units. This would include the pickle ball courts, and public roads
13. Construction of all structures shall conform to the building code of the State of Minnesota.
14. All mail delivery shall be done as approved by the US Postal Service.
15. The execution of the appropriate Developers Agreement to ensure compliance with the conditions of approval and compliance with the relevant ordinances and statutes.
16. A Residential PUD shall meet the following open space requirements:
 - a. At least 25% of the total project area shall be preserved as open space, plans show 32.9% currently
 - b. A minimum of 50% open space shall be left in its natural state and shall be contiguous, plans show 50.5%
 - c. Dwelling units or sites, road right-of-way, land covered by road surfaces, parking areas, storm water basins, collection and treatment areas, structures and landscaped areas which are routinely maintained are developed areas and shall not be included in the computation of minimum open space.
 - d. Open space shall include areas with physical characteristics unsuitable for development in their natural state, and areas containing significant historic sites or un-platted cemeteries.
 - e. A 50-foot buffer is to be maintained or established along the boundary of the PUD and a public road. The buffer shall be included as open space, minus areas used as accesses.
 - f. The appearance of open space areas shall be preserved by use or restrictive deed covenants, permanent easements, public dedication and acceptance, or other equally effective and permanent means acceptable to the City.
17. A PUD shall develop and maintain a storm water management plan indefinitely
 - a. Capacities of existing drainage ways shall be maintained.
 - b. Inlets and outlets to adjacent parcels shall be maintained.
 - c. Based on the City engineer's recommendation, all drainage facilities are to be owned and maintained by the HOA. Any damage to City infrastructure due to drainage or water system activities are to be the responsibility of the HOA.
 - d. All PUD's shall contain the 10-year, 24-hour storm even within the development
 - e. Runoff from the parcel shall not be concentrated unless part of a city storm water management plan
 1. The PUD shall be connected to the City sewer systems where available and designed and installed to meet or exceed applicable standards or rules of the Minnesota Department of Health and the Minnesota Pollution Control Agency.
18. A central water system will be created by Cragun's to MN Department of Health standards with the system being owned and maintained by the HOA. Existing resort dormitories and maintenance facilities shall be required to be hooked up to City sewer with appropriate ERC's charged by size when the wastewater system is operational for the development. Existing adjoining rental homes at 11363 Suomi Dr. and 11391 Suomi Dr. will be hooked up to City Sewer if a permit to expand their footprint is requested or if the existing wastewater system fails. Cragun's will use existing connection fee credits for sewer connection fees and if units required to hooked up are not hooked up within a year, quarterly billings will begin at that time.
19. All PUD's shall develop and maintain erosion control by MPCA rules throughout construction activities. All ground shall be restored or stabilized as soon as possible after being disturbed.
20. All planned exterior lighting shall be directed downward and shall not illuminate adjacent parcels that are directly or indirectly affected.
21. All PUD's shall meet the following building standards:
 - a. Parking and driving areas must be paved

- b. All buildings shall be earth tone in color and shall be designed, constructed and positioned to be compatible, in color, character and mass, with the surrounding land use.
- 22 Developer is allowed to proceed with construction provided final plat is recorded prior to Certificate of Occupancy.
- 23 All drainage structures provided shall be sufficient in size to pass a 5-year, 24-hour storm to a natural drainage way and to pass a 100-year, 24-hour storm along a drainage way.
- 24 All area disturbed by grading, street construction or structure installation shall be covered with a three-inch natural topsoil and seeded. Drainage ways over two percent tin gradient shall, at a minimum, be sodded.
- 25 All parking areas, heavy use areas, storage areas and impervious area shall be diverted to a basin designed to allow entrapment of silt and nutrient prior to discharge to natural drainage way or public water.
- 26 Erosion control measures shall be provided where necessary in the opinion of the City Engineer.
- 27 A 6-foot-high opaque fence will be constructed by Cragun’s along the West and North sides of the maintenance shop
- 28 Driveway entries along a cul-de-sac area will be limited to a 12-foot width at the entry point and then expand according to impervious coverage to garage.
- 29 A system of not to exceed 24% impervious coverage will allow some flexibility by maintaining records of as built and comparing to the impervious chart. Credit will be allowed on larger lots if impervious is less on others.
- 30 Dedications to the Public
 - a. In accordance with the provisions of Section 462.358 of the Minnesota Statutes, or amendments thereto, the sub-divider shall dedicate, to the public, lands for highway right of ways, street right of ways, utility easements, wetland easements and similar lands required for perpetual and public improvements.
 - b. In addition, for every new subdivision of land involving three or more lots which are to be developed for residential purposes, the Planning Commission, with the concurrence of the City Council, shall require either a payment to the City or a land dedication for conservation purposes or for public use as parks, recreational facilities playgrounds, trails, wetlands, utility easements or open space, of a sum not to exceed ten percent (10%), of the fair market value of the land to be subdivided. The fair market value of the land to be subdivided shall be the value as determined by the Cass County Assessor at the time of Final Plat approval by the City Council. All dedications shall be included in the dedication portion of the plat, included in the development contract, or received by the City in Warranty Deed prior to the approval of the final plat, without further restrictions or reservations.
 - c. **Current Assessed land value as of 7-23-2018 for 2018 taxes payable 2019**

PID	87-028-2300	\$60,500.00	
	87-028-2301	\$66,000.00	
	87-028-2304	\$22,650.00	(50% of land value 2.5 acres used in plat)
	87-028-2302	\$9,360.00	(20% of land value 1.0 acres used in plat)
	87-028-3202	\$47,600.00	
	Total	\$206,110.00	

\$206,110.00 x 10% = \$20,611.00 Park Dedication fee to be paid upon preliminary plat approval
- 31 Developer is allowed to proceed with construction provided final plat is recorded prior to occupancy.

Councilor Demgen moved and Councilor Ruttger seconded to approve the Preliminary Plat PUD 2018-34 – Cragun’s LEGACY VILLAGE subject to the 11 findings and 31 conditions as presented by the Planning Commission. All present voted in favor thereof. Motion carried.

WASTEWATER & ROAD REPORT

- 8a. Pine Beach Lift Station Upgrade

Public Works Director Jasmer addressed the Council regarding Lift Station #5. He noted that previously the lift station was upgraded years ago. He noted that the oversized pumps are wearing out the pipes. He described the problems that are occurring noting that lift pumps are pumping continually using more electricity and wearing out equipment. He noted the controls need updating. Mayor Kavanaugh noted changing this lift station was in the facility plan. He noted the lift station should be upgraded within the next six months and that Jeff Ledin gave a proposal that the City feels is too high in cost. He stated that the City should obtain other proposals. The Mayor proposed postponing any action until next Council

meeting. It was noted that timing is an issue. Jerry Stromberg requested that the Wastewater Committee meet and review proposals prior to the Council Meeting to bring a recommendation.

PUBLIC SAFETY

No Report

PARK & TRAILS

10a. 2019 Budget Recommendation

The committee recommended an increase in the budget for maintenance purposes. The trails are over 10 years old and will need repairs. There is one portion in particular that needs repair. It was noted the sumac needs to be brushed along the trail.

Councilor Lang moved and Councilor Demgen seconded the motion to approve repairing the trail as recommended by the Park & Trails Committee: Up to \$4,000 for repair, up to \$1000 to cut brush and \$4,600.00 to remove and replace the noted specific section. All present voted in favor thereof. Motion carried.

PERSONNEL COMMITTEE

No Report

BUDGET COMMITTEE

12a. 2019 Budget Proposal – Resolution for Certificate of Proposed Levy for 2019

Mayor Kavanaugh opened the discussion regarding the Certificate of Proposed Levy 2019. Each fund was discussed and the following was decided for the proposed levy.

FUND	CERTIFIED LEVY
General Fund	\$140,000.00
Public Safety	\$56,650.00
Roads, Streets, & Highway	\$138,000.00
GO Bond 2015 Road Improvements	\$115,000.00
GO Bond 2011 Road Improvements	\$28,000.00
GO Bond 2013 Road Improvements	\$70,000.00
Parks & Recreation	\$28,000.00
Planning & Zoning	\$55,000.00
W.W. Plant Expansion	\$138,000.00
TOTAL CERTIFIED LEVY	\$768,650.00

Councilor Ruttger moved and Councilor Demgen seconded, the motion to adopt Resolution 09:02-18 – for the Certificate of Proposed Levy for 2019 for \$768,650.00 ; absent: Councilor Lang. All present voted in favor thereof. Motion carried by 4/5 roll call vote.

MAYOR’S REPORT

13a. Gull Dam Road Closure Discussion

Mayor Kavanaugh noted that the City and both Cass and Crow Wing Counties are against closing the road and constructing a new bridge and road connecting the two county roads. Administrator Mason noted there will be a meeting with the Colonel regarding the closing of the road.

13b. Letter received from Terry Sluss regarding the accident at the T on Gull Dam Road

Mayor Kavanaugh noted that the T on Gull Dam Road is a County Road. Administrator Mason read a letter from the County. It was noted that Terry will be directed to contact the County for more information.

CITY ADMINISTRATOR REPORT

14a. Resolution 09:01-18 – Nisswa Women’s Club; Raffle; May 28, 2019; Madden’s Resort

Councilor Ruttger moved and Councilor Hoffmann seconded the motion to approve Resolution 09:01-18; absent: Councilor Lang. Motion carried by 4/5 roll call vote.

14b. Quotes for new copier at City Hall

It was noted that the copier is almost 10 years old and parts can no longer be purchased should it need repair. Two quotes were received for a new copier. No action was made.

14c. LMC dues

It was noted that the annual dues for the League of MN Cities have not increased being still \$1,208.00.

14d. Joan Peterson; walkway vacation

The city received a letter from Gammello-Pearson stating there will be a hearing to vacate the public walkway on Birch Grove Road. It was noted that the City has no stake in the issue.

OLD BUSINESS

None

NEW BUSINESS

None

NEXT REGULAR SESSIONS OF CITY COUNCIL/OTHER MEETINGS

Planning and Zoning Meeting Tuesday, September 25, 2018 at 6:30pm

City Council Meeting Tuesday, October 02, 2018 at 6:30pm

Councilor Ruttger moved and Councilor Demgen seconded the motion to adjourn the meeting. All present voted in favor thereof. Motion carried.

Transcribed by East Gull Lake Administrative Assistant
Kathy Schack

These minutes are paraphrased and are not written word for word.

***CONSENT AGENDA ITEMS** are considered to be routine and noncontroversial by the Council and will be approved by one motion. There will be no separate discussion for decision of these items unless a Councilmember, staff member, or citizen so requests due to a speculative controversy, in which case the item will be removed from the consent agenda and considered under the regular agenda.

****OPEN FORUM** allows the public to speak to the Council regarding issues that are not on the agenda.